



CANADA

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OFFICIAL REPORT  
(HANSARD)

**Monday, June 11, 2001**

**Speaker: The Honourable Peter Milliken**

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# HOUSE OF COMMONS

Monday, June 11, 2001

The House met at 11 a.m.

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*Prayers*

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## PRIVATE MEMBERS' BUSINESS

• (1105)

[*English*]

### WOMEN VETERANS

**Mr. Peter Stoffer (Sackville—Musquodoboit Valley—Eastern Shore, NDP)** moved:

That, in the opinion of this House, the government should ensure that the contributions of women veterans are properly recognized and honoured in every provincial capital city by way of monument or statue.

He said: Mr. Speaker, this is a motion I first introduced in the House close to three and a half years ago. I might add that the motion did not come from me. It came from hundreds of women who I represent in the various legions throughout my riding. Since then, hundreds of other women in legions clear across the country have phoned, faxed or e-mailed to indicate their support for this motion.

I would first like to say that we as parliamentarians, past and present, should always be very proud of the valiant efforts of our Canadian military. Whether in World War I, the Korean conflict, World War II, the Gulf war, and so on, we should be very proud of the fact that our men and women were willing to risk their lives for us. However, for every person we sent over in World War I, World War II and the Korean war, the majority of them were men. Those men left behind sisters, mothers, daughters and wives.

I will focus my comments basically on World War II. In World War II we had over 48,000 women who served in the Canadian military in uniform. However that does not count the thousands of women who served in other capacities in our military component. They worked in the factories, the fields and the hospitals. Not only did they supply the materials needed for the war effort, they also looked after the families. We basically took women out of the

traditional role of the family, of staying at home more or less, and all of a sudden, because of the urgent need for women to assist, we moved them into the military. We also moved them into the factories in order to assist us to keep the war production going. Without the brave efforts of these women, we would not have been successful in our conflicts of years ago.

An article was written in the *Daily News* on November 11, 1999 by Lila O'Connor of Mahone Bay, Nova Scotia. She wrote:

In the 1940s women made their own decisions about apparel, employment and family finances. They grasped the wartime movement to establish new levels of social and economic independence for women in postwar Canada.

We can talk about the effects of war and what it did to this country but the part that is neglected many times in our conversations is the valiant effort of women and what they contributed to our country.

• (1110)

Women's history month was created in 1992 to encourage greater awareness among Canadians of the historical contributions of women to our society. The Veterans Appeal Board, which was a great help, set up a website where the stories of women veterans and women who participated in various conflicts around the world can be posted, stories of what they and their mothers, grandmothers, daughters and sisters have gone through.

In the great city of Winnipeg, one of the leaders in the country in promoting these values, there is a statue and a monument dedicated to women who served in the war, who served in conflict and who served in various capacities to assist in the war effort.

All the motion today asks is that a statue or a monument, similar to what Winnipeg has, be erected in every capital city in the country so that we properly recognize the women who served and gave so much, in an effort to honour them for what they have done.

I do not think there is a person in the country who does not get tears in their eyes on Remembrance Day when they see the silver cross mother lay the wreath at the cenotaph here in Ottawa, symbolizes a woman gave up her child for this country so that we could all live in a democracy.

One of the people who benefited from that was myself. My parents and oldest brother were liberated by the Canadian military in the liberation of Holland in 1945, the country where I was born. My father met a young Canadian soldier and asked him why

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Canada gave so much to help Holland. The young man said that they had a job to do. With that my father always said that if Canada had a military like that, can we imagine what kind of country they came from? In 1956 my parents made the decision to immigrate to Canada. That young Canadian soldier probably had a sister, mother, grandmother, wife or daughter back in Canada keeping the home fires burning so that he could do the job he was asked to do by his country.

Many times we as members of parliament talk about our families and the support they give us, which is very important for all of us in all political fields. In order to do our jobs effectively and do the nation's business, it is good to know that our loved ones and children are back home running their day to day lives. Without that support we could not do what we are doing. The same is true for military personnel, especially in times of conflict. Without the support of women back home keeping the home fires burning, looking after the families and working in the fields and factories, we would not have been successful in the war efforts.

The motion was not deemed votable by the parliamentary committee but I ask the indulgence of the governing party and others to support this initiative. Our women veterans are fading very quickly. Every day we lose more of them. This initiative came from women in legions and various organizations clear across the country who very simply have asked for their country to honour or recognize their efforts in perpetuity so that their stories will never be forgotten.

I know the House, after careful reflection, will look upon this and realize that in terms of financial costs it is minimal, but in terms of psychological costs it is tremendous. What it will do for women is to tell them that Canada values their initiatives, their support, the work they have done and the sacrifices they have made for our military.

As a proud Canadian and one who was not born here, I know very well that I owe everything I have to the efforts of our governments and our military who sacrificed so much during World War I, World War II and the Korean conflict so that I could be free and millions of other people around the world could be free. Now our peacekeepers are doing the same around the world. They are trying to keep the peace and trying to bring stability to wartorn countries around the world.

● (1115)

It was interesting to note who was there waiting for members of the military the other day in Gagetown when they came back from Ethiopia: their wives, their mothers, their daughters and their sons. The look on their faces when they were reunited showed that those men had a job to do for their country, not just for this country but in protecting and serving democracy around the world. They could not do that unless they had the support of the women back home.

It is very important in this time in our history to reflect upon that and to pay tribute to these women in a most fitting way. If we do this, if we move forward in a non-partisan way, we will be doing a great thing not only for the women of Canada but for ourselves as well.

I look forward to the debate. I appreciate the opportunity to stand in the House on behalf of people such as Lily Snow of Beaverbank, Granny Crosby of Eastern Passage, Val Mooney of the legion of Eastern Passage and many others who have asked me to bring forward this motion on their behalf, which I now have had the privilege to do.

**Mr. Carmen Provenzano (Parliamentary Secretary to Minister of Veterans Affairs, Lib.):** Mr. Speaker, I am pleased to speak to the motion which advocates that the government ensures the contributions of women veterans is recognized and honoured in every provincial capital city by way of a monument or statue.

On its surface it is a very worthwhile motion, one deserving of our support. If we were to determine our support on the basis of the sincerity of the member opposite who just spoke in bringing forward this motion and on his good intentions, certainly we could support it. Unfortunately, when we scratch the surface we find it is not a simple motion. It is not one without its own complications.

I preface my remarks by noting that the wording of the motion makes a comprehensive discussion of its merits somewhat difficult, not by what it suggests, that women veterans be honoured by way of a monument or statue, but rather by what it does not say.

As an example, which women veterans does the hon. member mean we should honour? Is it wartime women veterans, peacetime veterans, veterans who serve on or near war fronts, or veterans who serve in a particular battle or campaign? What about war era veterans who had service only in Canada? These are important questions for which we need answers before a reasonable debate can take place.

The motion is also silent on the issue of cost and how these monuments should be paid for. Who will design and build them? Will the provincial governments want to have their say in where such monuments might be placed and whom they should honour? How would veteran organizations be involved?

I submit these questions because it is one thing to be in favour of the motion that seems to suggest a good and honourable deed. However, on closer examination, it presents a whole slew of questions and problems that do not lend themselves to easy answers.

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In short, acquiescence to the motion would definitely be a matter of easier said than done. There is no denying the fact that women veterans have made a huge contribution to Canada, particularly during the war years of the last century.

We often first think of the incredible dedication of Canada's nursing soldiers. They have a very proud legacy of military service that dates back as far as 1885 when for the first time Canadian nurses were sent to care for soldiers wounded during the north-west rebellion. When the great war came more than 3,000 would volunteer their services. Casualty clearing stations were set up close to the frontlines and in harm's way. Not only were they subject to danger from the enemy, but contagious disease ran rampant in the terrible killing fields of that atrocious war. Some 46 gave their lives through enemy fire or debilitating disease.

• (1120)

Hon. members need only walk down the Hall of Honour in centre block to see the memorial panel that honours the sacrifices of the nursing sisters of Canada. On one part of the panel are two nursing sisters in uniform tending to a wounded soldier, surely symbolizing the courage and self-sacrifice of all those who served in war.

Prior to 1941 women had only served in the Canadian military as army medical corps nurses. The decision was taken in June 1941 to create a female branch for each of the fighting services rather than a single women's corps. Women immediately began to enlist: more than 21,600 in the Canadian women's army corps and more than 7,000 in the women's division of the RCAF where they served in Canada and overseas as wireless operators, clerks, parachute riggers and photographers.

In 1942 the navy followed suit by creating the Women's Royal Canadian Naval Service, the WRENS. The WRENS signed up more than 7,100. No women were assigned to combat duties but some came under enemy fire. In all, approximately 8,000 women served overseas. The nursing service was expanded to all three branches of the military: the navy, the army and the air force, with over 4,400 serving. Many of them found themselves within range of enemy guns.

What of the women who served so ably on the home front? When war was declared, 569,000 women worked in Canadian industry, mostly in clerical jobs. As the war progressed and more and more men were sent overseas in uniform, the government turned its attention to the large pool of female labour.

Within a short time 960,000 women were engaged in jobs in industry and another 800,000 were employed on farms. Fully half of them were engaged in what had once been considered men's work: operating machines, welding, riveting, painting, driving street cars, building weapons and loading freight. It is clear that the war effort could not have been sustained without the work of these civilian veterans on the home front. Surely they are as worthy of honour as those who served in other capacities.

Of course women in uniform continued to serve with distinction during the war in Korea and continue to do so in peacekeeping missions the world over. Today they too are veterans distinguished as such by their service, not by their gender.

Let me now turn from the history of service to the history of Canada's memorials to our fallen veterans. It has been our tradition to bury and remember our war dead in the places where they served. The memorials overseas were constructed on principal battlefields and the geographical areas of importance in wartime. Most of them are inscribed with the names of those whose remains were never found or identified.

There are naturally hundreds of different memorials over the globe. Their history is inextricably entwined with the work of the Commonwealth War Graves Commission whose history dates back to the first world war. Its mandate was, and remains, to mark and maintain the graves of members of the Commonwealth who died in the first world war and second world war, to build memorials to those with no known grave, and to keep records and registers.

This work was founded on principles which have remained unaltered: that each of the dead should be commemorated individually by name, either on the headstone on the grave or by an inscription on a memorial; that the headstones and memorials should be permanent; that the headstones should be uniform; and that there should be no distinction made on account of military or civil rank, race or creed.

Through the war graves commission Canada has agreed to share along with other participating governments the cost of maintaining the graves and memorials in proportion to the number of her war dead.

• (1125)

Canada independently funds other memorials such as the Vimy and Beaumont memorials in France and the National War Memorial in Ottawa. In the case of the latter I should note that the war memorial shows both men and women passing through the granite arches.

I underscore that these memorials honour those who fell by virtue of their service and sacrifice in a battle or a campaign and not by virtue of their gender, their race, their church affiliation or ethnicity, not because of the accident of their birth but by their deliberation to serve.

For its part the Department of Veterans Affairs honours the accomplishments and sacrifices of Canada's veterans in many ways. For example, last year's initiative of establishing the tomb of the unknown soldier was embraced by the entire country. Through the extensive television coverage of its installation, the new memorial garnered incredible attention and resulted in much discussion about the contributions of veterans to their nation.

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I see that I am running out of time. I will come quickly to our position in this regard. In summing up, the motion is not supportable for essentially three reasons. First, if approved, the motion could be seen as favouring one group of veterans over another. Second, there are other effective ways to ensure that our wartime legacy is preserved and communicated to future generations. Third, the cost is prohibitive.

Building a monument to women veterans in each provincial and territorial capital would be a multimillion dollar expenditure to which ongoing maintenance costs would have to be factored in, not to mention the logistical and jurisdictional issues that would be raised when seeking the agreement and co-operation of each provincial and territorial government.

**Mr. Ken Epp (Elk Island, Canadian Alliance):** Mr. Speaker, it is an honour to stand in the House to address this very important issue to Canadians. It is said that if we lose sight of our history, we lose our vision of the future. There is a lot of truth to that concept.

I begin by commenting on the process today. Once again we have an interesting private member's bill or motion. We have the privilege of speaking to it for an hour, at the end of which the motion, being a non-votable item, will be dropped from the order paper. For the umpteenth time I say we ought not to be using the time of the House of Commons debating issues which cannot be drawn to a conclusion. Either we want to do this or we do not. We should vote on it.

It is rather interesting that this non-partisan private member's motion is from a member who belongs to the NDP caucus that has expressed opposition to having every motion and private members' bill votable. Of course the government is in favour of it, but when asked today whether we can vote on it, the government will say that we cannot.

We have an impasse which could be easily solved. When a private member finds an issue that is of enough importance that he or she chooses to bring it forward for debate in the House, it is also important enough to give us the opportunity to stand and to indicate in a tangible fashion whether we are for it or against it.

Let me now spend a little time addressing the motion. The motion is quite narrow, as I read it:

—the government should ensure that the contributions of women veterans are properly recognized and honoured in every provincial capital. . . by way of monument or statue.

Most of us would recognize, concede or admit that whenever Canada has participated in a military conflict its war efforts have been supported by a much larger group than simply those who enlisted. My understanding of the word veteran is a person who was at one time enlisted in active service. It is a very narrow motion, particularly because I think the greatest contributions of

the majority of women who participated in the war efforts in the past were probably in the area of the non-enlisted. They contributed wholeheartedly indeed but they were not in the ranks of those who had actually enlisted. There were many others who were enlisted and in fact offered much great service.

• (1130)

As we were talking, I remembered hearing of a woman who was actively engaged in the ferry service, and I had to wrack my brain to remember her name. At that time aircraft were being produced in North America and in Canada then had to be ferried across the ocean in order to be brought into active service. The name of this woman is Vera Dowling. Those members who know military history may have heard her name. She was one of these people who ferried the aircraft across.

As members may well know, for the most part those people were not subject as much to enemy attack as they were to all of the vagaries of weather. However, during the second world war, Vera was of course subject to the fact that the aircraft was not as reliable in transoceanic flight as it is today.

Therefore, we should certainly award an appropriate accolade to active, engaged, enrolled armed forces members like Vera Dowling performing important activities.

By the way, for many years Vera was a flight instructor in Edmonton who taught many young pilots how to fly. I was never able to take the course, but I am told by those who did take her classes said they were very interesting. While giving instruction on what to do under certain circumstances, Vera always had an interesting story or anecdote about something that had happened to her in her career.

It is of great importance for us to recognize the contributions these individuals make to the well-being and protection of our country. As I said earlier, many of the women who served did so in a capacity which did not require that they be enrolled in the armed forces. Mention has already been made of the almost one million women who actively supported the war effort at home by working in the munitions factories producing and turning out the weapons that were needed, as well as in aircraft factories. These women actively participated.

However I do not think we should say that they contributed any more than the mother who was left at home with young ones when her husband, and in some cases sons as well, enrolled and went over to fight in the war. That was a tremendous contribution and should not be in any way minimized.

I mentioned before in this House that my wife and I have had the experience of having a son in an environment where the wearing of a flak jacket was necessary. He was overseas working with a relief

agency trying to bring aid to people in a war torn country and was in an area of great danger. He had to wear a flak jacket because, as he put it, he never knew when a bullet might go astray, and in fact one did. I do not believe my wife and I suffered undue anxiety about our son when he was overseas, but we did indeed have a proper parental concern.

Hence, as a newly elected member of parliament, I had the opportunity on November 11 to participate in Remembrance Day services at various spots in my riding. Over the years I rotated to different locations. When I did that, I experienced great emotion. I put myself into the lives of those families, moms and dads, and in many cases mothers only because their husbands were also serving, who had their sons overseas not only being subject to a stray bullet as our son was, but also who were actively the targets of the enemy and whose probability of coming back alive in some cases was very low. What anxiety they must have suffered, and what a huge contribution they made in order to support the protection and defence of our country.

• (1135)

I want to say one more thing about these little ceremonies that I have participated in. I usually rotate to the places in my riding where there are active Legions, but last year I accepted the invitation to go to Chipman, a little town in my riding. I do not think that there are more than 150 people living in the town but they have a memorial site. It is a beautiful site which they maintain. It is a community project. They built the statute and even took the time to have a beautiful mural painted on the side of their community centre, which is next to the statute. They commemorate and remember the contributions.

While I believe we should recognize, acknowledge and honour all people, regardless of gender, who supported the war effort, I would greatly support the government encouraging individual municipalities, cities, towns and villages to voluntarily put up monuments at their expense, to women who participated in the war effort, rather than the government funding them, perhaps at the expense of money that is available to present day veterans.

[*Translation*]

**Mr. Claude Bachand (Saint-Jean, BQ):** Mr. Speaker, I am very pleased to be able to speak today on behalf of the Bloc Québécois on the motion before us.

I would like to begin by adding my voice to that of my colleague from the Canadian Alliance on just how regrettable it is once again for us to be dealing with a non-votable motion. As a result, my NDP colleague will probably be obliged to ask for unanimous consent, and judging by what we have just heard from the Liberal

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party, he can moreover expect not to obtain it. This is most unfortunate.

I find that the reasons given by my Liberal colleague do not hold water. They do not. As far as jurisdiction is concerned, it is proposed to erect monuments in each provincial capital. It seems to me that the Liberals have no scruples about meddling in areas of provincial jurisdiction when it suits them.

We are being told “when it comes to honouring women and their contribution to the war effort well, unfortunately, we have no money”. Yet we know that the Minister of Finance’s budget forecasts constantly include several billion dollars in surplus, which always needs to be multiplied by five or six in reality, so this does not strike me as a good reason. It is not a reason to raise the matter of jurisdiction. It is not a reason to raise the matter of costs. It is not a reason to raise the matter of unfairness to other groups of war veterans.

As we know, the veterans have a day devoted to them. We visit monuments and honour the veterans. But, the fact that we fail to recognize that these veterans would not have won the war without the extraordinary effort of the women of Quebec and Canada is appalling.

Not only did they go to the front to care for the wounded and provide health care—it is absolutely essential in wartime to have people to look after the wounded—but they contributed to the war effort by working in the weapons industry. Without them, the wars would not have been won in the name of democracy.

I feel a lot of compassion and gratitude when I think of these people, like my father, who was a member of the Fusiliers Mont-Royal, who went overseas to liberate Europe. It was an important cause. It was a global cause. It was the global cause of the day.

• (1140)

Today, we speak of the globalization of the economy, but in those days, there were governments trying to undermine democracy. They wanted to spread their influence over all of Europe. Everyone knew that it would spread beyond Europe.

These people contributed to the war effort. My father went to Europe and helped liberate Holland. During this time, my mother worked at the Singer company in Saint-Jean. She worked 12 to 18 hours a day in the production of ammunition, which my father was no doubt using. Why should we now say that my mother did not make a contribution, because she did not go to the front? Had my father not had bullets to put in his gun, we would not have won the war.

The NDP motion acknowledges such contributions. It allows us to recognize the efforts made by Quebec and Canadian women to

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win that war. It would not cost hundreds of millions of dollars. We are talking about 12 or 15 statues. Quebec jealously guards its jurisdictions, but if Canada proposed to put up a statue to pay tribute to women veterans, to those who supported the economy during the war, I do not think there would be many objections raised.

It is important that the federal government be the one investing money in that area. I do not agree that these should be optional measures, that some people should go back to their town, city or province and say that it would be a good thing. Veterans come under federal jurisdiction. They are honoured every year. The Department of Veterans Affairs sends wreaths in every riding of Canada to honour our veterans. We see them marching to the war memorial on Remembrance Day, but there are only men.

I think that my mother should march with them. We could also honour these women on that day, but not only in front of a war memorial. There should also be a statue for women veterans.

I do not think that veterans would have any problem recognizing that women supported them during the last war, not just on the medical front, as members of health teams, but also in the production of military supplies. It was women who held Canada and Quebec together, not men; they were all at the front.

I do not want to get into the whole business of conscription, but my father did his duty and went overseas. I would like my mother to be honoured as well. She did her duty; she worked 12 to 18 hour days for four years making munitions for the front. What we are asking for today is some sort of recognition.

I do not buy the explanations of the Liberal Party. We have no objection to the motion. I think the government should send a clear signal to the women of Canada and Quebec and tell them "Thank you very much for what you did. It was not just the men who went to the front who saved us; without you, victory would not have been possible".

If the hon. member were to seek unanimous consent, the Bloc Québécois would be delighted to give it. I think that one day, if not now, then as soon as possible, recognition must be given to the women of Canada and of Quebec for their great contribution to the war effort. We would therefore be prepared to support this approach at any time.

[English]

**Mr. Loyola Hearn (St. John's West, PC):** Mr. Speaker, it is certainly an honour and a privilege to stand in support of the motion presented by my left leaning colleague to my right.

First, I should say to the hon. member from the Bloc before he leaves that I could say hear, hear to his speech and sit down, because he covered the issue extremely well. He indicated for us what women went through during the war, as well as how he addressed the response from the government.

• (1145)

I sat in amazement as I listened to the government member try to explain why we should not do anything to recognize women who served during the war either directly or indirectly through their involvement in the ammunition factories, in the preparation of bandages or by keeping the home fires burning. There is a line in a poem which says "they also serve who only stand and wait". So many people waited for their husbands, brothers and sons to come back, and many never did. How can we recognize the trauma these people went through?

The member of the governing party asked which women veterans would be recognized. My answer is that all of them should be recognized regardless of the confrontation and regardless of how they were involved. The member has also said that there were other agencies that could work with the provincial and municipal governments. I say to the hon. member that if provincial or municipal governments balk or throw blockades at suggestions like this, then they are just as bad as the government opposite.

For too long we have found red tape and bureaucracy to put in the way of doing what we should be doing. We spend more time and waste more money finding reasons for not doing something than if we had gone ahead and done it in the beginning. That is typical of the government opposite.

I was born during a time when people were not involved in major wars, such as World War I or World War II, but I knew many of my relatives, friends, neighbours and countrymen had been. The two countries that fought in the war—unlike my colleague from the Bloc I am not saying Canada and Quebec—were Canada and Newfoundland. Newfoundland was not part of Canada at the time. It was a country on its own. The contribution made by Newfoundland, now a proud province of Canada, was second to none. The contribution made by Newfoundlanders was recognized not only here in the new world but by countries the world over. Many Newfoundlanders paid the supreme sacrifice to give countries, such as the homeland of my hon. colleague, the freedom they now have. We are very proud of that.

The soldiers who fought so valiantly in the wars would not have been able to do so without the support on the homefront and the involvement of women, whether it was direct involvement or the supportive roles that many of them served. As our veterans came back home and tried to fit into life after the wars, the trauma they



went through is something they have and always will carry with them. It has not been easy for them to come back and live a normal life, carrying the memories that they carry with them. The support of the women on the homefront has helped carry them through it.

I think of the Canadian Legion branches established all across the country. If we listed all of them we would find that many of them are active today because of the involvement of the women legionnaires. One of them is Elizabeth Lee who is from my area of Riverhead-St. Mary's Bay. Long before my involvement in active politics and all during my political years, whenever there was anything on the go it was Elizabeth who was organizing it. She sought out the funding and to enhance the facility. It is women like her who have been the backbone behind the efforts of keeping this great country going.

• (1150)

It is not a question of being able to afford to do something for these women. It is that we cannot afford not to do something for them. The excuses, red tape and hurdles that have been put in place because of a very simple suggestion give us an idea of what we are going through. We should all be together, proud of our heritage and culture. Yet people just sit and fiddle while Rome burns.

In about 10 minutes the issue will die on the order paper, but if my hon. colleague who introduced the motion is satisfied to keep it alive, I am sure many of us, certainly on this side of the House, would be satisfied to work with him to make sure it does stay alive.

**Mr. Jay Hill (Prince George—Peace River, Canadian Alliance):** Mr. Speaker, like others I was not totally prepared to speak to this excellent private member's motion. However, having listened to the debate I felt I had to rise to address it at least in some small way.

As my colleague in the Canadian Alliance has said, we cannot help but remind all other parties in the House, as we work through private members' business in these dying days of the opening session of parliament, of the need to make all motions and bills votable. It is high time to move toward that.

As the member for Elk Island indicated, regardless of what party members represent, when they go to the trouble and effort to draft motions or bills and bring them before the House, it is incumbent upon all of us to participate in the debates; to listen very carefully to the points being made, either for or against; and ultimately to have the process culminate in a vote. As happened in the case of a couple of my private members' bills, to have some of them non-votable is a huge disservice to the whole democratic process to which we have all talked about adhering.

Like my colleague in the Progressive Conservatives, I was appalled at the remarks of the member for Sault Ste. Marie in his

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role as Parliamentary Secretary to the Minister of Veterans Affairs. He stood in his place and criticized the motion before us by questioning who should be honoured and who should pay.

We have recently gone through a process in this place whereby the government in its infinite wisdom rammed through pay and pension benefits for its own members in a very quick fashion. It seems ludicrous to me in the extreme that the government can look at a motion like this one which would honour people who certainly warrant the highest honours bestowed upon them, shrug its shoulders and say it is easier said than done.

The government certainly did not adopt that attitude when it came to its pay raises. It was very quick to ensure it was pushed through the House as quickly as possible regardless of whether members were for it or against it. It did a disservice to the issue and to parliament. It left an impression with the electorate, with Canadians in the real world outside the Ottawa bubble, that somehow there were members who were ashamed of the process so it had to be fast tracked.

• (1155)

Regarding the question of who should be honoured, we should bestow the honour upon all women who participated in the war effort, regardless of whether they worked in the fields or in the factories; whether they went overseas; whether, as was indicated by a number of members, they were involved in the nursing profession; whether they drove a lorry; or whether they were a chauffeur for a general. Regardless of what role they played or whether they supported the families left behind, all women who were involved in the years our country was at war deserve to be recognized and honoured.

The very point the parliamentary secretary was trying to make about this somehow being divisive and questioning who should be honoured was ridiculous.

Who would pay? It is a bit early in the process to say who would pay. It could be a joint private-public enterprise as we have seen many times before. Which level of government does not have to be spelled out or that we want to exclude organizations from involvement. Special committees might spring up across the country.

As my colleague from Elk Island said, many cenotaphs, statues and other ways of honouring people in society who have done great deeds in the past have been financed either at the local level or through a truly national initiative.

It is a bit of a red herring for the parliamentary secretary, in representing the government, to say we should do nothing because we have not got down to the basic about who will pay. That does not do any service and does not reflect well on our institution and on members of parliament to adopt that attitude.

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In summary, I appreciate the opportunity to speak to the motion. I commend my colleague from the New Democratic Party for bringing it forward. I believe very strongly that all Canadians, regardless of gender, involved in the war effort protected the rights all of us enjoy today: the right to speak openly and to represent all different political stripes and parties in the Parliament of Canada. These rights were protected by the people who we wish to honour.

We honour and recognize them today if only by our words. I hope the motion will not die and that there are ways in which we can keep it alive and move it forward to proper recognition of women who contributed so much during those very difficult years.

**Miss Deborah Grey (Edmonton North, Canadian Alliance):** Mr. Speaker, this is a huge issue. It is a pity the government did not bring forward this excellent private member's motion. We are speaking about women veterans now, but in terms of paying respect to the men and women who did such amazing work for us and thinking about the sacrifice many of them made, it seems a shame the government was not willing or keen to bring the matter forward and say that we need to recognize them.

In my rural constituency of Beaver River, now Edmonton North, I spent many a Remembrance Day going around to various towns and paying tribute to the people who did such amazing things. Every Remembrance Day I pay tribute to the veterans at the Calder Cenotaph and then visit the army, navy and air force vets association on 127th Street.

There is a huge turnout of people young and old. It excites and amazes me when I see people in the generations coming along behind us taking time out, whether they are cadets or grandchildren of veterans, to pay tribute to those who went before us. It is essential. It is amazing to see legions packed to the rafters on Remembrance Day and at other times as well. Surely the least we could do is take time out of our busy schedules to pay tribute to that.

• (1200)

Again, my congratulations to the hon. member who brought the private member's bill forward. It is a word of encouragement, I suspect, to the government to make sure it pays tribute here. If the Speaker simply gets up and says that we spent a nice hour discussing it and then the issue gets the drop kick and is gone forever, that would be a pity. If that is our attitude and the respect we pay to veterans, it is truly a sad day for parliament and for Canada.

I would certainly ask the government to pick up the ball and run with it and pay tribute to the veterans who have done such an amazing job for us. Those of us who are too young to remember the war, the baby boomers and those who have come along behind us, need to pay attention to the issue and keep it burning all the time.

A couple of blocks from Parliament Hill is the war memorial. What an amazing place it is for so many thousands of Canadians certainly, but also for people from all over the world who come to pay tribute to the new tomb of the unknown soldier and to the veterans who served in the wars.

I would again recommend to the government that it treat the issue as a fairly high priority. I know when it puts things in high priority they can whiz through this place faster than the speed of light. It would certainly be a good, healthy, respectful, positive thing if it could do that today.

**Mr. Peter Stoffer (Sackville—Musquodoboit Valley—Eastern Shore, NDP):** Mr. Speaker, I thank all my colleagues on this side of the House and even my good colleague from Sault Ste. Marie. I believe if he had put down the department's notes and read from his heart we would have heard a different speech from him. That is the problem. When one is in government one must sometimes speak the government line. If the department does not want something to happen it simply does not get done.

I appeal to my hon. colleague from Sault Ste. Marie. He says that the government does not want to do things based on gender. If that were the case it would never have addressed the status of women. We even have a secretary of state, a minister, dedicated strictly to the status of women.

Why? It is because a forward thinking government years ago understood that issues of women were not being addressed properly by the government or by the country and that women were left behind in many aspects of society. It therefore created the ministry to build up women and give them an opportunity to address their concerns.

It was therefore disappointing to hear the hon. member say that the government does not want to do things based on gender. It was disappointing and I know personally that he probably does not believe it.

I thank my hon. colleagues from the Alliance Party, the Bloc Quebecois and the Conservative Party who spoke so eloquently on the motion.

In reality it would not cost much money. In all likelihood the government would get tremendous support from the citizens of the cities where the monuments would be. Most important, the government would once and for all be able to tell the women of Canada, who served so valiantly and bravely that, yes, it recognizes them.

It is never too late to do a good thing. The motion is a no-brainer for the government to accept. Mr. Speaker, if it were votable I could almost assure you that the majority of Liberals back there would vote for it. I do not see how they could not.

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I would at this time, Mr. Speaker, seek the unanimous consent of all members in the House today to make the motion votable.

**The Acting Speaker (Mr. Bélair):** Is there unanimous consent to make this item a votable item?

**Some hon. members:** Agreed.

**Some hon. members:** No.

[*Translation*]

**The Acting Speaker (Mr. Bélair):** The time provided for the consideration of private members' business has now expired. As the motion has not been designated a votable item, the order is dropped from the order paper.

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## GOVERNMENT ORDERS

• (1205)

[*English*]

### CANADA BUSINESS CORPORATIONS ACT

The House proceeded to the consideration of Bill S-11, an act to amend the Canada Business Corporations Act and the Canada Cooperatives Act and to amend other acts, as reported (with amendment) from the committee.

**Hon. Alfonso Gagliano (for the Minister of Industry)** moved that the bill be concurred in.

(Motion agreed to)

**The Acting Speaker (Mr. Bélair):** When shall the bill be read the third time? By leave, now?

**Some hon. members:** Agreed.

**Hon. Alfonso Gagliano (for the Minister of Industry)** moved that the bill be read the third time and passed.

**Mr. John Cannis (Parliamentary Secretary to Minister of Industry, Lib.):** Mr. Speaker, I rise today to speak on behalf of the Minister of Industry in support of the expeditious passage of Bill S-11, an act to amend the Canada Business Corporations Act and the Canada Cooperatives Act and to amend other acts.

During second reading debate on Bill S-11 several hon. members took note that the bill would represent the first substantive amendment to the CBCA in over 25 years. In that time there have been significant developments in corporate governance practices driven primarily by the globalization of capital and business markets.

These developments are only exceeded by the tremendous advances in technology that have made globalization possible.

Hon. members may recall that the bill is the product of extensive review and analysis that began in 1994. Consultation with stakeholders was comprehensive. There were nine discussion papers, coast to coast meetings by Industry Canada and parallel national consultations by the Standing Senate Committee on Banking, Trade and Commerce.

The reforms in the bill would improve and modernize four important areas of the marketplace framework statutes that govern business corporations and co-operatives. First, they would expand the rights of shareholders by facilitating wider communication and encouraging more participation in corporate decisions through the shareholder approval process.

Second, they would help eliminate barriers to global competitiveness by allowing corporations more flexibility in choosing directors from a wider international pool of talent.

Third, they would more reasonably define the responsibilities and liabilities of directors, officers and shareholders.

Finally, they would eliminate unnecessary regulatory duplication and reduce the cost of compliance.

All the reforms in the bill would give corporations and co-operatives greater flexibility in pursuing marketplace opportunities. Because of this, shareholders large and small can be more confident in the future value of their investments.

The reforms are a response to the new ways Canadian companies are doing business today. They would encourage corporate governance practices that are geared to long term growth and they would provide a sound framework for prospering in the global marketplace.

The level of agreement on the provisions of the bill is exceptionally high. The witnesses who appeared before the Senate committee were all but unanimous in their support of the principles of the bill as it appears before us. As well, virtually every stakeholder who appeared before the Senate committee urged quick passage of the bill. They included representatives from the corporate community, large institutional investors, shareholder activists, provincial securities commissions and co-operative associations, among others.

The reforms in the bill are long overdue. Corporations want them so they can take advantage of the efficiencies and cost savings the bill would deliver.

• (1210)

Investors too want a modern corporate law that helps protect the value of their securities. Shareholder activists want to be able to use the liberalized shareholder communication and proposal provisions, especially before next proxy season.

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Consideration of the previous version of Bill S-19 was postponed by the dissolution of parliament last October. However the interruption allowed the government time to give further consideration to representations made before the Senate committee.

The bill would incorporate the resulting improvements, and that is what we would make into law. I am confident that hon. members will agree that we should approve the recommendations of the Standing Committee on Industry, Science and Technology and then approve Bill S-11 as amended.

**Mr. Charlie Penson (Peace River, Canadian Alliance):** Mr. Speaker, I rise today to speak to Bill S-11, an act to amend the Canada Business Corporations Act and the Canada Cooperatives Act.

As the main federal law governing corporations in Canada, the Canada Business Corporations Act, or CBCA, sets out the legal and regulatory framework for more than 155,000 federally incorporated businesses. The Canadian Alliance supports the bill, which would amend the CBCA for the first time since 1975. That is quite a period of time.

Several changes are necessary, in our view. It is a real understatement to say that business has changed fundamentally since the mid-1970s. It is high time the Canada Business Corporations Act reflected the transformation to the global economy.

The previous act to amend the CBCA was tabled in the Senate during the last session of parliament as Bill S-19. The bill never made it out of the Senate. It died on the order paper when the federal election was called. The Senate committee nonetheless heard from over 30 witnesses between April and the end of June 2000. People from the Canadian Bar Association, the Canadian Co-operative Association and the taskforce on the churches and corporate responsibility were among those who testified at the Senate committee.

Bill S-11 is substantially the same as Bill S-19 but it reflects and incorporates the recommendations that came forward from the hearings. It deals with the concerns identified by the people who came forward as witnesses.

The amendments seek to modernize the Canada Business Corporations Act in four areas: first, by recognizing the global nature of the marketplace; second, by clarifying the responsibilities of corporate directors and officers; third, by reducing federal-provincial duplication; and fourth, by expanding shareholder rights.

Bill S-11 would reduce residency requirements for board members to 25% and eliminate the requirement entirely for board committees. The change is long overdue and would help Canadian companies compete as global players.

That is where we are these days. There is more investment outside Canada by Canadians than there is direct foreign investment in Canada. We have seen a sea change in what is happening in

terms of investment in the last few years. Canadians are reaching out and servicing the marketplace around the world.

However, it is regrettable but characteristic of the government across the way that certain sacred cow sectors would be exempt from the residency requirement reduction. We question the rationale regarding the book publishing industry, telecommunications and transportation. Under Bill S-11 Petro-Canada would not be permitted the flexibility to appoint directors based on their qualifications but would do so based on where they live.

Another welcome change is an amendment that would allow Canadian federally incorporated companies to compete with foreign multinationals while expanding globally. Bill S-11 would do this by authorizing foreign subsidiaries of Canadian corporations to acquire shares in their parent corporations under limited and clearly defined circumstances such as acquiring or merging with foreign companies and corporations.

Bill S-11 would replace the good faith reliance defence for directors with a due diligence one which would allow corporations to pay for defence and investigation costs, thus encouraging directors to take more appropriate risks. Bill S-11 would also clarify responsibility for corporate officers and directors by replacing the current joint and several liability regime with one of modified proportionate liability.

• (1215)

However, joint and several liability would continue to apply in cases of fraud and to designated categories of plaintiffs such as the crown, charitable organizations, unsecured creditors and small investors.

Bill S-11 also spells out in law that under a unanimous shareholders' agreement the directors' liabilities and defences are transferred to the shareholders.

Bill S-11 seeks to end the costly and time consuming administrative and legal burdens on federally incorporated businesses by eliminating conflicts and overlaps between federal and provincial statutes and regulations. We applaud that. For example, the CBCA's provisions for takeover bids would be repealed to allow the comprehensive provincial codes for takeover bid regulations to prevail. Bill S-11 would also repeal the federal duplication on provincial insider trading requirements while increasing the maximum fine for insider trading from the current \$5,000 to \$1 million.

Bill S-11 would allow for greater participation by small shareholders in corporate decision making. It would do so by relaxing the rules under which shareholders communicate among themselves and would allow proxy solicitation through public broadcast or newspaper advertisements instead of by direct mailings.

The amendments would encourage corporations to employ new technologies. The technologies are not so new now, but in a 25 year timeframe they do seem new. These include e-mail when commu-

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nicating with shareholders and conducting regular shareholders meetings. Bill S-11 is trying to bring Canada up to speed with what has been happening in the massive changes in communications in the last 25 years.

The legislation would also liberalize mechanisms for individual shareholders to submit proposals and aims to restrain management ability to block or refuse proposals from being considered.

The Canadian Alliance believes that Bill S-11 reflects the transformation of business since 1975 with respect to the global marketplace, the electronic revolution and the rise of shareholders' rights, as well as the necessity for reducing federal and provincial redundancies. Because of the four changes I have mentioned, we believe that this would bring us into the modern era in terms of the regulations surrounding the Canada Business Corporations Act. The Canadian Alliance is happy to support the passage of the bill.

**The Deputy Speaker:** Is the House ready for the question?

**Some hon. members:** Question.

**The Deputy Speaker:** The question is on the motion. Is it the pleasure of the House to adopt the motion?

**Some hon. members:** Agreed.

(Motion agreed to, bill read the third time and passed)

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### MOTOR VEHICLE TRANSPORT ACT, 1987

The House proceeded to the consideration of Bill S-3, an act to amend the Motor Vehicle Transport Act, 1987 and to make consequential amendments to other acts, as reported (without amendment) from the committee.

**Hon. Anne McLellan (for the Minister of Transport)** moved that the bill be concurred in.

(Motion agreed to)

**The Deputy Speaker:** When shall the bill be read the third time? By leave, now?

**Some hon. members:** Agreed.

**Hon. Anne McLellan (for the Minister of Transport)** moved that the bill be read the third time and passed.

• (1220)

**Mr. Brent St. Denis (Parliamentary Secretary to Minister of Transport, Lib.):** Mr. Speaker, I am pleased to speak to Bill S-3, the Motor Vehicle Transport Act, 1987 at third reading. Bill S-3 was tabled in the Senate on January 31 and was examined and reported by the Senate Standing Committee on Transport and Communications. In the House it received second reading on May 15 and was referred to the Standing Committee on Transport and

Government Operations chaired by my hon. colleague from Bruce—Grey—Owen Sound.

The committee heard from a number of witnesses, including: Transport Canada, the sponsoring department; public safety organizations like CRASH, otherwise known as Canadians for Responsible and Safe Highways; the Canadian Trucking Alliance, which represents the for hire trucking industry; the Forest Products Association of Canada, whose members ship products by truck throughout North America; the Manitoba Department of Transportation and Public Services, the director of which was at the committee representing the federal-provincial-territorial Canadian Council of Motor Transport Administrators. We also heard from the Canadian Industrial Transportation Association, whose members ship products by truck, and the Canadian Bus Association, representing the scheduled intercity bus transport and bus charter industries.

These witnesses presented many different perspectives on road transport. All supported the principles of Bill S-3 and none opposed its passage, but there were some good suggestions made nonetheless.

That is not to say that passage of the bill would solve all the problems of motor carrier regulation and heavy vehicle safety. Two principal concerns came to the fore during the discussions and these concerns were remarkably consistent among the different witnesses.

First there was a concern that commercial vehicle safety needs more leadership and that such leadership should be provided by the federal government. Second and more specifically, the national safety code for motor carriers, based on the 1987 federal-provincial memorandum of understanding, is being inconsistently applied across the country. This inconsistency has possible safety implications. As well, it causes difficulties for the national and international motor carrier industry.

I take those concerns as statements of the challenges that exist in motor carrier regulation. We are taking note of those statements and suggest that this House do the same. Bill S-3 is an important step toward effective solutions. The bill states that its objective is to ensure that the national transportation policy is carried out with respect to extra-provincial motor carriers. Specifically it states:

(a) the regulatory regime for those undertakings is focused on safety performance assessments based on the National Safety Code for Motor Carriers; and

(b) the operating standards that apply to those undertakings are applied consistently across Canada.

Bill S-3 reflects the challenges that remain for motor carrier regulators. While it does not provide complete answers for all issues it provides an important framework or umbrella legislation with clear goals to address them. Heavy truck traffic is increasing dramatically, and as we have confidence that our economy will continue to grow trucking will surely continue to grow with it. It is important that we recognize this inevitable result of economic

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success and take the necessary measures to ensure that commercial road transport is carried out in the safest possible manner.

This point was recognized in 1987 when the national safety code memorandum of understanding was signed by federal, provincial and territorial ministers. It was also recognized in 1997 when the Canadian Council of Motor Transport Administrators, representing all Canadian governments, began development of national safety code standard no. 14, safety rating.

Safety rating is very simple in principle but very complex to carry out. First, it requires that all accidents, traffic violations and non-compliance with motor carrier safety regulations be recorded in a consistent manner wherever they happen. This may be anywhere in Canada or North America. Second, it requires those records to be related to a particular motor carrier and transmitted to the home province of that motor carrier. Third, it requires the home province to receive data from all other jurisdictions and to develop a profile of that motor carrier. From that profile a rating is calculated by the home province in such a way that the result would be the same as in any other jurisdiction.

None of these steps is automatic and all require development and co-operation among provinces as well as judicious use of advanced communications technology. The result is, however, far reaching. A key goal of safety rating is expressed in the introduction to standard no. 14, which states:

Responsibility for motor carrier safety resides, first and foremost, with motor carrier management.

• (1225)

This is most important. With many thousands of vehicles operating in every corner of our country and into the United States and Mexico, no government by itself can take responsibility for all aspects of commercial vehicle safety. The full co-operation of each and every motor carrier is an essential ingredient of safe road transportation. Safety rating is designed to demand and foster that co-operation.

Safety rating by one province is recognized by all other provinces so that duplication of safety enforcement effort is avoided together with unnecessary impediments to motor carrier movement. Sources of information on the safety of operation of any motor carrier are multiplied since data is received from wherever the carrier operates.

This is likely to produce red flags against unsafe motor carriers much more quickly than when each jurisdiction enforces in isolation. It will help to ensure that motor carriers who do not operate safely will be rapidly removed from the road. In a more positive vein, when the accumulated information consistently shows a motor carrier to be operating safely, that motor carrier will have freedom to operate throughout Canada and North America with a minimum of red tape.

Safety is a primary goal, but the importance of trucking to our economy means that efficient and objective safety regulation and enforcement is a real bonus. The same applies to the bus industry. Extra-provincial bus transport is a much smaller activity in Canada than trucking, however, it supplies a vital transport need to many Canadians and does so with an impressive safety record. The bus industry also requires clear and consistent safety rules. Safety rating addresses those requirements.

I would like to return to the two challenges identified during the committee hearings, that is, for the federal government to show leadership in motor carrier safety regulation and to take the necessary steps to ensure that the national safety code is implemented consistently across the country.

The Motor Vehicle Transport Act authorizes provincial governments to regulate extra-provincial motor carrier undertakings. Without the federal act, provincial governments are not able to regulate the federal motor carrier entity and can therefore only enforce safety standards in a piecemeal manner. This legislation alone is an important demonstration of leadership by the federal government.

The federal-provincial-territorial consensus, national safety code standard no. 14, will be the standard base upon which the provincial governments will regulate extra-provincial motor carriers as well as their own local carriers. In this way, not only are national and international motor carriers subject to the same safety standards across Canada, but so are local carriers, which represent nearly half the heavy trucks and buses on the road.

There are currently two sets of regulations under the Motor Vehicle Transport Act. The proposed motor carrier safety fitness regulations would replace the current extra-provincial truck undertaking licensing regulations and would base motor carrier regulation firmly on safety performance.

As part of the effort to implement these regulations, Transport Canada is contributing funding of about \$5 million per year to provincial governments. The department is also active in supporting research and in participating on committees and working groups of the Canadian Council of Motor Transport Administrators.

The federal government is taking the lead on a project group to examine remaining issues of consistent national application of standard no. 14 and of other national safety code standards. The other regulation under the Motor Vehicle Transport Act is the commercial vehicle drivers hours of service regulations, which are based upon national safety code standard no. 9. These are of great interest to the public and to the industry.

Amendments to standard no. 9 have been proposed by the Canadian Council of Motor Transport Administrators. These proposals will be the subject of further review by the Standing Committee on Transport and Government Operations. This is

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another example of federal leadership in developing a consensus based national standard that is applied by provincial governments.

In conclusion, the bill we are about to pass would provide an important new framework for national safety standards that apply consistently to local, national and international bus and trucking companies. The objectives of the legislation are to pave the way for the best available national safety standards and to have the many thousands of motor carriers in Canada take their own full responsibility for the safe operation of their buses and trucks.

Much work remains to be done to fully achieve these objectives. However, the federal government along with its provincial partners is committed to following through to ensure that the regulations in the national safety code would provide the right regulatory framework to achieve the objectives.

● (1230)

We look forward to our provincial colleagues to ensure that their safety rating regimes are in place and fully consistent with the national safety code standard. The ultimate objective is to have Canada's roads the safest in the world while commercial vehicles continue to provide efficient and safe transportation of our people and goods.

I therefore urge all members to support Bill S-3.

**Mr. Ken Epp (Elk Island, Canadian Alliance):** Mr. Speaker, I am pleased to rise on this important bill.

I noticed that the parliamentary secretary who just spoke stated "the bill which we are about to pass". I just cannot let that go without comment. He is presuming that all members of parliament will vote in favour of this bill. Maybe he heard rumours that the official opposition will be supporting it. Perhaps he has also heard rumours that the Liberals will be voting for it, so maybe it will pass.

That was just a little comment there, a little sarcasm. I guess *Hansard* does not report that the member was dripping with sarcasm when he said that.

I would like to address this whole issue of transportation. When we look at the broad picture, Canada is a vast country. I think that members of parliament from Ontario probably do not recognize it, but I am presumably a member of parliament from the west. When I cross over from Ontario to Manitoba my flight from Ottawa to Edmonton is half over. In other words, the Ontario-Manitoba border is approximately the midpoint before we start hitting what is called the west. Then of course there is another equal distance from the border all the way to Edmonton and another 1,600 to 1,700 kilometres from central Alberta to the west coast.

To unite and serve our people with delivery of goods and services and to move our products across the country, not only to

each other but also for the export markets most of which then goes on to ships at various places, we need to have an efficient transportation system. We also are very aware that the transportation of people is very important, so we think of trains, planes and automobiles. I make no reference to the very famous movie in which John Candy starred. However, nowadays some of the things that we go through in Canadian airports reminds one of that movie.

There are many aspects to transportation. Certainly the magnitude, the very size of our country, is one of the largest considerations. The fact that we are fragmented to the point where each province has its own rules and regulations, in some cases makes it very difficult if not impossible for transporters from neighbouring provinces to enter into the neighbouring province. That is a detriment to our economy, our efficiency and indeed our productivity. Productivity is a buzzword which the government is starting to use, that is, how productive are we? How much productivity do we get for each worker?

This bill is paying specific attention to the safety aspect, which is of course that is important. We want to do everything that we can to provide for the safe transportation of people and goods. That has to be of primary importance to all Canadians. I am sure they would support some level of co-operation between the federal and provincial governments so that this goal could be reached.

It just so happens that transportation, like health care and education, is constitutionally a provincial jurisdiction. Therefore, the federal government has a substantial challenge in trying to bring the provinces together in the area of safety.

I would like to say a few things about the safety aspect.

I guess when I look back at my life, some of my happiest years were spent in a truck. I drove the big rigs when I was a youngster. I put myself through university driving the semi-trailer units. I was fortunate to live in an age before young people were automatically discriminated against as they are now.

● (1235)

Right now if a young person of university age would like to get a job driving a big rig, he or she would be out of luck. Young people are considered to be high risk. Therefore, most transportation companies will not hire youngsters under the age of 25 because their insurance rates escalate.

I would like to say one thing about that. During my tenure as a truck driver, I worked both behind the wheel and also in another aspect of trucking during the years. In all those years most of the accidents I saw involved people who were older than 25. The young guys were eager and like myself liked to drive.

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I took great pride in handling my unit. I used to practise driving with my right wheels on the edge of the right line, so I gave the maximum space to the left. People behind me could see if they wanted to pull out to pass and also it gave the maximum distance for people coming from the front.

I always practised an exit route. When two cars were coming toward me I always practised in my mind what would I do if the one following the first vehicle pulled out to pass and suddenly was in my path. I practised that exit strategy in my mind.

I was always very careful when I had a load. One thing I hauled was machinery. I always inspected my load to make sure that none of it was insecure. I was not the driver but I know of one instance where a shaft from an implement came off a truck and dug into the pavement. It made about a six inch hole in the pavement. Fortunately there was no car there, because this thing landed in the oncoming lane.

The act in Saskatchewan where I worked specified that it was the driver's responsibility to make sure the load was secure. I took that responsibility very seriously. That is certainly an area where there should be agreement among all provinces so that these types of accidents do not occur.

Another thing which I find interesting is the evolution with respect to brakes. Surprisingly enough, back in the mid-fifties and early sixties when I was driving, the braking system on the trucks was entirely different from what it is now. At that time we had an auxiliary tank on the trailer so that when the trailer became disconnected from the tractor unit the air in that auxiliary unit would automatically activate the brakes on the trailer. If the trailer became disconnected the brakes were on.

Unfortunately, the whole system, whether the units were connected or not, was dependent on the supply of air. If the air failed and if the driver failed to take note of it, then he or she would suddenly be driving a unit down the road that weighed many tonnes without any brakes. It was a very uncomfortable feeling, if the truck was approaching a hill.

There were all sorts of warnings. The trucks I drove the most had two warnings. One was a buzzer that buzzed if the air pressure in the system went below 90 pounds per square inch. One truck I drove actually had a little metal flag that was up behind the sun visor. It was held up there by air pressure. If the air pressure failed, the thing came down and waved right in front of the driver indicating that the air pressure was below 90 and that driver had better stop the truck while there were still some brakes.

We always carried chocks for blocking the wheels if we had to stop. When the air was gone the only brake we had was that little emergency brake which did very little.

The braking systems on trucks now have been vastly improved. In my day the loss of air supply meant the loss of brakes. Now they are set it up in such a way that the part of the braking system is inactivated by air pressure. There are huge springs that actually apply the brakes when the air is removed. I think we would have to say that is a good plan and is certainly better than in our day. Now if the air system fails, our emergency brakes on the trailer unit, as well as the tractor, come on. This is much safer.

● (1240)

By the way, I have never heard of a unit actually becoming disconnected from the towing unit because the safety mechanisms are in place. However, I suppose it could.

I want to digress and tell the House a sidebar. One thing we did was pull a travel trailer. This is another issue where perhaps governments across the country should start looking at some better restrictions and better training for drivers who drive the big motor homes and the travel trailers.

Having grown up on a farm in Saskatchewan and having been taught by my dad that safety always comes first, I always paid close attention to the hookups when we pulled a trailer. I had that mandatory hookup so that if our travel trailer became disconnected from the towing vehicle, then the emergency brakes would be activated by the onboard battery in the trailer.

We were in Los Angeles with this unit. In Los Angeles there are some intersections where U-turns at the intersections are permitted. One could either turn left or do a U-turn and go back. We missed our turn and had to make a U-turn. Somehow the little cable which pulled the plug on my emergency brake became tangled in my hitch mechanism. My emergency brakes came on in the middle of an intersection in Los Angeles. Of course I could not drive forward because my brakes were on. Fortunately or unfortunately in the trailers, electric brakes only work in the forward direction, so I was able to back up to straighten my vehicle enough so I could free up that little thing and get back underway. It was a rather embarrassing, however it shows again a mechanism to provide for additional safety.

Unfortunately, the trailer brakes on travel trailers are woefully inadequate. Electric brakes are activated only in the forward direction. Their backward braking effect is almost zero, which means that if people end up with a motor failure when going up a hill with a travel trailer combination, then start backing up, they better depend on the towing vehicle for brakes because the towed unit does not have adequate brakes in the reverse direction.

Now back to the issue. We are talking about interprovincial transportation. When I was driving, again I hauled across the provinces and also into the United States. For efficiency sake, for



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cost sake and for safety sake it is important for there to be constant regulations. People should not be required to do something in one province, then when they cross the border into the next province suddenly the vehicle is illegal. There should be standardization. I believe this can be accomplished in co-operation with the provincial ministers of transport. That needs to be done in order to provide for safety.

I think of the issue of drivers. Truck drivers generally do not make as much as airline pilots. Airline pilots are given a work regimen which theoretically would prevent them from ever flying an airplane when they are totally fatigued. They have only so many hours that they fly, then they have mandatory time off until their four week work cycle has ended. Then it repeats again.

Last fall we had a number of flight cancellations because the union said a number of Air Canada pilots had put in their hours. Therefore, Air Canada no longer had any pilots at the end of the month. That is important for airline pilots but it is also important for truckers. Truckers should be able to drive only when they are awake and alert. They should not be driving when they are sleepy.

• (1245 )

I have another personal anecdote. One of my colleagues where I worked got married. He was the boss' son. He happened to have the nicest truck in the unit. When he got married he said to his boss, his dad, that he did not need anybody else to drive his truck. He said "Only Ken Epp can drive it because he is the one who is fussy". I got to drive the boss' son's truck for a whole week while he was away on his honeymoon.

Of course that meant that the truck I usually drove was driven by another person, but I had a wonderful time driving that big Mack H-67. Anyone familiar with the old units knows that there are two sticks, three on one and five on the other; it is a 15-speed. It is quite a good experience. Once one gets to know the gears, truck driving is actually not a boring job.

I was driving from Edmonton to Saskatoon on a beautiful moonlit night. At about two o'clock in the morning as I came around a corner, off in a field I saw a semi-trailer with its wheels up in the air. Obviously the driver had gone to sleep, had gone off the road as he went around the curve and rolled the truck. Since it was the middle of the night and I knew the truck had not been there when I was driving toward Edmonton, I stopped because I thought I should check to see whether the driver was still there and take whatever action was necessary. I took my flashlight and went out there. I was totally surprised to realize that the truck with the wheels up in the air was my truck. It was the truck that one of these other sleepyheads took over while I was driving the boss' son's truck.

The truck driver was not there. I looked all over the field for him, all the way from the highway up to where the truck had stopped. I checked with my flashlight and in the moonlight to see whether I

could find him. He fortunately was not hurt and got a ride before I got there. However, I again underline the fact that this was a driver who was obviously driving while he was not alert.

We need regulations, but what regulations? How are we going to come to a conclusion on this?

I usually drove single. I had a single unit so I could drive for as long as I wanted to or for as short a time as I wanted to. In the outfit I worked for the boss said that we needed to be sure to sleep when we were sleepy. He assured that by picking up any hotel bills we encountered. When we were sleepy, we stopped and slept and then we carried on with the load. That was a very important principle in this firm I worked for.

In those days I had my own personal motto, which was "If you don't have time to get there safely, what will happen if you don't get there at all?" I used that motto and I often thought of it. If I got tired I would stop and sleep for a while. Sometimes if it had been quite a while since I had slept, I would stay in a hotel for a while, get some rest and then carry on.

However it is very important that this is balanced, because as I said earlier, truck drivers do not make the money that airline pilots do. They do have to work and most of them get paid by the mile or kilometre, some by the hour. It is mandatory that they be given the right, without harassment or without any negative ramifications, to stop and sleep when they are tired. At the same time, I am totally opposed to arbitrary rules. The one size fits all rule usually does not.

If somebody had told me when I was driving that I had driven 12 hours and had to quit, what would I have done? Who gets up at eight o'clock in the morning and goes to bed at eight o'clock at night? No one. We are able to survive on eight hours of sleep very nicely, which means there are sixteen hours left. When a truck driver is on the road, there is really nothing else that he should be doing but his work. There is no point in walking around in a park somewhere and using up the waking hours that way. That is non-productive. The only thing that must stand is, as I said, that every trucking organization must be such that there is no penalty for the person who does stop when he or she is sleepy in order to ensure public safety.

• (1250 )

I know there were times when we probably drove more hours than we should have, yet my rule was that if I was feeling sleepy I would stop and sleep either inside the truck or sometimes in the shade underneath the truck if it was a nice day. Somebody would wake me, and that time was usually sufficient to get me going again and away we would go.

Let me speak about vehicle safety. Over the last number of years there has been quite a bit of publicity about various parts of trucks coming off, particularly in Ontario, where wheels have actually

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become dislodged, a very unnecessary and devastating thing. Something should be done by way of regulation regarding this, just as private aircraft are required to undergo a total inspection and in some cases a motor rebuild after a certain number of hours. Perhaps there should be some sort of regulation to require that wheels be taken apart, with x-ray techniques used in order to determine whether or not the steel holding the wheels onto the truck is beginning to fatigue.

Most reputable trucking and busing companies would agree to do this to keep their vehicles safe, but most times laws are designed in order to pull into the plan those who refuse to go into it voluntarily. Some companies have to be forced into it. I think that a set of uniform regulations should be enacted and enforced all across Canada. There is no excuse for truckers who do not keep their loads and their vehicles intact, thereby endangering the lives of other people with whom they share the road.

Speaking of roads brings me to the next topic in my presentation today, that is, I think we rely too much on our road system. Our national transportation system has so diminished the use and importance of railroads in Canada. I really regret that. I am thinking particularly of the prairies where I grew up and where many rail lines have been abandoned and are now being torn up. That puts huge pressure, literally, on all the roadways in the country, especially when it comes to hauling grain and potash and the other commodities that we trade around the world.

Canada must have a strong railroad system. I am disappointed in the federal governments of the last 25 or 30 years for allowing the deterioration of a very valuable railroad service in Canada. There should be more room for competition. Farmers and others should have the ability to move their product to market by using a very efficient railroad system which is designed to carry heavy loads and is certainly less harmful than a lot of trucks plying Canada's rural roads.

Many of these roads are now in deplorable condition. I believe that the federal government has a responsibility to use more of the money collected in fuel taxes to support Canada's infrastructure. There is a huge lack in regard to this. The government takes millions of dollars out of the economy in the form of fuel taxes and yet the amount of money it puts back into the provinces' coffers in order to provide for the building of roads is something like three cents on the dollar. It is deplorable and it is not acceptable. There is no reason why Canadians who pay fuel taxes and provide transportation should not have those taxes used to provide them with decent roads.

I would also like to say something about our millennium project. We had quite a celebration in the year 2000. The Prime Minister and the finance minister announced millennium projects three years before this event and had people from all across the country send in projects and proposals. There were all kinds of projects

such as trees being planted in a pattern to represent this or that, and there were many other projects that may have value in themselves.

• (1255)

At the time I promoted a project that I think would have been a true millennium project. It did not get anywhere but I believe it should still be done. It would have been an ideal time to say "The millennium is the year when the Canadian government will undertake to build a modern, divided highway system right across the country".

We have a highway called the Trans-Canada Highway. I remember when it first came in, way back in the 1950s and 1960s. I suppose parts of it were already called Trans-Canada before that, but then it was designated Highway No. 1 in every province.

Mr. Speaker, you will smile at this, I am sure, but when I was a youngster the Trans-Canada Highway, Highway No. 1, where I lived was a gravel road. Of course that was early in our history. When I was a youngster, it was very early in Canada's history. Subsequent to that, of course, the roads were paved.

I want to remind the House of the former member of parliament from southwestern Saskatchewan, Mr. Lee Morrison. Many times he stood up in the House during private members' statements and on other occasions and talked about the deplorable conditions of Highway No. 1 in the western portion of the province of Saskatchewan. I happen to be very familiar with that road because I grew up at Swift Current. It is from Swift Current west that the road is in really bad condition. It is a narrow, single lane road, with vehicles passing each other just feet apart. There are numerous places without adequate visibility because of hills and curves. It is a very dangerous road. Only a year or two ago there was a devastating crash there involving two buses and a semi-trailer truck. I think five people were killed.

That was just one of those situations that could be attributed at least 80% to the design of the road. It is inadequate. It is archaic. It follows the path used when we travelled across the country with ox carts, for heaven's sake. Here we are, following that path, calling it the Trans-Canada and having these devastating accidents on it.

What is a life worth? We spend a lot of money on health care and other measures. We are talking about reducing cigarette smoking to help prolong people's lives. I think it is high time that we spent money on infrastructure for a true Trans-Canada Highway, a two lane, divided road right across the country, built to standards of safety.

Here again we need to look ahead a little. In many areas of the United States if the Americans had a road the quality of the Trans-Canada Highway they would label it an unsafe road and advise drivers to stay off it. I remember driving down there on a

road that was two lanes divided, with crossing traffic every four or five miles. Huge signs warned people of crossing traffic. We can hardly find a place in Canada where it is more than five miles or eight kilometres from exit to the other. In most instances we have crossing traffic. For example, in Edmonton on the major roads there are stoplights, crossing traffic and accidents galore. Every week there are tragedies.

I am appalled at the indifference that the government shows when it comes to actually building safe roads. Sure, we can have rules and regulations affecting truckers and we can have rules and regulations that limit the things that bus companies, the people transporters, can do, but how about the role of the government itself in designing, building and funding safe roads to start with? I believe that so much can be done in that area.

Another aspect of the lack of standardization is with respect to traffic lights.

• (1300)

In some provinces, when people approach a traffic light that is red they stop. In some provinces, when there is a green arrow people can make a right turn without stopping. In other provinces, people have to stop first and then make a right turn. In some provinces, if people approach a red light without a green arrow they must stop and then make a right turn after ensuring it is safe to do so. In other provinces, people who come to a red light cannot make a right turn even if it is safe to do so because it is against the law. We need to have standardization because truckers, bus drivers and many Canadians travel from province to province.

I have another serious gripe with red lights. We have this presumed problem of people running red lights. That is a simple mathematical problem with a very easy solution and yet no one seems to be willing to implement it. I would like to see it implemented right across the country.

What am I talking about? When I drive my motorcycle and the light turns amber, I can stop every time. A motorcycle can almost stop on a dime. The thing we need to worry about the most is how close the person behind us is because if we stop too suddenly the person behind us will end up going through the intersection with us sitting on his hood ornament. We need to be careful about that.

If the light turns amber, I can come to a grinding halt with my little Mazda. It is a different story when I am pulling my travel trailer with my Suburban. It then takes a little longer to stop. When I am driving a semi-trailer unit with a couple of trailers behind weighing 50 or 60 tonnes, I am talking a whole new kettle of fish. It now takes a long distance for that unit to come to a stop. Surely in our modern day with the technology that we have available there

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should be a way of determining how long lights have to be amber before they turn red.

In many provinces now, Alberta included, we have politicians who think they are going to solve the problem by putting in cameras and taking pictures of people who run red lights. I have done the math. Everyone knows I love math and I like solving math problems.

I went to some intersections in Edmonton and Sherwood Park and used my stopwatch to see how long the light stayed amber before it turned red. It was mathematically and physically impossible to stop at many intersections in the country. No one could clear an intersection from the time the light turns amber until the rear of the vehicle clears the intersection unless he or she were going 400 miles per hour, and I do not think we would advocate that. Even then we would be in trouble because the point at which we would make a decision is farther back.

There is a very simple solution and I am proposing it today. I hope it hits the front page of every paper across the country. What we need to do is very simple. Whether I am 100 metres from the intersection or 1,000 metres back, at a certain speed I am either going to get through the intersection on a green light or I am not. It will turn amber before I get there.

Why are the legislators withholding the warning to the point where it becomes an emergency stop if someone is going to stop in time? It is unconscionable. Currently we know how the green light goes off and the amber comes on, which tell us it will turn red and we should prepare to stop. If someone is very close and cannot stop, then he or she proceeds through. If that same person is back far enough to make a judgment, then he or she will stop.

I would simply do this. Five hundred metres back from the intersection, farther back on highways, I would put up a sign. That sign would be round with a line through the middle with green on the top and amber on the bottom. It would be a two coloured green and amber semicircle sign. It would indicate that when someone sees the green light up ahead with the amber, in other words when both lights are on, it would mean that a person would not be able to clear the intersection when travelling the speed limit and should prepare to stop.

• (1305)

As a semi-trailer driver I can now start gearing down. I can come to a safe stop and there is no danger. As an ordinary vehicle driver I would be going along at the speed limit. I know I will not be able to make the next light because I have just been given a warning. The cost is almost zero.

In advance of some intersections a flashing light is planted. That is very costly as wires have to be run, a big standard has to be erected for the light and electronics have to be built in. My solution

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would be very simple. We would just have both lights on, the green and the amber. If a vehicle is behind such a sign it means it has to stop. If it is ahead of it when that happens, the vehicle can safely go through at the speed limit. I believe it would save thousands of lives.

I wonder whether you would mind, Mr. Speaker, using your influence to make sure that this is on the front page of every newspaper across the country. Let us get this thing rolling and let us start doing something tangible to save lives instead of thinking it can be done by passing laws which defy the laws of science as surely as we cannot pass a law to ban airplane crashes by repealing the law of gravity. We cannot do it, but there are things that can be done.

We cannot physically change the amount of time it takes to travel from point A to point B. We cannot physically change the length of time required to stop a vehicle safely. Every youngster who takes a driving test knows stopping distances. We know that the average reaction time is three-quarters of a second.

Another three-quarters of a second is used in Alberta as an awareness time. That province says that for normal drivers it takes three-quarters of a second from the time they see a reason to stop until they actually start the motion to stop and it takes on average three-quarters of a second from the time they have actually moved their foot from the accelerator to the brake. Then there is the physical part of stopping the vehicle.

Simple physics says that the amount of distance required to stop varies as the square of the speed. If we are going twice as fast as another vehicle of equal mass, it will take four times as long because of the energy that has to be dissipated.

Those changes can be made. Why does the federal government not take some leadership? Why does it not take the idea I have proposed to every transportation minister? Let us get it going in the United States as well thereby saving literally hundreds of lives at intersections instead of losing them. It happens over and over.

Another lack of standards has to do with left turns. I am appalled at the number of intersections in the country at which we can make a left turn from the second lane. In other words there are two left turning lanes but the left lane is also the overtaking or the speed lane. That is wrong. If there is an intersection where we are permitted to make a left turn from two lanes, it should be an absolutely mandatory standard in every province that the left lane is not a driving lane.

There is one intersection in Edmonton that I would be ashamed of if I were the engineer who signed off on that plan. There is a left turn lane which is out of the way and then there is the next lane which has the up arrow and a left turn. People stop there and big trucks pile into them and kill them.

The city engineers there had the gall to put up a sign that says "Caution: dangerous intersection". I say why the dickens did they build it. There is lot of space there. All they would have to do would be to design the road one lane wider and have the lanes go through. They would then have two lanes that turn left and we could not do anything but turn left if we were in that lane. It is just an anomaly and unfortunately it is a life taking anomaly.

I could go on and on. I am sure the Liberals would love me to because there is so much for them to learn when it comes to a safe transportation policy. I am appalled we are so far behind in terms of our thinking and in terms of our application of true science.

The reason is that too often we simply allow political considerations to enter into these decisions. We do not use our heads and do true math and physics in making our calculations. I urge the government to do what it can to bring the provinces together to work co-operatively to save lives on our highways.

● (1310)

[*Translation*]

**Mr. Mario Laframboise (Argenteuil—Papineau—Mirabel, BQ):** Mr. Speaker, I am pleased to rise to speak to Bill S-3, probably my last opportunity before the summer recess.

The Bloc Quebecois is opposed to this bill for the pure and simple reason that this is not the time for the government to be introducing it to this House.

Once again, this is evidence of a government that is in over its head and is trying to mark time. We all know that the session is going to be over earlier than expected. Probably, then, there has been an order passed down to each minister and deputy minister to table some bills. Bill S-3 is a striking live example of a bill that ought not to have been introduced in the House at this time.

Bill S-3, an act to amend the Motor Vehicle Transport Act, 1987, is described by the government as a highway safety act. Everyone in this House, including my colleagues and the parliamentary secretary, is making wonderful speeches about how this bill should enhance safety on Canada's major highways, and particularly the monitoring of highway carriers.

However, reading clause 3 of the bill:

3.(1) The objectives of this Act are to ensure that the National Transportation Policy set out in section 5 of the *Canada Transportation Act* is carried out with respect to extra-provincial motor carrier undertakings, and, more specifically, that

- (a) the regulatory regime for those undertakings is focused on safety performance assessments based on the National Safety Code for Motor Carriers; and
- (b) the operating standards that apply to those undertakings are applied consistently across Canada.

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This is far from being a bill that will guarantee safety on major highways across Canada. It targets extraprovincial motor carrier undertakings and its purpose is to subject them to a consistent national evaluation and monitoring regime.

Be that as it may, the monitoring and implementation of the regime come under the jurisdiction of the provinces and territories. It is important that Quebecers and Canadians realize that the Government of Canada has no means, no monitoring policy, no effective policy to guarantee the monitoring of undertakings. It is the provinces and territories that are responsible for implementing the standards that they themselves set.

The provinces and territories have had safety standards for decades. Moreover, they agreed to adhere, among others, to standard 14, which is part of the national safety code for motor carriers. The provinces and territories made it their objective to implement this standard. Finally, the proposed bill would have the effect of implementing standard 14.

In order to implement such a standard, we must be able to set up, in each province and territory, a system of evaluation and compatible assessments across Canada on which, as I said earlier, the provinces and territories agree.

In order for the system to be effective, there must also be a penalty and downgrading process, including the cancellation of permits for major offenders, and also an effective monitoring system.

This is where the problem lies because, as we are speaking, the territories have still not been able to come to an agreement with the federal government to implement this system of evaluation, assessment, penalties and monitoring. Implementation costs are a major factor.

• (1315)

The implementation of an evaluation system with ratings, penalties and monitoring would be very costly for the provinces and territories. Right now, not all provinces and territories have the financial means and the capacity to implement that evaluation system with ratings, penalties and monitoring. Discussions among the provinces have been ongoing since 1999, when a standing committee was struck by the provinces, the territories and the federal government.

The committee is studying the best way to put in place an evaluation system with compatible ratings, the necessary penalties and the monitoring required to reach the objective. There is still no agreement.

Why introduce Bill S-3 if, in the field, the recommendations contained in the bill cannot be implemented? Once more, here is a

government that does not care. I do not doubt the sincerity of the parliamentary secretary or the Liberal members of the committee. However, the bureaucrats were let loose and they proposed a bill to try to kill time. Finally, we have too much time. Right now, the rumour is that we will adjourn earlier than expected.

Public servants were left to introduce the bill, which cannot be implemented in the provinces and territories for the simple reason that no agreement has yet been reached on how to supervise, harmonize the entire assessment and rating system, lower ratings, or cancel permits, and for the regime as a whole. The government has not reached any agreement with the provinces and territories.

Worse yet, the officials had the gall to come before us in committee and say they had the agreement of all the provinces and the industry. On three occasions, I had to correct the government officials. I told them that Quebec had not given its approval when Bill S-3 was introduced for the simple reason that Quebec's standards are higher than the Canadian ones.

If a province applied the rating of this standard to its industry, it would limit the industry's competition. Imagine if a province or territory decided to sanction its carriers more strictly than other provinces or territories. It would make the motor carrier industry less competitive if the industry had to meet tighter standards and face stricter sanctions with fines attached.

This would threaten competition among industries in Canada, and this is why it is important to have a single standard across Canada. Each of the provinces and territories must also have the means to implement this standard.

From the very start, with the lack of cohesion in relations between the provinces and the federal government, I said whenever I spoke in committee that the bill had been introduced too soon. The provinces are in agreement with standard 14. The problem is that there is not enough money to harmonize Canada wide in such a way that the trucking industry is not worse off in one province than in the others.

The government kept telling us that there had been consensus. Again, I had to remind officials that, as far as I was concerned, Quebec had not given its approval.

In committee, we were able to hear from industry stakeholders, because the committee had decided that it would be a good idea to invite them to appear before it anyway. The following is from the brief submitted by the Canadian Trucking Alliance, which represents 70% of the trucking industry. It sits on the standing committee and therefore represents the industry at the table, and is very knowledgeable about harmonization problems and the provinces' and territories' lack of financial resources to enforce the standard:

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However, it is our fear that without a significant commitment of political will and increased funding on the part of the federal government to ensure that the National Safety Code... is consistently applied in all jurisdictions, leadership will be lacking and the safety rating standard may prove to be an unattainable goal.

• (1320)

The representative went on:

In our view, the time has now come for the federal government to expend the political capital and financial resources necessary to effectively exercise its constitutional authority over trucking.

Obviously, this is a strong appeal from the Canadian Trucking Alliance, which represents 70% of the industry. It says that there is indeed a problem with respect to harmonization and that the federal government has to set a Canada-wide standard. However, the government must also provide the necessary funding to ensure the implementation and enforcement of this standard by the provinces and the territories, who are the only ones who have the required monitoring equipment and the resources.

In spite of the amendments recommended by the Canadian Trucking Alliance, there is nothing in Bill S-3 to include the setting up of a standing fund to support enforcement and harmonization.

In this bill, even if all the stakeholders, including the industry, say that there is a money problem and that it costs a lot of money to have the rules enforced from one end of the country to the other—since the provinces and the territories do not all have the same capacity—in spite of this problem, even the industry, the Canadian Trucking Alliance, which represents 70% of the industry, has not even dared to ask the federal government to pay its share in the enforcement and monitoring of this standard.

This is where the problem lies. I come from another environment. I spent 18 years in municipal government before coming to this House. I have great difficulty understanding that stakeholders, people as aware as the representatives of the Canadian Trucking Alliance—70% of the industry—realizing that the federal government collects excise tax on gasoline, the GST on gasoline and finally half the taxes on everything that truckers or motor carriers pay in most jurisdictions, do not even dare—they are shy—ask the federal government for money, and indicate that the federal government “should”.

Even in their recommendations and their amendments, believe it or not, they asked for this instead, “the minister shall, by order, remove the power of delivering certificates from the provinces that are unable to ensure follow-up and monitoring”.

So, instead of asking the federal government to pay its fair share, the industry suggested—probably on the recommendation of federal government officials—to remove from provinces the power of delivering certificates, whereas the federal government does not

even have a single person able to do so in the whole country, for the simple reason that this is a provincial jurisdiction.

Of course, once again, the pressures the industry may face from government representatives, particularly at such a crucial moment, are due to the fact that, even though work began in 1999 and all the provinces and the territories are discussing and trying to find solutions, the issue of funding for all those measures has not yet been resolved.

It is not enough to just put in place standards with which the industry must comply, there must also be a mechanism for monitoring this standard. Monitoring costs big bucks.

I repeat, I am a representative of Quebec. The province of Quebec is not the one that lacks the means to ensure compliance with standards at this time. In some ways, Quebec standards are stricter than the national safety code, particularly as far as motor coaches are concerned.

The industry in one province must not be penalized because it enforces stricter standards and stricter penalties, lays comparatively more charges against certain types of industry than in other jurisdictions.

Obviously, if there is to be healthy competition, the principle of this bill must be applicable and applied across Canada, which is far from the case at this time.

In conclusion, this is a consensus that must be obtained before such a bill is introduced. That is what should have happened. As I have said, the provinces did not give their okay to the introduction of this bill; Quebec did not.

• (1325)

In closing, I would just like to state that I believed the departmental officials when they told us that all provinces and territories were in agreement with Bill S-3, despite the fact that I had told them on three different occasions that this was not the case for Quebec. They insisted it was the case for all provinces and territories, and for the entire industry. Obviously, I will share with the hon. members what Teamsters Canada had to say before the committee as well as the content of their brief. They are hardly insignificant, representing as they do 80% of unionized truck drivers throughout Canada. They said, in part:

Moreover, it was stated that provincial governments and industries were consulted on this and that they agreed on Bill S-3. Teamsters Canada does not believe that all the provinces agree with this bill. In the eyes of the public, Teamsters is synonymous with the trucking industry. We are the pillar of highway transportation and we were not consulted on this bill.

It is difficult for me to support this bill, especially when I hear the statements by government officials. Again I am not blaming the parliamentary secretary or the Liberal members who sit on the

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committee. The bureaucracy is the one to blame. It probably received a mandate from the very top to try to fill the time in the House, because we will be adjourning earlier than expected.

I blame public servants for presenting a bill that cannot be implemented and that may create a malaise between the industry and the provinces that had not given their approval. This malaise could jeopardize the implementation of that standard, which is meant to be acceptable to the provinces, the territories and the industry. The problem is that this bill is being introduced too soon.

It is for these reasons that the Bloc Québécois will oppose Bill S-3.

[*English*]

**Ms. Wendy Lill (Dartmouth, NDP):** Mr. Speaker, it is my pleasure to rise today to speak on behalf of the New Democratic Party to third reading of Bill S-3, an act to amend the Motor Vehicle Transport Act, 1987 and to make consequential amendments to other acts.

New Democrats will be opposing the bill at this important juncture for reasons I will elaborate on shortly. I will not spend 20 minutes giving our concerns. I do not think it will require that long. However I will lay out our concerns and why we oppose the bill.

Bill S-3 would establish a framework for harmonizing the way provinces administer parts of the national safety code for motor carriers. The national safety code pertains to buses and transport trucks and is administered at the provincial level.

The code was introduced by the Mulroney government in 1987 in response to safety concerns due to the deregulation of the trucking industry. However the federal government left the provinces to adopt and administer the code themselves. So far none have fully adopted it. In essence, therefore, the national safety code is nothing more than a set of suggestions. That is a major concern for us as New Democrats.

The framework established in the bill would allow provinces and territories whose safety compliance regimes are compatible with the national safety code to give extra provincial bus undertakings a safety rating and to issue safety certificates. It is a nice idea, but unless all or most of the provinces adopt the code it is functionally useless. That does not appear likely in the foreseeable future.

In the words of the Canadian Trucking Alliance, the safety code harmonization framework is putting the cart before the horse. Regardless of the administrative framework the federal government comes up with, the national safety code will remain toothless unless the provinces adopt it.

The Liberal government has the constitutional authority to impose the national safety code on the provinces but is not doing it.

We need federal leadership in this area. Regrettably we are not seeing that from the Liberal government.

New Democrats have other issues with regard to the crafting of the bill. Several concerns about Bill S-3 arose in committee but were not dealt with. In their mad rush to pass the bill before the House recesses for the summer the Liberals restricted many of the witnesses to unreasonably short presentations. As mentioned by the Bloc member, the teamsters were very concerned by the process. The teamsters, who are central to the trucking industry in Canada, expressed concern that the government did not consult them while drafting the bill. However the government maintains it held wide consultations in drafting the bill. There is a real contradiction there.

• (1330)

Several witnesses raised specific concerns about the national safety code, notably the hours of service regulations for motor carriers. The Liberal government is changing the regulations to allow truck and bus drivers to be on the road 84 hours a week. Hon. members should stop and imagine what it would be like to be behind the wheel of a truck 84 hours a week.

I live in a province where truck traffic is already involved in many of the accidents on our highways. I shudder to think that the number of accidents could be drastically increased by having exhausted drivers behind the wheels of trucks.

By endorsing proposals from the Canadian Trucking Alliance that would put many truck drivers in the position of having to work an 84 hour week, week after week, we would be ushering in by far the most lax regulations for truck drivers' work hours in the western world. That is not a record we should be proud of.

Politicians and bureaucrats have apparently been convinced that improved trucking industry profitability would be good for the economy. There appears to be little concern about the likely downside of the change: more deaths and injuries on the road.

Governments and the trucking industry are proposing that truck drivers work five consecutive 14 hour days, take one day off and then drive another five days. The result is that drivers could be legally required to work 84 hours in a week. An alternative work cycle would let truck drivers drive up to 96 hours every second week. That is insanity by any sense of the word.

The NDP is greatly disappointed and frustrated by the lack of progress on this vitally important bill. Unless we see real commitment to a national safety code that is truly national in nature, we cannot support Bill S-3.

Furthermore, the changing of the hours of service regulations is another grave concern to us. As I have just stated, it could lead to untold tragedy with increased accidents.

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At this point I regret to say that the New Democrats will be opposing Bill S-3.

**Mr. Loyola Hearn (St. John's West, PC):** Mr. Speaker, I will say a few brief words on Bill S-3, an act to amend the Motor Vehicle Transport Act.

This is the third transport bill to go through the House in very short order. The word on the street is that the minister might soon be taking off on a diplomatic career. We get the impression he is trying to clear the decks before his successor takes over.

Bill S-3 outlines the federal government's role in extra-provincial bus and truck transport. An updating of the same is in order from time to time. We have no problem with that.

Bill S-3 would allow provinces and territories whose safety compliance regimes are compatible with the national safety code to give an extra-provincial carrier a safety rating and to issue a safety fitness certificate. Such a certificate would be recognized by other Canadian jurisdictions.

Bill S-3 would also allow a province or territory to apply sanctions to extra-provincial carriers for poor safety performance. Such sanctions would include downgrading their ratings and revoking their safety certificate. It is about time we had standardization across the country.

• (1335)

Bill S-3 would allow Canada to enter into arrangements with other countries for reciprocal recognition of carrier rating standards. This refers to enabling legislation which outlines the framework under which regulations are made for the safe operation of commercial vehicles on our nation's highways. As such, we can support the bill. We have a problem with the regulations and standards coming under the bill, not the bill itself.

Last August Mr. David Bradley, head of the Canadian Trucking Alliance, the chief industry association, said that the national safety code upon which the ratings system would be based was neither national nor a code and that not one of the sixteen national safety code standards agreed to by the provinces in 1988 had been officially adopted across the country.

In 1987 the federal, provincial and territorial governments signed a memorandum of understanding to implement the national code by 1990. The most recent status report in 1998 showed that no province had by then adopted all fifteen mandatory standards and the one voluntary standard. The standards dealt with hours of work, driver training, driver testing, vehicle maintenance, roadside inspections, et cetera.

In February of this year the Ontario Trucking Association stated that safety rating systems lacked consistency across the country. Consistency is important to carriers because safety ratings are a

matter of public record. Shippers and insurance companies are encouraged to use them in choosing a carrier or setting insurance rates. Consistency is also important to drivers, the majority of whom cross borders on their runs.

A standard issue which is a source of controversy relates to proposed hours of work for drivers. While changes to hours of service standards are not part of the bill per se, the act that the bill amends sets out provisions whereby the codes and hours of service may be changed.

As I said earlier, the bill is enabling legislation. The problem is in the details of regulations that can be made under the act.

While the trucking industry and the government appear to be singing from one page of the same hymn book, truck driver unions and public safety advocates are singing quite a different tune. What is being proposed is quite incredible. It would give Canada the least safety minded regulations in the western world. That is not something we should be proud of.

Sleep impaired drivers could be required to work a maximum 84 to 96 hours a week, forgo two consecutive nights of rest and drive without on board recorders, black boxes as we call them, to keep track of it all.

As we listen to what drivers could be expected to do under the legislation, we think of old trucking songs that led to an understanding of the dangers inherent in being a truck driver. One that stands out which everybody knows is *Six Days on the Road and I'm Going to Make it Home Tonight*. If regulations are not tightened up some of our truck drivers will be six days on the road.

The transport committee has been asked to study a federal government proposal that could see truck drivers on Canada's roads having to drive 14 hours at a stretch or up to 16 hours on alternate days. When this boils down to a truck driver's work week that can run anywhere from 84 to 96 hours, surely it is not in the best interest of either truckers or members of the general public with whom they share the road.

Since the North American Free Trade Agreement was implemented there has been a large increase in north-south traffic. However American truckers are not required to work more than 10 hours per shift. Given the increasing integration of the North American economy, I do not see why there should be such a difference between American and Canadian hours of service.

It was proposed in the transport committee that we hold hearings across the nation on this important issue. However the government majority on the committee, as usual, voted down the proposal.

• (1340)

Truckers' hours are a matter of driver and public safety. The government would do well to err on the side of caution on the issue. That is certainly the public's view. An Angus Reid poll found that



84% of Canadians surveyed favoured a maximum 60 hour work week for drivers and 78% of Canadians wanted black boxes on trucks to monitor what is going on.

The government gives lip service to the need for consistent regulations across the country but stands by while the provinces fail to implement the national code. Mr. Bradley of the Canadian Trucking Alliance, quoted earlier, said last August:

The federal government has the constitutional authority to introduce federal regulations and standards, to show national leadership, but it does not appear prepared to wade in—

One final point is that the bill would provide for, and Transport Canada is working toward, an agreement with the United States and Mexico to give motor carriers seamless regulatory treatment across North America. NAFTA requires nothing less if we are to ultimately see the free flow of goods across the continent.

The bottom line, however, is that the federal government has done a poor job of leadership when it comes to providing a seamless web of transport regulations and standards within the country. How does the government expect to harmonize with the United States and Mexican systems if we have not yet harmonized ourselves?

Bill S-3 has laudable goals. The problem is that such a bill would require considerable leadership and detailed groundwork, things the federal government has so far failed to take seriously. Leadership on the file would require hard work and consistency. Leadership in a federal democracy is never easy but we have a government that prefers a quick and inadequate fix. It is a babe in the woods compared to our neighbours to the south.

The new rule of the road, whether one drives a car or a transport truck, is: Drivers beware; government asleep at the wheel.

**Mr. Jay Hill (Prince George—Peace River, Canadian Alliance):** Mr. Speaker, it is a pleasure to rise this afternoon and speak briefly to Bill S-3, the amendments to the Motor Vehicle Transport Act.

As my hon. colleague from the Progressive Conservative Party noted during his remarks, Bill S-3, despite the speedy process with which it has been brought through the House, has some rather lofty goals. I will start by informing the viewing public what Bill S-3 hopes to accomplish.

The summary at the front of the bill states:

This enactment modernizes and streamlines the regulation of extra-provincial motor carrier (truck and bus) undertakings in Canada, building on the reforms introduced in the *Motor Vehicle Transport Act, 1987*. The objective is a consistent national regime for motor carriers focused on carrier safety regulation.

The key components of the enactment include:

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(a) a national regulatory framework for provincial administration of a safety performance-based regime for extra-provincial motor carriers, based on the national safety standards developed by the governments of Canada and the provinces in consultation with industry and embodied in the National Safety Code for Motor Carriers;

(b) provision for national policy direction supporting the implementation of that framework; and

(c) provision for international arrangements for mutual recognition of carrier safety performance assessment.

As my colleague and several speakers prior to me have indicated, some rather lofty goals are contained in Bill S-3. However, when we look at the history of how the government has dealt with the issue and with the bill, we find reason for concern. Given the way Bill S-3 is drafted, we must ask whether it would be able to accomplish the rather lofty expectations laid down in it.

● (1345)

I would like to raise a concern regarding subclause 7(2) which states:

A safety fitness certificate need not be in any particular form.

**An hon. member:** How do we get uniformity across the country?

**Mr. Jay Hill:** Exactly. My colleague asks how we get uniformity across the nation if that is the case. That would be my concern.

The bill attempts to establish a national safety code which would be adhered to from coast to coast, something that is quite reasonable. It is also reasonable to expect that there would have to be, as it states in the preamble, consultations not only with provincial governments but also with the industry. We do not want the heavy hand of some Ottawa bureaucrat coming down and deciding what the code will consist of and enforcing it from coast to coast to coast.

After all, to have it taken into consideration in the bill that the safety fitness certificate need not be in any particular form only invites non-uniformity across the country. Subclause 7(3) continues:

Laws of a province respecting the safety of motor carrier undertakings apply to an extra-provincial motor carrier undertaking to the extent that those laws are not inconsistent with this Act.

In other words, as long as the provinces adopt those parts of the national safety code, draft and design their own provincial safety fitness certificate and do not contradict the act, that is good enough. I suggest to members and to Canadians that is not good enough, given the lofty goals of the legislation itself. It goes on in clause 9 to state that under certain circumstances:

—the Minister may, by order, withdraw its power to issue such certificates.

*Government Orders*

The minister does have that power, but it does not clear up any criteria or specifications as to what would be encompassed by the safety fitness certificate and how the minister would exercise that power given the fact it very clearly states they need not be in any particular form.

Clearly there is a bit of a contradiction in the bill. As my colleague from the New Democratic Party pointed out in her intervention, a number of these concerns were raised in committee. However, because the government decided to speed it through it did not allow enough time for witnesses to appear or for opposition parties and the opposition in industry to appear and put forward their concerns. It is questionable as to why the government decided to push the bill through in this manner.

Let us look at the whole issue of ministerial exemptions because as a number of speakers have indicated it is of some concern. Clause 16 deals with exemptions. I would like to read it so that perhaps other members, and certainly the viewing public, can try to understand it:

The Minister may, after consultation with the provinces that would be affected by a proposed exemption, exempt from the application of any provision of this Act or the regulations, either generally or for a limited period or in respect of a limited area, any person, the whole or any part of any extra-provincial motor carrier undertaking or any class of those undertakings, if in the opinion of the Minister the exemption is in the public interest and is not likely to affect motor carrier safety.

**Mr. Werner Schmidt:** He can do what he wants.

**Mr. Jay Hill:** Exactly. He can basically use his own discretion. I also note there is something that is pretty hard to follow. It sounds like the usual bureaucratic mumbo-jumbo that absolutely confounds industry when a piece of legislation is designed with clauses like that in it. The problem, as my colleague from Kelowna has indicated, is the final line that the minister may allow for an exemption if it is in the public interest and is not likely to affect motor carrier safety. It does not say anywhere in there what criteria he or she may use when making that assessment. That should be of more than a little concern.

● (1350)

Most members of parliament and many Canadians are concerned about safety on our roads. Keith McArthur, a transportation reporter with *The Globe and Mail*, wrote a series of stories on fatigue in transportation that included the airline industry with pilots and other air crew on the ground, truckers, train engineers and other trainmen. In his story on the trucking industry, because that is specifically what Bill S-3 is dealing with, he wrote:

In 1999, the most recent year for which statistics are available, just 67 people died in aviation accidents, compared with 2,969 on Canada's roads and highways.

This clearly shows a serious problem on our highways. It continued:

In 1998, there were 360 collisions involving trucks in which people lost their lives in Canada. But police identified fatigue as a factor in only two of the accidents.

When the bill was before the committee there was a difficulty in assessing when fatigue was a factor in an accident. It is very simple to assess post-accident if alcohol or drugs are suspected. A blood test could be taken and either of those factors could be discounted or confirmed. However it is very difficult for a police officer at the scene of an accident to rule in fatigue as part of the reason an accident actually occurred. Therein lies part of the problem.

I am certainly not opposed to ministerial exemptions for this type of legislation. The proof will be in the pudding and that is always the case when we get into a situation allowing exemptions.

As I pointed out in committee, in my former life in the real world outside Ottawa politics I have had experience in trucking and working in the oil patch both in northeastern British Columbia, northwestern Alberta and into the territories. I understand there is a vast difference between driving a heavy truck hauling oil field equipment down an ice road in the Northwest Territories and driving a heavily laden fifth wheel semi-trailer in rush hour traffic in Toronto.

There is a huge difference when we are talking about stress on the operator. There is a huge difference in trying to come up with regulations that make sense in terms of how the truck is to be operated and what restrictions would be placed on the trucking company that employs the individual.

It is very difficult for us to come up with a uniform set of regulations that make sense in all corners of the country. Therein I find myself in some agreement with the legislation that allows the minister some flexibility and some manoeuvring room. This makes sense in a country as vast as Canada.

I refer to the example raised about hours of operation. I suspect the stress involved for a trucker on the 401 going through heavy traffic in cities like Toronto, with bumper to bumper traffic in four lanes, would be incredibly more difficult to handle on an ongoing basis than operating a truck on a wide open stretch of highway in western Canada or an ice road in the Arctic where there is virtually no traffic. The greatest fear if one happens to fall asleep is driving off the road and getting stuck in a snowbank or perhaps bumping into a caribou or something.

● (1355)

There is a vast difference between what is necessary to ensure safety on our highways depending on what part of the country the truck or the bus is being operated in.

I support the need for some flexibility, but at the same time I am concerned that there is no criteria or specifications set down. Basically we have allowed the minister to have a wide open hand in this area.

I have just returned from a trip to Portugal with the Minister of Transport. We attended the European conference of ministers of transport with over 40 countries in attendance. One of the controversial issues those ministers of transport were grappling with when they met for their annual meeting was the whole issue of trucking rights and running rights in Europe and in the European Union.

I found it incredibly informative and interesting to listen to the debate that took place there because in many cases the unresolved issues they were dealing with were very similar to the issues we deal with in Canada.

The physical size of Europe, even with the expansion to include more eastern bloc countries in the European Union, is about the size of Canada. The problems they are trying to confront with trucks travelling across international borders are very similar to some of the problems we are having in getting a truck from Montreal to Vancouver and across provincial borders. Some interesting debate took place there.

They were also talking about other many of the same things. They were talking about having unrestricted access for a trucking company from Holland or Germany to Portugal and what it would mean for the local economy. I have heard the same issues regarding trucks being given complete unfettered access from eastern to western Canada and what that would do to the local economy if it happens too often.

I have heard about the need for accurate maintenance of log books to ensure that truckers are only operating their trucks for the allowable period of time. The same debate took place in Lisbon.

There can be no doubt there is a need for harmonization of our national safety code to protect the public on our roads. I would have liked to have taken perhaps a bit more time and spoken about the need for infrastructure and dedicated revenue to improve our roads. I could launch into a whole other debate about the need to refocus on our railways and our railroads for heavy traffic, heavy freight hauling, to get more trucks off the road. There are ways in which we could work for intermodal transportation. We have been making some gains in that regard, but a lot more needs to be done.

If anything, the debate today has clearly shown that the national safety code is a myth. Anybody that would argue it is anything else is fooling himself or herself and attempting to fool the travelling public. We need to work a lot more closely with the provinces. The bill sets us on track to do that. It will be interesting to see what we have gained in a few years' time: what exemptions, if any, the minister has allowed and why they were allowed.

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**Mr. Ken Epp (Elk Island, Canadian Alliance):** Mr. Speaker, I listened to the speech of my colleague. I am actually rising on more of a comment than a question.

In my speech I was talking about the solution to running red lights. I missed a very important point that I wanted to put on the record. I talked about showing an amber light and a green light simultaneously to warn people approaching the intersection that the light would be red by the time they got there. I forgot to include that at some stage the green light would go off and it would be amber only, as it is now, so that people would know they must stop. I did not get to that because I was running out of time.

That is a very important feature. It is one of the points I was promoting in my speech as something we could do across the country to promote safety.

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## STATEMENTS BY MEMBERS

*[English]*

### HUMAN RIGHTS

**Mr. Irwin Cotler (Mount Royal, Lib.):** Mr. Speaker, the right to freedom of association, the right to join a trade union and the right to engage in collective bargaining are fundamental rights guaranteed under the universal declaration of human rights, the charter of the Organization of American States and the conventions of the International Labour Organization.

• (1400)

These fundamental rights, the pillars of a democratic society, are under sustained assault in Colombia involving also an assault on the right to integrity of the human person, indeed the very right to life itself.

The data are staggering. Since 1991 over 1,600 trade unionists have been killed while thousands more have been detained, beaten, harassed, kidnapped and tortured, all for merely trying to exercise their right to freedom of association. Ninety per cent of all murders of trade unionists in the world take place in Colombia. Over 50 have been killed in 2001 alone. In a word, it is the most dangerous country in the world for trade unionists.

I ask the Canadian government to call on the ILO to convene a mission of inquiry into these human rights violations and ask the government of Colombia to protect its workers who are also at the forefront of the struggle for peace and help put an end to this culture of impunity.

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### VOLUNTEERISM

**Mr. Werner Schmidt (Kelowna, Canadian Alliance):** Mr. Speaker, the United Nations has declared 2001 the International

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Year of Volunteers. In order to recognize volunteers in my constituency of Kelowna, a call has gone out to local organizations for the names of those who volunteer their time. The response has been overwhelming.

The efforts of our volunteers are widespread. Some volunteer for large organizations like the United Way. Others give their time to smaller organizations such as the Abbeyfield Orchard City Society. There are many more: those who help their elderly neighbours, a parent who volunteers as a soccer coach, and someone who canvasses once a year for local Scouts and Brownies to raise money for a worthy cause.

Volunteerism is the lifeblood of a stable society and of a caring and vital community. I urge all members to reach out and honour the people in their communities who volunteer.

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**JEWISH CHILD AND FAMILY SERVICES**

**Ms. Anita Neville (Winnipeg South Centre, Lib.):** Mr. Speaker, it is a pleasure for me to rise today to acknowledge the accomplishments of Jewish Child and Family Services of Winnipeg.

This month it is celebrating its 50th anniversary, and I recognize that over the past half century it has provided significant contribution to the Jewish community and to all residents of the city of Winnipeg.

Jewish Child and Family Services celebrates its golden anniversary, knowing it has carried out a mandate of providing services which will strengthen the family and personal lives of its clients. It seeks to prevent personal and family breakdown by keeping its service delivery close to the philosophy of Jewish values and traditions.

With services ranging from counselling for individuals, families and groups, to providing services for older adults who wish to maintain their independence in the community, to providing a multitude of support to young people as well as the integration of newcomers to the country, the impact of this organization cannot go without accolade.

I know it will maintain high quality work into the future and that it will continue to respond to the changing needs of the diverse community they serve.

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[Translation]

**CANADIAN FORCES**

**Mr. Gérard Binet (Frontenac—Mégantic, Lib.):** Mr. Speaker, today, most of the members of the Canadian forces deployed within UNMEE, the United Nations' peacekeeping mission at the border between Ethiopia and Eritrea, are preparing to come home.

For nearly six months, over 450 of our soldiers have been making a significant contribution to the process of establishing

peace between the two neighbouring countries. By helping to establish a temporary safe zone, the Canadian force has enabled two countries formerly in conflict to withdraw their troops from territories that are in dispute.

This operation makes clear Canada's commitment to peace and stability in Africa. Moreover, it represents the first deployment of the United Nations standby forces high-readiness brigade. Canada enthusiastically joined this initiative, which was launched by Denmark and the Netherlands in 1995.

We may be proud of our soldiers' professionalism. We wish them a good trip home and we wish continued success to the six officers who are continuing Canada's commitment in the Horn of Africa.

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**ROAD SAFETY**

**Mr. Guy St-Julien (Abitibi—Baie-James—Nunavik, Lib.):** Mr. Speaker, in *La Presse*, the letter of the week was from Montreal lawyer Sylvain Lallier, and was headed "Time to act". The letter concerns the government of Quebec's innumerable promises to legislate.

We are still waiting. What is the argument for the lack of action? The hard core. Do members know what the "hard core" is? It is Quebec's 4,000 chronic drunkards, who are untouched by the province's laws and sanctions. The people who fear nothing, neither police, nor fines, nor road blocks, nor judges nor prison. They are not moved by public awareness campaigns or society's scorn.

Each time a tragedy occurs, the SAAQ fails to react, saying it is inevitable because the law would not reach the reckless driver, however severe it might be.

And then there is the "no-fault" aspect of it, which provides unlucky drunks who injure themselves in an accident with generous compensation by the SAAQ. These unacceptable privileges are being stubbornly maintained.

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● (1405)

[English]

**CANADIAN WAR MUSEUM**

**Mr. Roy Bailey (Souris—Moose Mountain, Canadian Alliance):** Mr. Speaker, veterans say the government is continuing to ignore them. This certainly was the case with the Canadian War Museum. What will happen to the land at Rockcliffe which was previously dedicated to the war museum? Will it be sold to developers? Where will the profit go?

Why did the veterans have to raise money for a war museum when other museums did not have to do so? Why did the government say it needed the vets' money and then turn around

and spend twice as much money as originally planned for the new museum, which most veterans will never see?

Why is the war museum treated like a second class museum? Why does it have to be under the arm of another museum? Will the minister take the war museum out from under the arm of the Museum of Civilization and give it a status that it deserves?

I urge the Minister of Canadian Heritage to give the war museum its own board of directors, make it an independent museum and start showing some respect for our vets.

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### NELSON MANDELA

**Mr. Andrew Telegdi (Kitchener—Waterloo, Lib.):** Mr. Speaker, I am rising in support of Nelson Mandela becoming an honorary citizen of Canada.

Nelson Mandela is a living saint who embodies human rights and reconciliation. He exemplifies the rule of law and not of man. Mr. Mandela is an inspiration to people from all walks of life. He transcends all borders, whether they are social, economic, religious, racial, political or even intellectual. He teaches us the value of conviction and endurance.

Let us name Nelson Mandela an honorary Canadian citizen, but also in his name let us bring justice to the citizenship revocation process and let us put justice into our Immigration Act. This would entail access of people like Nelson Mandela to Canada and would ensure that Canadian citizenship would not be revoked without a right to a judicial appeal.

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### THE ECONOMY

**Mr. James Rajotte (Edmonton Southwest, Canadian Alliance):** Mr. Speaker, last week the industry, science and technology committee heard from members of the Canadian e-business opportunities round table. One of the strongest messages coming from the group was that in today's globally competitive environment those who stand still will fall behind and that we in Canada need to react to this by moving further and faster in reducing taxes.

Mr. John Eckert, the e-team captain and managing partner of McLean Watson Capital, expressed this very well when he stated:

There's much work that still remains to be done. We don't think that the changes that have been enacted or proposed with regard to tax reductions at the personal, corporate or capital gains rate are sufficient; that we've seen the U.S. move further ahead now with recent tax drop initiatives; and that for Canada to really get its share of the e-business and economic slice of the pie, that we have to work harder and be more aggressive to close that gap and make it more advantageous to invest in Canada.

*S. O. 31*

I call upon the government to listen to Mr. Eckert and the Canadian e-business opportunities round table and move immediately to further reduce personal—

**The Deputy Speaker:** The hon. member for Joliette.

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[Translation]

### FREE TRADE AREA OF THE AMERICAS

**Mr. Pierre Paquette (Joliette, BQ):** Mr. Speaker, the summit of the Americas is one more illustration of why Quebec must become sovereign.

Who would not agree that our values and our institutions would be better defended by representatives from Quebec than by the federal government in negotiations for the free trade area of the Americas?

What jurisdiction does the federal government have to negotiate anything directly or indirectly related to language, culture, health, education or labour? How can the government in Ottawa defend Quebec's culture, when it daily denies the existence of that culture? What sort of effort will it put into seeing that our unique approach to the management of farming is not endangered?

The sovereignty of Quebec, the sixth largest economic power in the Americas, will give us access to the negotiating tables of the free trade area of the Americas. This will make it possible for us to make our choices and to build alliances so that the agreement benefits the Quebec people and the other peoples of the Americas.

The sovereignty of Quebec is the only way.

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[English]

### THOROLD REED BAND

**Mr. Tony Tirabassi (Niagara Centre, Lib.):** Mr. Speaker, the Thorold Reed Band was formed in 1851 in the present city of Thorold, then just a village. In 1900 the band was so popular there was a waiting list to join, even though each member had to pay 10 cents for rehearsal.

On July 1, Canada Day, the Thorold Reed Band will be celebrating its 150th anniversary. To honour past and present members a march has been composed by the band director of music, Mr. Brian Williams. The *Battle of Beaverdams March* is named for the battle that took place on June 24, 1813, between the United States and Canada in Thorold, Ontario.

Copies of the 150th anniversary celebration have been sent to other bands across the nation to be performed as part of their Canada Day celebrations.

• (1410)

The constituents of Niagara Centre and indeed all Canadians join with me in offering best wishes to the Thorold Reed Band, a band

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that has played uninterrupted through the depression and wars, on its 150th anniversary, and congratulating it on the launch of its musical composition *Battle of Beaverdams March*.

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#### ARTS AND CULTURE

**Ms. Wendy Lill (Dartmouth, NDP):** Mr. Speaker, last night in Venice two Alberta artists, Janet Cardiff and George Bures Miller, won a special prize at the prestigious Venice Biennale International Art Exhibition.

This is the most recent example of the world class art being produced by Canadians and supported by the Canada Council. Funding went to Cardiff and Miller for the creation of “The Paradise Institute” and to Winnipeg’s Plug In Gallery for the presentation and promotion of the work. Only weeks ago Inuit filmmaker Zacharias Kunuk won the Camera d’Or at the Cannes International Film Festival.

In an increasingly globalized environment it is crucial that Canadian artists have the opportunity to find audiences. They would not be able to do this without public funding and, in particular, the Canada Council’s support.

Like public investment in science and technology, public arts funding is an investment in Canadian creativity, paying off many times over in enhancing our reputation as a dynamic, vital and above all passionately artistic nation. I salute our Canadian artists.

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[*Translation*]

#### GAMES OF LA FRANCOPHONIE

**Mr. Robert Lanctôt (Châteauguay, BQ):** Mr. Speaker, the Bloc Québécois is proud today to be able to encourage Quebec’s athletes who, when they take part in the Games of La Francophonie, to be held from July 14 to 24, will do so for the first time as representatives of Quebec.

At long last, Quebecers will have the pleasure of seeing the fleur-de-lis hoisted high for victories and will be able to share their pride in the performance of our Quebec athletes.

We all know how talented those athletes are. Now they will be able to show that they are a magnificent, resounding force that is here to stay.

This is only the beginning for our athletes from Quebec. Soon, as ambassadors of our sovereign nation, they will be able to display Quebec’s colours, anthem, and flag. One day, they will wear the fleur-de-lis as a symbol of victory over adversity and of hope.

We salute them all and wish them good luck.

#### GENEVIÈVE JEANSON

**Mrs. Marlene Jennings (Notre-Dame-de-Grâce—Lachine, Lib.):** Mr. Speaker, for the second time in her young cycling career, Lachine’s Geneviève Jeanson was named personality of the week by the daily *La Presse*.

On June 3, Geneviève Jeanson won a spectacular victory in a women’s world cup road cycling event held on Mount Royal. She took off and rode alone for 75 kilometres, crossing the finish line with a lead of 7 minutes and 26 seconds over her closest competitor.

At barely 19 years of age, Geneviève Jeanson is one of the best among the world’s elite female cyclists. On my behalf and on behalf of the residents of Notre-Dame-de-Grâce—Lachine, I congratulate this young athlete who is an example of perseverance for us all, and I wish her other great victories.

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[*English*]

#### HEALTH CARE

**Mr. Gurmant Grewal (Surrey Central, Canadian Alliance):** Mr. Speaker, in Surrey, Surjit Goraya’s husband told me that his wife was a healthy pregnant woman until she lost her baby because of overcrowding at Surrey Memorial Hospital.

Canada’s fastest growing cities are unable to keep pace with the demands made on our hospitals and emergency medical services because of the massive cuts in federal health care spending. The government is responsible for tearing \$26 billion out of Canada’s health care system. This weak Liberal government has created bed shortages and equipment shortages in our hospitals. These shortages have caused unnecessary suffering and even death.

This massive cut in federal health spending has also caused brain drain and labour problems with nurses, doctors and support staff going on strike.

What can the health minister tell the people of Surrey? What can the Prime Minister say to a 25 year old grieving mother who lost her baby? She and her family were helpless.

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#### THE ENVIRONMENT

**Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC):** Mr. Speaker, this past Saturday I had the honour to join with cadets from the 219th Royal Canadian Army Cadet Corps from New Glasgow who were participating in a national environmental initiative entitled “Cadets Caring for Canada”. In conjunction with

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cadets from 750 communities across Canada, 1,100 corps of squadrons took part in this extraordinary event.

At home the local project involved 30 fine, keen young cadets who under the able direction of Ross Bland and Don Hussler undertook to clean up the Lansdowne outdoor recreational park by expanding and enhancing upon this beautiful site. LORDA is operated by a great Canadian, David Liese. It provides senior citizens, mentally and physically challenged individuals and others, who rarely have the opportunity to enjoy the outdoors, to participate in various events such as fishing, camping and recreational activities.

• (1415)

Events held annually at LORDA include the children of Chernobyl fund day, the Pictou county mental health day, the commercial travellers picnic for the disabled and the war veterans picnic.

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**MAX KEEPING**

**Mr. Mac Harb (Ottawa Centre, Lib.):** Mr. Speaker, it gives me great pleasure to pay tribute an extraordinary Canadian citizen.

Journalist Max Keeping of CJOH television has been a cornerstone in our community and the recipient of numerous awards, including the Order of Canada, the Ontario Good Citizenship Award and the key to the city of Ottawa, to name a few.

Through the Max Keeping Foundation, thousands of children in our community benefit from life skill programs, such as Child and Youth Friendly Ottawa, and his tireless efforts working for sick children and CHEO. Just name the cause, call Max Keeping and he is there to help.

Max Keeping is an outstanding citizen, compassionate, committed, determined, hardworking, an achiever, courageous, a planner, consistent, patient and a true leader.

On behalf of all my colleagues in the House and all Canadians, I want to say thank you to Max Keeping.

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**ORAL QUESTION PERIOD**

[English]

**THE ECONOMY**

**Mr. Stockwell Day (Leader of the Opposition, Canadian Alliance):** Mr. Speaker, one of the most respected investment banks in the world is now predicting that Canada may sink into a recession later this year. Other economists are predicting some

planning deficits. We now know that the government is actually indulging in the sharpest spending increases since the Trudeau era.

We all want to be optimistic, and we should be. Prudence, however, demands that these voices of concern be heard. We should not just reject them out of hand.

To calm the waters of concern, will the government please abandon its present plan to go two years without a full budget and commit today to tabling a budget as soon as possible?

**Hon. Paul Martin (Minister of Finance, Lib.):** Mr. Speaker, perhaps it is too much to ask the research department of the Canadian Alliance to go beyond the *National Post*, but rather than simply reading the headlines, at least members opposite ought to read the article. The article states that Canadian indicators remain healthy, that employment levels are stable, that trade continues to be standard, that tax is steady and that tax rates and interest rates have fallen.

I just do not see the weakness that would lead to a recession. Peter Duncan from the Rotman School of Management in the very same article.

**Mr. Stockwell Day (Leader of the Opposition, Canadian Alliance):** Mr. Speaker, he is not dealing with the question of this unprecedented possible two years without a budget.

The level of lack of accountability is extraordinary. We need to see this happen to address these concerns that we are hearing and also to address the concerns that we see with the United States moving ahead aggressively on its tax and debt reductions.

Last year was a record year for Canadian investment out of Canada into the United States. As the United States moves ahead with a reduction in its income tax, in its marriage penalty and in its elimination of death taxes on family savings, we will continue to see a record investment out of the country.

**Hon. Paul Martin (Minister of Finance, Lib.):** Mr. Speaker, as the hon. members knows, in the October statement we brought down the largest tax cuts in Canadian history.

The hon. member ought to know that in the spring update we announced the largest debt reduction in Canadian history.

If the hon. member wants to take a look at the numbers what he can see is that while Canada is currently creating employment, the United States is losing employment.

The fact is that we are weathering the storm, and those are the real facts.

[Translation]

**Mr. Stockwell Day (Leader of the Opposition, Canadian Alliance):** Mr. Speaker, the government must show Canadians that

*Oral Questions*

it will take the necessary measures to protect them against a recession and against the United States.

My question is on behalf of all Canadians. Is this government prepared to speed up the tax reduction process to protect Canadians against an anticipated recession, possibly, and also against the United States?

**Hon. Paul Martin (Minister of Finance, Lib.):** Mr. Speaker, the Leader of the Opposition should look at what we just did.

• (1420)

Not only did we lower the Canadian debt by a record \$33 billion over a four year period, including \$15 billion just for last year, but at the same time we helped our economy with \$17 billion in tax reductions and \$7 billion in spending. This far exceeds what the Americans have done.

[English]

**Mr. Jason Kenney (Calgary Southeast, Canadian Alliance):** Mr. Speaker, the minister is ignoring what credible economists are saying and the signals of concern they are raising. Today George Vasic said that a mild technical recession through the second and third quarters of 2001 is a credible prediction.

The finance minister talks about being tax competitive with the United States. Taxes as a percentage of our gross domestic product are 42% versus 31% in the United States. How can the finance minister stand up here day after day and tell us that we are becoming more competitive with a nation whose total tax burden is nearly a third lower than ours?

**Hon. Paul Martin (Minister of Finance, Lib.):** Mr. Speaker, given the fact that it is the same preamble, let me give the hon. member exactly the same answer in case he missed it.

The fact is that the chief economist of the Rotman School of Management has given the numbers on why we are doing very well. The majority of economists, as referred to in that article, have said that we are not in a recession. In fact one economist does not a recession make and the hon. member ought to stop fearmongering.

**Mr. Jason Kenney (Calgary Southeast, Canadian Alliance):** Mr. Speaker, it is the minister who is fearmongering. Whenever reasonable voices of concern are raised about the direction of our economy he accuses those voices of fearmongering. Instead of doing that, why does he not bring forth a responsible budget which would accelerate tax relief and debt reduction and restore absolute confidence to the markets? Or, is he happy with the fact that disposable incomes are 30% less than the United States, that we have a 65 cent dollar and that our tax burden is a third as high as in the United States? Is he happy with those facts? Does he think those fundamentals are right?

**Hon. Paul Martin (Minister of Finance, Lib.):** Mr. Speaker, what I am happy about is the fact that Canadians' real disposable

incomes are now at a record level. I am happy about the fact that the Canadian economy is creating jobs. I am happy about the fact that it is projected that the Canadian economy will have one of the strongest growth rates of any of the economies of the world.

If the hon. member wants to see us cut taxes, why did he take such pride a couple of months ago in stating that he specifically voted against the government's tax cuts?

\* \* \*

[Translation]

**EMPLOYMENT INSURANCE**

**Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ):** Mr. Speaker, since the tabling of the unanimous report by the standing committee on human resources two weeks ago, the Bloc Québécois has been asking day after day for the government to follow up on the committee's recommendations before the end of this session.

On each occasion, the government has refused to commit, when Bill C-2, which has just been passed, is clearly insufficient for the unemployed.

Can this government explain its unwillingness to help the unemployed by following up now on the unanimous report by the standing committee on human resources?

[English]

**Hon. Jane Stewart (Minister of Human Resources Development, Lib.):** Mr. Speaker, I again remind the hon. member that it is this government that has on many occasions updated the Employment Insurance Act to reflect the specific needs of Canadians.

By asking these questions over and over again, as the hon. member has, it is becoming clear that what all the Bloc members are trying to do is cover up for the fact that they made a mistake last fall in voting against Bill C-44 and again this spring by voting against Bill C-2.

[Translation]

**Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ):** Mr. Speaker, it was not even voted on, they pulled it. But we stand against organized crime.

The unanimous Human Resources Development Canada report bears the title "Beyond Bill C-2" which means, in case the minister does not understand, that the government must go beyond it so that young people, women and seasonal workers are no longer penalized by the eligibility rules; so that older workers may be retrained; so that the self-employed, who are not covered at present, may benefit from it.

Are we to conclude that she has just turned a blind eye to all the recommendations of the standing committee on human resources development, recommendations—



*Oral Questions*

**The Deputy Speaker:** The Minister of Human Resources Development.

[English]

**Hon. Jane Stewart (Minister of Human Resources Development, Lib.):** Mr. Speaker, what the hon. member should understand is that this government works very closely with Canadians to ensure they have a system in place that will support them when they find themselves through no fault of their own between jobs.

The hon. member needs only to look at what we are doing in the province of Quebec with that government in support of older workers where together we have pilot projects that focus specifically on the needs of that part of the labour force.

• (1425)

[Translation]

**Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ):** Mr. Speaker, the standing committee on human resources development, which is recommending significant changes to employment insurance, is the product of an election promise the Minister of Public Works and Government Services and the Secretary of State for Amateur Sport made to the unemployed in an effort to defuse a demonstration by unemployed persons in Shawinigan in the middle of the election campaign.

With the government's successive refusals to act on our request for a thorough revamping of the employment insurance system, are we to understand that the recommendations of this committee will join the unfulfilled election promises of this government and that the unemployed will have been misled by this government once again?

[English]

**Hon. Jane Stewart (Minister of Human Resources Development, Lib.):** Mr. Speaker, the government committed to Canadians that immediately upon returning to the House it would reintroduce the amendments that we tried to pass last fall.

I would remind the hon. member that when the member for Rimouski—Neigette-et-la Mitis was asked about supporting our motion last fall, she said the following:

We conveyed the message to this government that we would not support the motion, even though it really saddens us to do so, considering all the positive measures, however temporary, that the bill may provide for, among others, seasonal workers.

[Translation]

**Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ):** Mr. Speaker, can we call the fact that, in the middle of the election, two ministers promised a committee to look into the employment insurance system never intending to act on its recommendations after the election, anything other than a game of political cynicism played out on the backs of the unemployed?

[English]

**Hon. Jane Stewart (Minister of Human Resources Development, Lib.):** Mr. Speaker, we promised to deliver the amendments that have now been passed in the context of Bill C-2. We are working in communities in the provinces of Quebec and New Brunswick with workers and employers because for us it is not only about providing benefits through employment insurance but it is also about finding real jobs. When will members of that party figure that out?

\* \* \*

**TRADE**

**Ms. Alexa McDonough (Halifax, NDP):** Mr. Speaker, at the FTAA summit in April, the Prime Minister staged a spectacular retreat from Canada's earlier commitment to remedy the damaging effects of NAFTA's chapter 11.

A letter from 29 American multinationals, written on the eve of the Quebec summit but released only today, offers a clear and plausible explanation for the Prime Minister's reckless retreat.

The question remains, why is the government more beholden to American multinationals than to Canadians who value their public services and their environment?

**Hon. John Manley (Minister of Foreign Affairs, Lib.):** Mr. Speaker, just to illustrate what a silly statement that is, in the context of the trade agreement we have with the United States and Mexico, we have seen a huge increase in exports of Canadian goods and services to the United States and Mexico. That has accounted for an incredible increase in jobs and prosperity for Canadians, which is what we care about, jobs and opportunities for Canadians.

**Ms. Alexa McDonough (Halifax, NDP):** Mr. Speaker, it must show that the government no longer cares about chapter 11.

United Parcel Service, not surprisingly, is among the multinationals that are pressing governments to retain NAFTA's chapter 11 investor state provisions. UPS is currently suing the Canadian government.

Before the Prime Minister caved in on chapter 11, did he consult Canada Post officials, including his old friend André Ouellet, whose mandate is to deliver postal services uniformly to Canadians and, if so, could the government honestly say that Canada Post officials recommended that the Government of Canada toss in the towel on chapter 11?

**Hon. John Manley (Minister of Foreign Affairs, Lib.):** First, Mr. Speaker, our position with respect to the UPS case is clear and it is proceeding before the relevant tribunal. Second, we have not changed our position on chapter 11.

I think what the hon. leader of the New Democratic Party ought to do, instead of trying to make up allegations about the govern-

*Oral Questions*

ment's policy, is to keep an eye on the seats behind her where they are thinking about starting a new party.

\* \* \*

**THE ECONOMY**

**Mr. Scott Brison (Kings—Hants, PC):** Mr. Speaker, the finance minister says that he will decide by the end of summer whether to have a fall budget. The minister knows that budget planning does not happen overnight. In fact, daily budget planning meetings begin months in advance of an actual budget day.

Will the minister confirm if in fact meetings to plan a fall budget are currently taking place within his ministry?

**Hon. Paul Martin (Minister of Finance, Lib.):** Mr. Speaker, I have stated that the government will make a decision as to when a budget is required, depending upon the circumstances.

In the meantime, extensive consultations are going on with the finance committee and indeed with the minister himself going across the country, and those will continue.

• (1430)

**Mr. Scott Brison (Kings—Hants, PC):** Mr. Speaker, whether or not the minister likes it, the UBS Warburg most recent report on Canada has said that Canada is currently in a recession. Growth is projected to be only 1.5% for the entire year, which is almost a full point lower than the growth rate of 2.4% the minister was predicting a month ago. A 40% slower growth rate clearly threatens the minister's projections.

With all the economic uncertainty, with UBS Warburg saying that Canada is in fact in a recession, will the minister commit today to tabling a fall budget?

**Hon. Paul Martin (Minister of Finance, Lib.):** Mr. Speaker, I am not surprised at the Alliance, but I might have expected something better from the hon. member for Kings—Hants. He knows that the 2.4% came from the consensus of 19 economists, and a number of them were much higher.

Following that we then met with the chief economists of four major economic projecting firms and the chief economists of the major Canadian banks. In all cases they said we were not in a recession, as did the article this morning.

\* \* \*

**GRANTS AND CONTRIBUTIONS**

**Mr. Grant Hill (MacLeod, Canadian Alliance):** Mr. Speaker, on Friday we released a forensic analysis of the Prime Minister's bill of sale for his golf course. The professional opinion of the analyst was: "There is a high degree of probability that the numerals 1, 9, 9 and 3 have been altered but in fairness this opinion is qualified subject to examination of the original".

Will the Deputy Prime Minister today commit to releasing that original document for independent study?

**Hon. Herb Gray (Deputy Prime Minister, Lib.):** Mr. Speaker, I am told that, according to the Alliance's handwriting analyst, the nine in ninety-three may have been changed from a five or an eight, meaning that the date may originally have been 1953 or 1983, if I understand her opinion.

I assure the House that the Prime Minister did not sell his shares in the golf course before he purchased them.

**Mr. Grant Hill (MacLeod, Canadian Alliance):** Mr. Speaker, the Deputy Prime Minister cannot even figure out which nine the consultant was talking about. Ninety-five or ninety-eight were the two suggestions.

The Prime Minister was quick to call a loan authorization by the Business Development Bank a forgery and he fired it off to the police, but when it comes to his own document he just does nothing. If there is nothing to hide, he would release the original to prove to all Canadians that the bill of sale is legitimate.

My question is for the Deputy Prime Minister. Who have that document in their possession today?

**Hon. Herb Gray (Deputy Prime Minister, Lib.):** Mr. Speaker, now I know why the nine is mentioned in the analyst's report. It refers to where the Alliance Party is in the polls.

\* \* \*

[Translation]

**EMPLOYMENT INSURANCE**

**Mr. Michel Gauthier (Roberval, BQ):** Mr. Speaker, during the election, Liberal ministers toured Quebec and, with their candidates, promised voters the earth. They would right the inequities of the system if they were elected.

Where are these members, who yesterday intimated to the unemployed of Quebec that they would correct the injustices they faced? Where are they today? They are very quiet and fearful.

[English]

**Hon. Jane Stewart (Minister of Human Resources Development, Lib.):** Mr. Speaker, the continuing attempt of hon. members to cover up their political error in voting against Bill C-2 gives me an opportunity to remind the House of the many things we have done to change employment insurance.

We have gone to an hourly basis, which is very good for seasonal workers because every hour counts. We are working with provinces and territories to build pilot programs in support of older workers. We have doubled parental benefits. We have repealed the intensity rule. We are committed to continuing to monitor the Employment Insurance Act.

*Oral Questions*

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

[*Translation*]

**Mr. Michel Gauthier (Roberval, BQ):** Mr. Speaker, the Secretary of State for Amateur Sport said, in *Le Soleil* on November 9:

Once a Liberal majority is elected, we will reinstate the process and make sure that the changes are effective and meet the needs, for the most part, of the people of the Saguenay—Lac-Saint-Jean.

He made a personal commitment.

I ask him today, if he does not wish to be taken for a coward in all of Quebec's regions, will he convince his colleague to deliver the goods he promised in order to get votes?

• (1435)

[*English*]

**Hon. Jane Stewart (Minister of Human Resources Development, Lib.):** Mr. Speaker, the hon. member should know that we have made these changes. We have repealed the intensity rule. We have changed the clawback rule to be more supportive of Canadians. We have made it fairer to those who are re-entering the workplace.

More specific, we are working in Lac-Saint-Jean with employers and employees there because they want more than just employment insurance. They want jobs.

If the hon. member had any sense he would be working with us in this regard instead of criticizing.

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## GRANTS AND CONTRIBUTIONS

**Mr. Charlie Penson (Peace River, Canadian Alliance):** Mr. Speaker, this spring it was revealed that the Business Development Bank loan authorization contained a footnote implying that the Auberge Grand-Mère owed a debt of \$23,000 to the Prime Minister's personal holding company.

The Prime Minister claimed it was as forgery. Two months ago, on April 12, the BDC sent it off to the police for a forensic audit. After two months of waiting is the industry minister prepared to announce to the House whether or not the document was a forgery?

**Hon. Brian Tobin (Minister of Industry, Lib.):** No, Mr. Speaker, unlike the party opposite we do not hire private investigators. We put these matters in the hands of the RCMP and we rely upon the professionalism of the RCMP.

**Mr. Charlie Penson (Peace River, Canadian Alliance):** Mr. Speaker, that is exactly what I am talking about, the RCMP. In fact the minister said on April 23 in the House that the allegedly forged document was still with the RCMP. It is almost two months later and he still does not have an answer for the House.

It is obvious the minister is dragging his feet. What are they hiding from Canadians? Why will they not release the results of this examination?

**Hon. Brian Tobin (Minister of Industry, Lib.):** Because, Mr. Speaker, we do not believe in hiring secret agents in the mould of Maxwell Smart. We do not believe in hiring handwriting experts.

We on this side have a plain, old fashioned, strong confidence in members of the Royal Canadian Mounted Police, and we do not tell them how to do their job.

\* \* \*

[*Translation*]

## CANADA DAY

**Ms. Christiane Gagnon (Québec, BQ):** Mr. Speaker, Canada Day president Serge Savard has announced the amounts to be spent in Quebec for Canada Day. Apparently, \$5 million, or 75% of the entire Canada Day budget, is for Quebec alone. If that is not propaganda, how does the minister explain that—

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

**Ms. Christiane Gagnon:** If that is not propaganda, what does the minister call it?

[*English*]

**Ms. Sarmite Bulte (Parliamentary Secretary to Minister of Canadian Heritage, Lib.):** Mr. Speaker, I inform the hon. member opposite that over 2.5 million people in all regions of Quebec celebrate Canada activities. In addition, communities all across Canada celebrate Canada week.

Whenever those applications come in from all across Canada, not just from Quebec and including New Brunswick, most of the applications are accepted.

[*Translation*]

**Ms. Christiane Gagnon (Québec, BQ):** Mr. Speaker, 75% of the budget being spent in Quebec can be called propaganda.

Does the minister think it is right that the opposition is unable to obtain these figures in the House and that it must rely on others and on the newspapers to obtain the answer to legitimate questions? What was the minister afraid of that she would not answer our questions?

[*English*]

**Ms. Sarmite Bulte (Parliamentary Secretary to Minister of Canadian Heritage, Lib.):** Mr. Speaker, I am happy to have the opportunity to answer the supplementary question.

The Celebrate Canada Committee in Quebec gets funding to allow 20 regional centres to actually have Celebrate Canada activities and in addition provide money for celebrations in more than 200 communities.

*Oral Questions***JUSTICE**

**Mr. Vic Toews (Provencher, Canadian Alliance):** Mr. Speaker, after a dangerous sexual offender has served his court imposed sentence there is no—

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

[*Translation*]

**The Deputy Speaker:** Order, please. It is only Monday. The hon. member for Provencher.

[*English*]

**Mr. Vic Toews:** Mr. Speaker, it is an energetic Monday afternoon. After a dangerous sexual offender has served his court imposed sentence there is no nationwide ability to track his whereabouts.

Despite the significant danger these individuals continue to present, members of the police do not have an effective national sex offender registry. Why will the Liberal government not take the necessary steps now to create an offender registry so that all Canadian children are protected?

• (1440)

**Hon. Lawrence MacAulay (Solicitor General of Canada, Lib.):** Mr. Speaker, when individuals are released from serving their full term the police forces have the jurisdiction to apply for a peace bond. In many cases they have done that.

If they have served in a Canadian institution for a criminal offence they are registered on CPIC.

**Mr. Vic Toews (Provencher, Canadian Alliance):** Mr. Speaker, the minister was sitting beside the RCMP commissioner when the commissioner admitted that the ineffective CPIC registry requires legislation, money and technology. Yet the Minister of Justice and the Solicitor General continue to stonewall these requests to protect children from sexual predators.

How many more children must fall victim to sexual predators before these two ministers will act?

**Hon. Lawrence MacAulay (Solicitor General of Canada, Lib.):** Mr. Speaker, I know my hon. colleague would never wish to mislead the House. The fact of the matter is that he was sitting there as I was sitting there. He understood that provincial legislation needed to be changed in order to have addresses implemented in the CPIC system. He is well aware of that.

We have also indicated that we will receive the addresses if the provinces wish to input the addresses on CPIC, and there are addresses on CPIC.

**TRANSPORTATION**

**Mr. Bryon Wilfert (Oak Ridges, Lib.):** Mr. Speaker, our urban centres face a range of urban transportation challenges including greenhouse gas emissions, air quality, congestion, safety, and an increase in operational costs.

What initiatives is the Minister of Transport taking to encourage communities across the country to adopt effective urban transportation strategies?

**Mr. Brent St. Denis (Parliamentary Secretary to Minister of Transport, Lib.):** Mr. Speaker, I thank the member for his question. I appreciate his concern for urban issues.

In addition to the Prime Minister having already announced a caucus task force on urban issues, today the Minister of Transport announced a \$69 million initiative to promote sustainable transportation, namely the urban transportation showcase.

The plan calls for the creation of community showcases to demonstrate and evaluate ways of reducing greenhouse gas emissions in the transportation sector. Initiatives such as these show Canada's commitment to developing better planning and practices for transportation and land use, recognizing that different solutions are required for different regions of Canada.

\* \* \*

**HEALTH**

**Ms. Judy Wasylycia-Leis (Winnipeg North Centre, NDP):** Mr. Speaker, today a United Nations conference opens in Paris to examine the growing worldwide concern about BSE or mad cow disease.

As other countries review the precautionary measures they have taken to protect their citizens, what will Canada say: that unlike Europe we continue to feed cattle parts and cow blood to other livestock or that we have not stopped deer or elk that could carry chronic wasting disease from being used in commercial food production?

Could the health minister explain to Canadians and to the world why the government is so reluctant to take strong steps against this horrific threat to our health?

**Hon. Allan Rock (Minister of Health, Lib.):** Mr. Speaker, when we go to that meeting we will tell the simple truth. The simple truth is that Canada is recognized by the World Health Organization as BSE free.

This is a global issue. We cannot be complacent. We have to continue our efforts. It is for that reason we banned the giving of blood by people who have spent certain times in Europe. It is for that reason we are careful about feed for cattle.

*Oral Questions*

The hon. member has her facts wrong. Canada should be proud of our record but concerned about the future. We will take the steps to make sure Canadians are safe.

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**TAXATION**

**Mr. Joe Comartin (Windsor—St. Clair, NDP):** Mr. Speaker, when this session of parliament began I called upon the Deputy Prime Minister to explain his government's inaction in addressing the concerns of thousands of Canadians faced with crippling taxes on their U.S. social security benefits.

The Deputy Prime Minister, the Minister of Finance, and the Secretary of State for International Financial Institutions have all promised that they would take some action. Yet five months later nothing has been done. When will they move on this issue? When can we expect a response from them?

**Hon. Herb Gray (Deputy Prime Minister, Lib.):** Mr. Speaker, as I pointed out in a letter to my hon. friend, I believe in February, I have raised this matter with the Minister of Finance. He assures me that he and his officials are looking into it.

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• (1445)

**GOVERNMENT OF CANADA**

**Mr. Bill Casey (Cumberland—Colchester, PC):** Mr. Speaker, I was just sent a copy of a letter from the premier of Nova Scotia to the Prime Minister and to the President of the Treasury Board. In that letter Premier John Hamm has added his voice to the growing opposition to the discriminatory employment practices used by the federal government to only hire people from the Ottawa area for Ottawa jobs in the federal government.

Premier Hamm says this policy contravenes the agreement on internal trade and section 6 of the Constitution Act. Has the government changed this offensive and discriminatory policy? If it has not, when will it?

[*Translation*]

**Hon. Lucienne Robillard (President of the Treasury Board and Minister responsible for Infrastructure, Lib.):** Mr. Speaker, the President of the Public Service Commission met with various parliamentarians and even testified before the Standing Committee on Public Accounts, and has promised to review this whole issue in the Public Service Employment Act.

[*English*]

**Mr. Loyola Hearn (St. John's West, PC):** Mr. Speaker, my question is for the same minister. Apparently all the premiers who were asked about this problem agreed with Premier Hamm, with

the exception of the premier of Newfoundland who basically said that it was okay to hire strictly from the local region.

What does this do to foster a great nation like Canada? If that is the case, could a Newfoundlander apply for the Prime Minister's job in Ottawa?

[*Translation*]

**Hon. Lucienne Robillard (President of the Treasury Board and Minister responsible for Infrastructure, Lib.):** Mr. Speaker, we are discussing a very important principle right now. The provisions of the Public Service Employment Act allow the commission to place area restrictions. It is not obliged to do so.

Further to the various representations made by parliamentarians, the commission is in the process of reviewing the rules in question.

\* \* \*

[*English*]

**THE ENVIRONMENT**

**Mr. Bob Mills (Red Deer, Canadian Alliance):** Mr. Speaker, Bjorn Lomborg, a former Greenpeace member and noted scientist, says in a soon to be released book that the cost of limiting carbon dioxide emissions far outweighs the benefits and only postpones the problem by six years.

Developing nations will be the most affected by climate change. Canada must help them leapfrog massive industrial pollution by providing them with new technologies and training.

Will the minister stop posturing about Kyoto and help develop a more realistic approach to climate change?

**Hon. Ralph Goodale (Minister of Natural Resources and Minister responsible for the Canadian Wheat Board, Lib.):** Mr. Speaker, obviously climate change is a very serious global issue and for there to be a solution it must be global in scope.

I am very pleased to note that in the various announcements we have made on behalf of the Government of Canada, including our action plan on climate change last year and the budget of February last year, we included very specific provisions to assist countries in the developing part of the world to catch up with new technologies and to apply those technologies so that they too may enjoy the benefits of clean air.

**Mr. Bob Mills (Red Deer, Canadian Alliance):** Mr. Speaker, these agreements are only good if action follows them. Canada is wasting over \$1 billion on this protocol that will not work. The signing of this protocol was done without proper consultation, without proper study and will not achieve the results without the participation of developing countries.

*Oral Questions*

Will the minister agree to scrap his ill conceived dedication to Kyoto and move on to a new and realistic commitment to dealing with climate change?

**Hon. Ralph Goodale (Minister of Natural Resources and Minister responsible for the Canadian Wheat Board, Lib.):** Mr. Speaker, I appreciate the fact that the member for the Alliance Party is articulating the position of the United States.

On our part, for the people of Canada, we stand by the Kyoto targets. We have announced \$1.1 billion worth of initiatives that will get us at least one-third of the way toward those targets.

We are working constructively on energy efficiency, ethanol production, wind power, solar power, energy conservation, new petroleum technology, carbon dioxide capture and sequestration, and new generation vehicles. It is only the Alliance Party that is trapped in the 19th century.

\* \* \*

[Translation]

**NATIONAL DEFENCE**

**Mr. Claude Bachand (Saint-Jean, BQ):** Mr. Speaker, the government is settling for prefabricated replies to people suffering trauma and permanent effects from their participation in missions to the Persian Gulf and the Balkans.

What is stopping this government from showing some compassion by recognizing the traumas experienced by military personnel and providing them with the support they now need?

[English]

**Hon. Art Eggleton (Minister of National Defence, Lib.):** Mr. Speaker, we do. We are going to great lengths, putting in a lot of money and investing a lot of time and effort to help people who go into a deployment situation, one of our operations, and come back ill.

• (1450)

In fact for post-traumatic stress disorder alone we have set up some five clinics across the country. We have medical staff on site in the various camps and in these various missions to help anybody who suffers in such a way.

We want to make sure that we do everything we can to look after the health needs of the Canadian forces personnel. They deserve no less.

[Translation]

**Mr. Claude Bachand (Saint-Jean, BQ):** Mr. Speaker, the health problems experienced by our military have changed as the nature of the conflicts in which they participate has changed.

The way war is waged has changed from what it was 50 years ago, and the concept of what constitutes a veteran must be adapted to fit today's reality.

What then is the government waiting for before reviewing the definitions and eligibility criteria for veteran status, so that these military personnel may be provided with the care and benefits to which they are fully entitled?

**Hon. Ronald Duhamel (Minister of Veterans Affairs and Secretary of State (Western Economic Diversification) (Franco-phonie), Lib.):** Mr. Speaker, my department has had concerns about these personnel. It continues to examine the situation, and we are going to go still further in order to ensure them of the best possible treatment.

It is absolutely false to claim that the Canadian government is not concerned about all these people. It is absolutely false to claim that we are not there for them, and will not be doing anything further for them.

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[English]

**ACCESS TO INFORMATION**

**Ms. Carol Skelton (Saskatoon—Rosetown—Biggar, Canadian Alliance):** Mr. Speaker, the Minister of Human Resources Development said last week "the decisions made on access to information are at arm's length from my office". Yet we have learned that in her own corporate sector a special committee has been established to vet the approval of all access to information requests by the official opposition to gain access to information on a file.

Why does the minister claim the process is at arm's length when it obviously is not?

**Hon. Jane Stewart (Minister of Human Resources Development, Lib.):** Mr. Speaker, the access to information process is under the direction and the authority of the deputy minister.

The hon. member makes reference to a special committee that the deputy minister put together because, and it is no surprise to the House, my department has had an increase in requests for access to information. The deputy wanted a committee of associate deputies in place to collect the information from the field to provide as much information as can be provided in a timely fashion. That is the process.

**Ms. Carol Skelton (Saskatoon—Rosetown—Biggar, Canadian Alliance):** Mr. Speaker, requests for documents pertaining to Canada jobs fund grants in the Prime Minister's riding, the Auberge Grand-Mère and Placeteco, have gone unanswered for months. In the case of the Placeteco file, the access to information

office sent it to the HRDC corporate sector on April 6 for approval, but two months later we have heard nothing.

Why is the minister breaking the law to delay information pertaining to the Prime Minister's riding, and are the Placeteco documents in the minister's office?

**Hon. Jane Stewart (Minister of Human Resources Development, Lib.):** Mr. Speaker, if the hon. member has specific concerns about particular requests, there is an appeal process and I would ask her to use that process. However let me say that traditionally my department has had a very good record in responding to requests for information.

I say again that there has been a significant increase in the numbers of requests but the department, under the authority of the deputy minister, is doing its best to get as much information out as it can and in a timely fashion.

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### THE ENVIRONMENT

**Mrs. Carolyn Parrish (Mississauga Centre, Lib.):** Mr. Speaker, harmful emissions from the growing number of vehicles in Mississauga and other cities across Canada are causing great concern.

Could the Minister of Natural Resources tell the House what our government is doing to aggressively combat this growing problem?

**Hon. Ralph Goodale (Minister of Natural Resources and Minister responsible for the Canadian Wheat Board, Lib.):** Mr. Speaker, this morning the Minister of the Environment, the Minister of Transport and I participated in an announcement in Toronto about several Government of Canada initiatives totalling well over \$100 million and directed toward the very issue the hon. member was referring to.

Specifically, for my part, we announced \$16 million for motor vehicle fuel efficiency initiatives and \$23 million for the Canadian Transportation Fuel Cell Alliance. On the fuel cell alliance, we expect that market in the world to add up to more than \$100 billion worth of potential for Canadians over the next two decades.

\* \* \*

### HEALTH

**Mr. James Lunney (Nanaimo—Alberni, Canadian Alliance):** Mr. Speaker, a disturbing story this weekend has Canadians alarmed. A whole host of noxious substances, including known carcinogens, are found and routinely used in pesticides.

• (1455)

These formulants have been considered non-active ingredients and therefore are not listed on the packaging. Such residues may remain and be consumed in food products. The list includes

### Oral Questions

formaldehyde, also used in embalming, and methyl chloride, also used as paint stripper.

Why are these toxic compounds not listed on the packaging? If they are truly non-active, why are they permitted at all?

**Hon. Allan Rock (Minister of Health, Lib.):** Mr. Speaker, I share that concern and that is why, when we responded to the environment committee's report last year on pesticide regulation, we agreed with the recommendation that those formulants should be either taken out of the products or listed on the packages. We will introduce legislation in due course that will do just that.

**Mr. James Lunney (Nanaimo—Alberni, Canadian Alliance):** Mr. Speaker, the Pest Management Regulatory Agency of Health Canada actively denied knowledge of the facts until confronted with the evidence.

There seems to be a culture of cover-up in the government, in the PMO, in national defence and now in the health ministry. Last month the cover-up was mercury in tuna and swordfish. Now, dangerous substances in the residues of pesticides may well be consumed in food.

What other toxic substances are Canadians consuming that the health minister does not think we need to know about?

**Hon. Allan Rock (Minister of Health, Lib.):** Mr. Speaker, games aside, we hope that the parties opposite will support the legislation when we bring it before the House. It will be intended to strengthen the regulatory capacity of government to make sure that Canadians know what products are being used to control pests and to make sure that food products are as safe as they can be.

\* \* \*

[Translation]

### FISHERIES

**Mrs. Suzanne Tremblay (Rimouski-Neigette-et-la Mitis, BQ):** Mr. Speaker, traditionally, Quebec has been able to fish 95% of the turbot quota. The Minister of Fisheries and Oceans reduced the quota to 88% so as to give the rest to Newfoundland. On May 31, the minister told fishermen to limit themselves to three-quarters of their quota.

Are we to understand that the minister is preparing to announce a new distribution of quotas between Quebec and Newfoundland, once again to the detriment of Quebec? Are we to understand that this unjust, cynical and arrogant government will again wait until the end of the session to make the announcement?

[English]

**Mr. Lawrence O'Brien (Parliamentary Secretary to Minister of Fisheries and Oceans, Lib.):** Mr. Speaker, the question from the hon. member has to do with the turbot in the gulf.

*Routine Proceedings*

I will say that the minister has instituted a committee. The committee has reported to the minister. We have a majority report and the decision on that will be forthcoming in a few days.

\* \* \*

[Translation]

**ECONOMIC DEVELOPMENT**

**Mr. Claude Duplain (Portneuf, Lib.):** Mr. Speaker, while Bloc Quebecois members insist on engaging in petty politics for show, Liberal members from Quebec are at work.

Since it is important that the Government of Canada promote long term economic development in Quebec's regions, my question is for the Secretary of State responsible for the Economic Development Agency of Canada for the Regions of Quebec.

What is the government doing to support small and medium sized businesses in terms of innovation and market development, particularly in the Outaouais region?

**Hon. Martin Cauchon (Minister of National Revenue and Secretary of State (Economic Development Agency of Canada for the Regions of Quebec), Lib.):** Mr. Speaker, I thank the hon. member for his excellent and important question.

Indeed, members on this side of the House do work hard to promote economic development in all the regions of Quebec, but also of Canada.

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

**Hon. Martin Cauchon:** Since members opposite do not work at all for regional development, they are heckling so that people will not hear what I have to say.

But I will nonetheless say that this morning we announced, for the great region of the Outaouais, about 10 projects representing contributions in excess of \$3 million to create over 400 jobs.

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

**Hon. Martin Cauchon:** This is what this government wants to do for all the regions.

\* \* \*

**PUBLIC SERVICE EMPLOYEES**

**Ms. Monique Guay (Laurentides, BQ):** Mr. Speaker, public service employees want the government to stop treating them like second class citizens. MPs, senior managers, judges, members of the RCMP and military personnel have received large salary increases.

Why does the minister not send a clear message to her employees by promising in this House not to apply a double standard?

**Hon. Lucienne Robillard (President of the Treasury Board and Minister responsible for Infrastructure, Lib.):** Mr. Speaker, we always strive to ensure that our employees are paid fairly, based on market conditions. We are currently at the bargaining tables. Fortunately, we have signed agreements with certain groups and we hope, through collective bargaining, to arrive at a settlement for all our employees.

**ROUTINE PROCEEDINGS**

• (1500)

[English]

**MEMBERS OF PARLIAMENT**

**The Deputy Speaker:** I have the honour to lay upon the table a document entitled "Individual Members' Expenditures for the Fiscal Year 2000-01".

\* \* \*

**ORDER IN COUNCIL APPOINTMENTS**

**Mr. Derek Lee (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, I am pleased to table, in both official languages, a number of order in council appointments recently made by the government.

Pursuant to the provisions of Standing Order 110(1) these are deemed referred to the appropriate standing committees, a list of which is attached.

\* \* \*

[Translation]

**GOVERNMENT RESPONSE TO PETITIONS**

**Mr. Derek Lee (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.):** Pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to 26 petitions.

\* \* \*

[English]

**INTERPARLIAMENTARY DELEGATIONS**

**Hon. Charles Caccia (Davenport, Lib.):** Mr. Speaker, I am honoured to present pursuant to Standing Order 34, in both official languages, the report of the Canadian Delegation of the Canada Europe Parliamentary Association to the second part of the 2001 session of the parliamentary assembly of the Council of Europe held between April 23 and April 27 of this year in Strasbourg, France.



*Routine Proceedings***PETITIONS**

## LABELLING OF ALCOHOLIC PRODUCTS

**Ms. Judy Wasylycia-Leis (Winnipeg North Centre, NDP):** Mr. Speaker, it is a great honour for me to present four petitions signed by constituents and other concerned citizens across the country expressing their concern about the problems that alcohol causes for pregnant women.

The petitioners have acknowledged support for the work we have done in the House toward a movement of labels on all alcohol beverage containers. They ask us to move with speed and call upon the government to mandate the labelling of alcoholic products to warn pregnant women and other persons of dangers associated with the consumption of alcoholic beverages.

[*Translation*]

## TAXATION

**Mr. André Bachand (Richmond—Arthabaska, PC):** Mr. Speaker, I rise to present a petition from over 4,500 people in the greater Bois-Francs area.

The petitioners urge the House of Commons to amend the taxation legislation so that the estate only pay taxes on capital gains when real or other property are sold and not on a presumption of sale as currently stipulated in the legislation.

• (1505)

[*English*]

## NATIONAL UNITY

**Mr. Charles Hubbard (Miramichi, Lib.):** Mr. Speaker, I have the honour to present, pursuant to Standing Order 36, three petitions.

The first two petitions are from people of the province of Quebec who call upon parliament to make every effort to make sure that Canada remains a unified nation.

## NATIONAL DEFENCE

**Mr. Charles Hubbard (Miramichi, Lib.):** Mr. Speaker, I also have a petition from people from the province of New Brunswick who are concerned with the national missile defence program of the United States. The petitioners ask that Canada play a leadership role in banning nuclear weapons and missile flight tests in the world.

## FALUN GONG

**Ms. Libby Davies (Vancouver East, NDP):** Mr. Speaker, I am very pleased to rise in the House today to present two petitions.

The first is from Canadians who are very concerned about the practice of Falun Gong in the People's Republic of China and how practitioners of Falun Gong have been subjected to persecution and arrest.

This petition calls on the Parliament of Canada to strongly urge the Chinese president to release all arrested Falun Dafa practitioners in China immediately and to lift the ban.

## HOUSING

**Ms. Libby Davies (Vancouver East, NDP):** Mr. Speaker, the second petition comes from Canadians who want to express their concern to the House about increasing homelessness in Canada. The petitioners urge the government to adopt a national housing strategy and housing supply program that would commit an additional 1% of federal budgetary spending to meet this very basic human need for housing and shelter.

## CANADIAN COAST GUARD

**Mr. John Cummins (Delta—South Richmond, Canadian Alliance):** Mr. Speaker, it is a pleasure for me to rise and to present another petition calling on the government to reinstate the coast guard dive team.

The petitioners note that the coast guard dive team was withdrawn from service in February of this year and that it may have contributed to the death of Paul Sandhu. We are concerned because the service was instituted recognizing the fact that the Strait of Georgia is the busiest waterway in Canada. The petitioners feel that this dive team should be reinstated.

## NATIONAL DEFENCE

**Hon. Charles Caccia (Davenport, Lib.):** Mr. Speaker, this is a petition regarding the Canadian involvement in the United States national missile defence program. It is based on the premise that the missile defence program is a unilateral initiative by the United States government based on the premise taken from the United States command document "Take Vision for 2020" which states "dominating the space dimension of military operations and integrating space forces into war fighting capabilities".

The petitioners call upon parliament to declare that Canada objects to the national missile defence program of the United States. Second, they call on parliament to play a leadership role in banning nuclear weapons and missile flight tests.

## PESTICIDES

**Mr. Peter Adams (Peterborough, Lib.):** Mr. Speaker, I rise to present a petition from citizens of the Peterborough area who are concerned about the overuse of pesticides on residential landscapes and public green spaces. The petitioners point out that the Canadian Cancer Association, the lung association and others have shown there is a strong link between such pesticides and physical ailments such as childhood leukemia and other cancers. It lowers the immune system and damages pituitary and thyroid glands.

*Routine Proceedings*

Therefore, these petitioners call upon parliament to enact an immediate moratorium on the cosmetic use of chemical pesticides until such time as their use has been scientifically proven to be safe and the long term consequences of their application are known.

VIA RAIL

**Mr. Peter Adams (Peterborough, Lib.):** Mr. Speaker, I have another petition in the series that I have been presenting from citizens of the Peterborough area who would like to see VIA Rail service restored between Toronto and Peterborough. The petitioners point to the environmental advantages of this, the reduction of greenhouse emissions and the reduction in accidents on the highways. They also point to the advantages for our community as a business centre, a tourism centre and educational centre.

• (1510)

I was delighted that today in Toronto in response to these petitions, the Minister of Transport has given a clear indication that this service may well in the near future be restored between Toronto and Peterborough.

\* \* \*

**QUESTIONS ON THE ORDER PAPER**

**Mr. Derek Lee (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, the following questions will be answered today: Nos. 46 and 48.

[Text]

Question No. 46—**Mr. Ted White:**

With respect to finalized claims as a result of hearings at the Immigration and Refugee Board: (a) what is the average approval rate resulting from the hearings for

the years 1995 to 2000; (b) are there any differences between Canada's approval rate and those of the United States, Australia, New Zealand and the United Kingdom; and (c) if so, why?

**Hon. Elinor Caplan (Minister of Citizenship and Immigration, Lib.):** Insofar as Citizenship and Immigration is concerned, the following table shows the results of refugee claims finalized by the Immigration and Refugee Board from 1995 to 2000.

With regards to the question of how Canada's acceptance rate compares to that of other countries, it is almost impossible to provide meaningful comparisons since refugee determination systems vary significantly among refugee receiving countries. For example, in some countries, such as the United States and in Australia, there is more than one institution that can determine refugee status. In other countries, such as France and the United Kingdom, more than one type of status may be granted. Finally, international comparisons are made difficult by the widely varying mix of source countries among the various receiving states. That being said, the United Nations High Commissioner for Refugees UNHCR, the recognized body on refugee data, produces an annual report that provides information on approvals, rejections and other status decisions.

Differences in approval rates are the result of many factors. For example, in some countries the composition of asylum seekers now includes more persons in need of protection than is the case in other countries. Interpretation of the Geneva Convention, based as well on national jurisprudence, may vary from one country to another.

Immigration and Refugee Board (IRB)

Year	Referred	Finalized	Positive	Negative	Abandoned	Withdrawn	% accepted
1995	26,411	17,151	9,697	4,054	2,136	1,264	57%
1996	26,097	21,980	9,628	7,091	3,389	1,872	44%
1997	22,717	24,841	10,039	9,053	3,361	2,388	40%
1998	23,900	29,403	12,926	10,248	4,097	2,132	44%
1999	29,446	27,977	12,926	9,385	3,609	2,005	46%
2000	34,260	28,909	14,007	10,179	2,685	2,038	48%
1995–2000 total	162,831	150,261	69,275	50,010	19,277	11,699	46%

Question No. 48—**Mr. Keith Martin:**

With regard to the installation of Rogers and Seacoast Communication' towers and transmitters in Colwood, B.C.: (a) did Industry Canada comply with their own rules in the granting of approvals; (b) if not, has Industry Canada taken corrective action and instructed the owners to relocate their towers; and (c) did the Minister of Industry consult with the municipality of Colwood?

**Mr. John Cannis Parliamentary Secretary to Minister of Industry, Lib.):** (a) The antenna towers in question were authorized by Industry Canada in accordance with the procedures and standards in place for this purpose. Our requirements regarding the

radio station application process, compliance with Health Canada's safety code 6, and municipal land use consultation procedures were met prior to the issuance of approval by Industry Canada. Letters to the city of Colwood from the assistant deputy minister, Spectrum, Information Technologies and Telecommunications, as well as our local director have explained the department's process and position with regard to the approval of these radio towers.

(b) Not applicable.

*Government Orders*

(c) Industry Canada's procedures require consultation between the applicant and the land use authority so that the land use authority is aware of significant antenna proposed within its boundaries and has an opportunity to make its views known. The mandatory notification and consultation with the city of Colwood did take place prior to the issuance of these authorizations. In this case, no concerns were raised to Industry Canada during this consultation process. The local bylaws provided for radio transmission towers as a permitted use and building permits were issued by the municipality. Industry Canada officials have been in contact with the city of Colwood on this matter and continue with ongoing communications with the municipality.

[English]

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

**The Deputy Speaker:** Is that agreed?

**Some hon. members:** Agreed.

## GOVERNMENT ORDERS

[English]

### MOTOR VEHICLE TRANSPORT ACT

The House resumed consideration of the motion that Bill S-3, an act to amend the Motor Vehicle Transport Act, 1987 and to make consequential amendments to other acts, be read the third time and passed.

**Mr. Ken Epp (Elk Island, Canadian Alliance):** Mr. Speaker, I was responding of course in comment to the speech given by the member for Prince George—Peace River. I was talking about the fact that during my intervention earlier I talked about having a dual light system to increase the safety so that vehicles and drivers could stop before entering an intersection when the light was red and before the momentum of the vehicle made it impossible to stop with the normal brake reaction time. I was glad to put that on the record.

I am proposing that both the amber and the green lights be shown at a point indicated by a sign well back from the intersection. Then everybody, whether it is a motorcyclist or a truck driver, would have enough time to plan to stop at the next light. Any person who was behind the sign would have to stop. Anybody who was ahead of the sign when both lights came on would of course know that he could make it safely through. On the other hand, the amber only light would indicate that now it was time to stop because the next phase would be the red light, which comes in one and a half, or two seconds or whatever it is.

Having done that, the hon. member may want to respond to my proposal. If not, I am thankful for the opportunity to be able to complete my speech, because I ran out of time before.

**Mr. Jay Hill:** Mr. Speaker, I thank my colleague from Elk Island for in effect finishing his speech. I note that as the first speaker for the opposition, he had some 40 minutes to speak.

I followed the circuitous routing of his speech throughout the 40 minutes with great interest. He raised a lot of very relevant topics, one of which was to enlighten the House to a certain extent with his own personal experience as a former truck driver quite some years ago. I think he referred to ox carts and dirt trails or something like that.

At any rate he raised a number of interesting issues, one of which was the safety issue of our intersections. All joking aside it is a very serious issue as he noted. The results of that are innumerable accidents, many of them involving death or substantial serious injury over the years at our intersections. He proposed a very interesting potential way to help alleviate some of those accidents, and I certainly support his thinking in that regard.

I think it is quite appropriate because the issue that we are discussing of course is the need for national safety regulations as it pertains to trucking and buses. I want to use a bit of time now to use an example, as he did when he used several examples during his intervention, to talk about how ridiculous it is to have different regulations from province to province.

Last summer I was made aware of an incident in my riding of Prince George—Peace River involving a bus of tourists. Of course tourism is a very important industry in British Columbia, in particular northern British Columbia. We always welcome and try to extend western and northern hospitality to all tourists who make it up to the beautiful riding of Prince George—Peace River and the Peace River area of Alberta and British Columbia.

In this particular instance a bus of tourists from Quebec travelled all the way across Canada. Of course as such the bus had to stop at weigh scales as it travelled across the provincial boundaries and borders. Then it arrived in the Peace River district of British Columbia. When they pulled into the weigh scale at the city of Dawson Creek, lo and behold they found out that they were overweight. They were fine in Quebec, Ontario, Manitoba, Saskatchewan and Alberta.

• (1515)

They were to travel up the Alaska Highway to Yukon and Alaska as part of their summer trip. Many of them had planned this for probably a year in advance. They were quite excited about this trip up the Alaska Highway, but when they got to mile zero of the Alaska Highway the bus was brought to a standstill because the regulations concerning the maximum vehicle weight for buses is different in British Columbia.

They tried to sort it out. We can imagine a busload of tourists held up and inconvenienced. They have places they have to be at certain times. Their schedule is planned for meals and for overnight stays at hotels on up the route. There they were stopped at a weigh scale in Dawson Creek.

Finally they had to hire an old school bus, in effect, and offload the luggage from their Greyhound style sightseeing bus onto the school bus, which carried the luggage behind them and followed

*Government Orders*

them to Alaska or at least until they got out of British Columbia. I do not know what happened when they crossed the border into the Yukon. Maybe they loaded all the luggage back onto the bus and carried on, but for that 500 miles or so from Dawson Creek to the Yukon border they had to have this extra vehicle.

We can imagine what this does for tourism. I see that my colleague from the Liberal Party who represents the Yukon is here. Maybe he could add some words to this debate. We can imagine what that type of inconvenience does for the tourist industry in northern British Columbia and on into the Yukon and Alaska.

It is more than appropriate that where there are genuine safety concerns we have uniformity and harmonization of trucking and bus regulations and safety rules, with the national safety code harmonized across the country. What I am trying to allude to is that there is a need for it in very practical and economic terms, certainly in the area of tourism. That is the real point I am trying to make with this story.

With that I will conclude and see if anyone else would like to add something to this debate about the national safety code and the need for harmonized trucking and busing regulations across our country.

**Mr. Larry Bagnell (Yukon, Lib.):** Mr. Speaker, I would like to agree with the sentiments that were just expressed about the border between Yukon and British Columbia, and not just related to the safety code. For years we have had complaints from truckers about regulations in B.C. that make it very difficult for Yukon truckers to simply carry a load across the border.

I think it is part of a proliferation of internal trade barriers, which my colleagues across the way have also referred to. I brought to the attention of some of the witnesses in committee that I hoped they would try to diminish these internal trade barriers which really cut down on commerce in the country and specifically in my constituency of Yukon.

**Mr. Jay Hill:** Mr. Speaker, I welcome the comments of my colleague from Yukon. As he indicated, there are ongoing problems. As I indicated earlier as the representative for Prince George—Peace River, the Alaska Highway starts in and travels hundreds of miles throughout my riding before it enters the riding of the hon. member for Yukon and carries on through to Alaska. There are some problems with the different regulations, which he alludes to. I think it is incumbent upon all territorial and provincial governments, along with the federal government, to resolve this. The example I used of the one busload of tourists from Quebec is simply one specific example.

• (1520)

For example, north of Fort Nelson and up toward the Yukon there are load restrictions in spring, restrictions that really limit truckers to a very small portion of what otherwise would be a legal load for their trucks. That raises the cost of produce, especially fresh produce that obviously all citizens need for a balanced diet,

during the winter months especially. During the spring road restrictions, the costs of those products go up correspondingly because the trucks can only haul a portion of what they could otherwise haul.

I think it really points to a need for, dare I mention it again, greater investment by governments in the infrastructure and the road network. The Alaska Highway is one example of where there is a substantial need for investment.

[*Translation*]

Is the House ready for the question?

**Some hon. members:** Question.

**The Deputy Speaker:** The question is on the motion. Is it the pleasure of the House to adopt the motion?

**Some hon. members:** Agreed.

**Some hon. members:** No.

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

**Some hon. members:** Yea.

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

**Some hon. members:** Nay.

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

*And more than five members having risen:*

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

*And the bells having rung:*

**The Deputy Speaker:** The recorded division stands deferred until after government orders, later today.

\* \* \*

[*English*]

#### PROCEEDS OF CRIME (MONEY LAUNDERING) ACT

**Hon. Jim Peterson (for the Minister of Finance)** moved that Bill S-16, an act to amend the Proceeds of Crime (Money Laundering) Act, be read the third time and passed.

He said: Mr. Speaker, what we are dealing with here is an amendment to the anti-money laundering legislation that was passed by the House a year ago. These amendments spring from a review of the legislation in great detail by the Senate.

I would like to commend hon. senators for the way in which they gave the bill a great deal of scrutiny but did not hold up the

*Government Orders*

passage. They said they would come back and revisit it but would allow the bill to pass in its original form. I would like to thank them for the scrutiny they have given it and for the way that they have expedited the passage, at the same time achieving a bill that fulfils the purposes and needs.

Money laundering in Canada is anywhere between \$5 billion and \$17 billion a year. The bill would fight organized crime and the proceeds of crime through a mandatory reporting of suspicious transactions and the reporting of large transfers of money across borders, which would be carried out by the Financial Transactions and Reports Analysis Centre. The institutions would report to it and it will be able to analyze the data. What I think we have achieved, which may be unique in the world, is that we are respecting the privacy of individuals and at the same time fighting crime. That is the balance we have struck and I believe it is a very good balance.

• (1525)

I would like to thank all members of the House for their consideration of the bill and for its speedy passage in the same manner that they gave speedy passage to the main bill itself one year ago.

**Mr. Ken Epp (Elk Island, Canadian Alliance):** Mr. Speaker, I know that the Liberals are always delighted when I rise in debate as one of the first three speakers who, according to the rules, has 40 minutes available.

I did that in debate on Bill S-3, the transportation bill. I hope that my intervention there will actually result in a ball starting to roll that will change the laws of the country. I am hoping for changes to the laws right across the North American continent so that there will be uniformity, so that there will be understanding on what the rules are and so that in obeying them we will save lives. That is the objective.

Now we are speaking about money laundering and the role government has to play in order to prevent criminal activity on the part of members of our society who choose to engage in crime. The motivation of criminal activity is almost always that of earning money in an illicit fashion, so this money somehow has to be brought into the system without it being identifiable.

I know that a lot of people in the country have some concerns about the potential for some day having a cashless society. Actually I am one of them. It has one interesting feature if we stop to think about it. If instead of actually having cash in our wallets, all of us had computer cards that represented cash, it would of course be easy for people to transact business. It would really be equivalent. Instead of withdrawing four \$20 bills from a bank machine in order to have \$80 in cash, I could simply put my cash card into the machine and ask the machine to transfer \$80 from my chequing account or whatever it is to the card. When I wanted to purchase something, instead of tendering \$12.38 and then getting change I

could simply give my card. The machine would subtract that from the balance on the card and I would walk away.

That could be done anonymously. It would be great. However, it could also be tracked and that in fact is one of the great objections that many Canadians have to that kind of scheme. There is genuine concern that if we ever get to that then the term big brother is watching would take on real meaning. It would mean that even if we stopped to buy a pop and chocolate bar there would be evidence that could be hauled out later. Most Canadians reject that kind of monitoring of our activities, so there are some problems with it. However, it could be legislated that such data could be used only in an investigation of criminal activity.

If we had such a scheme, just look at how difficult it would make it for people who engage in crime. They would somehow, either through a bank account or through a cash card, have to force other people to put money into their account in one form or another. It would be traceable and therefore it would be a lot easier to put a brake on a lot of criminal activity. I sometimes think it would be quite hilarious if someone walked into a bank with a gun, pointed it at the teller and demanded that \$30,000 be transferred to an account. It would hardly be an anonymous transaction. A person would not get very far before officials were able to catch up with him and charge him with the appropriate crime.

That is not what we are talking about today. We are talking about some other means of tracking financial transactions that are related to the criminal industry. I have never heard of a criminal who demands payment by cheque when he or she does something illegal, because cheques are in fact traceable. It is called a paper trail.

About 10 years ago when the GST was brought in there was an awful lot of illegal activity, because in order to avoid the GST people said they would do renovations to houses or fix cars for a certain amount provided that they were paid cash and there was no paper trail. Then there was no GST and they did not have to declare it on their income tax. Basically, it was tax free money which meant they could do it for half the price.

• (1530)

I understand that sometimes they charged three-quarters of the price, so they basically split the earnings so to speak, but it was illegal. If Revenue Canada, as it was called at that time, found out about it, then appropriate actions were taken. However this was the lack of the paper trail.

How do we get a paper trail on criminal activity? Obviously these criminals will avoid the paper trail. Bill S-16 is actually the completion of Bill C-22, which was given assent in the previous parliament, if I am not mistaken. I do not know if hon. members will recall, but I believe that was the bill that eliminated the \$1,000 bill. It is much more difficult for large amounts of money to be transacted if people literally have to have truckloads of \$20 or at the most \$100 bills to do the transaction.

*Government Orders*

That was also the bill that included some of the measures which we are talking about today. As the parliamentary secretary said now there are some refinements being made. I would like to say a few things about them.

First, how long can this information be retained? The bill is amending the new organization called the Financial Transactions and Reports Analysis Centre of Canada, commonly called FINTRAC. If financial organizations transact a large amount of money in cash they are required to report it. Those financial institutions, like banks or credit unions, will report their transactions to FINTRAC.

This raised a number of questions. As I said, how long can the centre retain this information? For example, if I went to my bank and deposit \$50,000 in cash, and maybe \$50,000 is not very much money to some members but it sure is to me and my friends, people might wonder how I got it. They might wonder if I got it through some illicit operation. However, that would never happen. In case someone else did something like that, the financial institution would report the cash deposit. If I reported it, FINTRAC would then have the obligation to look at it. If it was suspicious it would turn it over to the law enforcement agencies for investigation.

Let us say that I am investigated and there was nothing wrong. The institution would have his information. How long would the centre retain the information it collects? Bill S-16 deals with that. It says that the information reported to them cannot be kept more than five years. If it is transmitted onward to the law enforcement agencies, then the information can be kept for eight years but no longer, in which case that information must be deleted from all computer files and all paper files must be destroyed.

When and how will it dispose of that information? That is also in this particular bill, as I have just indicated. What information may the centre disclose to law enforcement authorities? That is another very important question because the original bill just said similar information and it was left undefined. Similar to what? One thing this bill does is to insert only one word in one of the clauses. It inserts the word identifying information. In other words, a certain amount of information such as name and address can be included. The information which it is entitled to keep and transmit must be identifying information in terms of the suspicion, or the details of the transaction itself or the identification of the individual. It cannot go on a wild goose chase.

• (1535)

Clause 3 of the bill deals with the jurisdiction of the courts. There is always a problem with this. If a government agency has the right to do something and I disagree with it, can I appeal? That was not clear in the original act. This clause in the bill will clarify this and allow courts to have jurisdiction over any disputes.

What happens if an agent from the centre feels that it is information which could lead to a criminal charge? Does he or she

give it to the law enforcement agency without any accountability? The fact of the matter is we are dealing with people who may be innocent.

We want to do as much as we can to find evidence against those kinds of individuals, convict those who are guilty and bring them to justice. At the same time, however, we do know if many people are charged with certain activities of which they are not guilty. They should be able to defend themselves.

The issue of the courts is one thing. Another is that any information which is deemed eligible to be reported, cannot be reported without the person first being given the opportunity to contact a lawyer. One may wonder why, if it involves an accountant for example.

At the present time accountants do not have the solicitor-client privilege that pertains to the legal profession. That person could refuse to give information and decide to withhold it as being client privilege. The person now would not be required to give that information without first having the opportunity to contact a lawyer who could look at it, then on behalf of the client say it was client-professional privilege, and he could take it. This is a safeguard which should be included in order to protect those people who are innocent and, to a degree, protect the process so the person who is guilty cannot get off on the technicality that his or her rights were abused. That is a very important clause.

I thought it would be useful for members of the House and for anyone else who happens to be observing the debate today to know a little more detail about Bill S-16. It is a bill which strengthens the money laundering legislation in Canada so those people who are involved in criminal activity can be correctly identified and brought to justice. I support this bill.

[*Translation*]

**Ms. Pierrette Venne (Saint-Bruno—Saint-Hubert, BQ):** Mr. Speaker, I am pleased to have this opportunity to speak today on the third reading of Bill S-16, an act to amend the Proceeds of Crime (Money Laundering) Act.

On June 29, 2000, Bill C-22, or the Proceeds of Crime (Money Laundering) Act received royal assent. The purpose of this statute is to make it easier to prevent money laundering of the proceeds of crime by creating a financial transactions and reports analysis centre responsible for gathering, managing, analyzing and distributing reports of suspicious operations and any other pertinent information.

In fact, the inauguration of a mechanism for the reporting of suspicious transactions and major transborder capital transfers, as provided for in Bill C-22, was in response to the problems raised by the financial action group against money-laundering.

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• (1540)

This would be a good opportunity to point out that the Bloc Québécois had supported this government initiative, out of a concern to protect the Quebec population from the calamity represented by organized crime. Moreover, in order to make money laundering more inconvenient, the Bloc Québécois were the ones behind the withdrawal of \$1,000 bills and the requirement for banks and other financial institutions to report any suspicious financial transaction involving \$10,000 or more in cash.

Before I go further, money laundering may be defined as follows. It is the process by which the proceeds of crime are converted into assets whose origins are difficult to trace. Despite all, we know that 70% of the money laundered in Canada is drug money. The remaining 30% comes from activities as varied as under the table gaming, tobacco and alcohol smuggling, fraud, counterfeiting and petty computer and telecommunications crime.

As we know, money is the sinews of war, and the one waged by the authorities against organized crime is no exception. Internationally, proceeds from crime entering the financial market represents hundreds of billions of dollars. So, considering that the prime motivator behind organized crime is lucre, and here I am speaking of huge sums quickly pocketed, the confiscation of such laundered proceeds hurts a lot more than the usual sanctions of fines and prison terms.

Legitimate or not, every business aims at making a net profit. By way of example, let us look at a business whose activities are on the up and up. Suppose that for some reason or other the business is taken to court and for purposes of discussion, let us imagine that at the end of the trial it is sentenced to pay a fine or to pay damages. Of course, the business will feel it but this comes with the territory.

The same holds true for organized crime. A jail sentence or a fine is among the inherent risks associated with criminal activities. However, by depriving an organization of its most profound motivation, we destroy the directly proportional relation that exists between the risks and the benefits. So, getting our hands on that organization's assets will weaken it from an economical and moral point of view. In other words, we must show that, indeed, crime does not pay.

Even though it does not at all change the substance of the Proceeds of Crime (Money Laundering) Act, Bill S-16 does address some issues raised during the hearings held on Bill C-22 by the Standing Senate Committee on Banking, Trade and Commerce. The four changes included in the bill should address the following issues.

How long will the Financial Transactions and Reports Analysis Centre of Canada keep the information that it collects? When and how will it dispose of the information that it will have gathered?

What information can the centre transmit to law enforcement bodies? Will the federal court have the power to order the centre to transmit the file of an individual under the Privacy Act and the Access to Information Act? Finally, who is authorized to make a claim of solicitor-client privilege?

We must ask ourselves if Bill S-16 adequately addresses these concerns, and this is what we are going to do.

First, we can say that clause 1 responds satisfactorily to the first two questions raised before the standing Senate committee. This amendment sets out the circumstances justifying the maximum retention period of eight years for reports and all information.

This retention period shall be enforced when the centre forwards information either to law enforcement authorities or to the Canada Customs and Revenue Agency, the Canadian Security and Intelligence Service, the Department of Citizenship and Immigration, an agency in a foreign state or an international organization with a mandate similar to the centre's.

Moreover, the addition of paragraph (e) to section 54 of the Proceeds of Crime (Money Laundering) Act provides that each report received and all information received or collected shall be destroyed on the expiry of the applicable period. This paragraph therefore adds certain necessary clarifications regarding the duration of retention and the destruction of information.

• (1545)

Similarly, with the addition of the term identifying information in paragraph 55(7)(e), the purpose of which is to clarify to what the information is similar, the second clause of Bill S-16 thus responds to the third question. The purpose of this amendment is to clarify that the identifying information in question is that found in paragraphs (a) to (d).

In our view, this clarification was not needed since paragraph 2(e) is interrelated to the previous ones. But since this is a catch-all paragraph, I guess someone felt the need to make this clarification which does not change anything to the original provision. If this amendment can clarify things for some people, great.

With respect to the fourth question, clause 3 of Bill S-16 was drafted because initially the federal court was not allowed to make an order for disclosure. In fact, such an order could only be made pursuant to subsection 60(4) of the Proceeds of Crime (Money Laundering) Act.

The amendment ensures that no provision in this legislation can prevent the federal court from ordering the director of the centre to disclose information under the Access to Information Act and the Privacy Act. It seems that it was always intended for the federal court to enjoy this authority, which will now be clearly stipulated in clause 3 of Bill S-16.

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With this amendment, the Proceeds of Crime (Money Laundering) Act will now give the federal court some judicial control over the disclosure of information.

As for the fourth clause, as we mentioned at second reading, it certainly would have been possible to word it to make it easier to understand. Unfortunately, it was not, and we have to live with it.

In addition, following the explanations we were provided with at the Standing Committee on Finance, we believe that, even if this amendment answers our fifth question about who could invoke the solicitor-client privilege, it seems that it does not deal with the concerns that led to its drafting.

Before the Senate committee, accountants maintained that they have very high standards of confidentiality to meet, just like any lawyer. Consequently, they say that they should also be allowed to claim solicitor-client privilege. However, clause 4 of the bill responds only partially to this demand. An accountant or any other person, other than a lawyer, cannot personally claim solicitor-client privilege.

Indeed, the protection of documents in the possession of a person who is not a lawyer depends on the involvement of such a legal counsel in the matter under investigation. Therefore, the possibility of claiming solicitor-client privilege remains restricted to the lawyer.

How does this work in practical terms? First, the client gives a legal mandate to a lawyer. I must insist on the fact that the nature of the mandate is crucial because a lawyer who would act as business adviser could not claim solicitor-client privilege.

In fulfilling his or her mandate, the lawyer may work jointly with other professionals, such as an accountant for example. Having doubts regarding the legality of the activities conducted by the client, the authorities decide to investigate. The person authorized to conduct the search will not be able to examine the documents handed over to the accountant by the lawyer. Therefore, it is through the lawyer, the only person who can claim solicitor-client privilege, that the documents in the possession of the accountant will remain confidential.

In this context, it would be fair to think that, in order to enjoy absolute protection, money launderers will systematically go to a lawyer first, who will hand the documents over to the appropriate professionals.

• (1550)

Yet the situation is not as simple as it may appear. Even if the solicitor-client confidentiality required of the lawyer at this time provides considerable guarantees of confidentiality, this is not an absolute concept but one subject to a number of conditions and restrictions, which I will not list in the context of today's debate.

When an individual or organization involved in money laundering requires the services of any professional with a view to facilitating the perpetration of a crime, regardless of whether or not a lawyer was involved, the seized documents cannot be protected by solicitor-client privilege.

In short, this amendment adds nothing new to the present situation, in that it merely codifies existing principles which have long been in place under common law. The concept of solicitor-client privilege therefore remains exclusive to the performance of the duties of a lawyer.

This notion can, moreover, be extended to other persons when their services have been retained by a lawyer, in order to enable him or her to meet the obligations of his or her mandate as a lawyer.

Under these circumstances, one might say that the solicitor-client privilege is not a right transmittable to a third party. It is instead a real right involving transmitted documents which, as the bottom line, are the purview of the lawyer.

We believe that the law will meet the objective of this provision, that is to ensure that specialized professionals such as lawyers and accountants cannot act as accomplices to the money laundering mechanism.

As we have already stated, Bill S-16 ought to respond to five very specific questions raised before the Senate committee. Despite the fact that accountants do not really enjoy the same privileges of client confidentiality as lawyers, we still consider that Bill S-16 effectively addresses all these issues.

Obviously, as we supported the Proceeds of Crime (Money Laundering) Act and as the four clauses the present debate addresses are intended simply to clarify the intent of the provisions they amend, we will also vote in favour of Bill S-16.

However, we wish to point out to this House that we are supporting the government today for the same reasons we became involved in the introduction of new coercive measures.

We are satisfied these measures will enable the authorities to more effectively fight organized crime and therefore to ensure the safety of Quebecers.

In addition, it is unfortunate that the people of Quebec must once again put their faith in the goodwill of a federal government which, more often than not, does what it likes when it comes to resolving problems that, despite their application to Quebec society specifically, fall under the jurisdiction of the federal government because of the distribution of jurisdictions, which gives it exclusive jurisdiction in matters of criminal law.

It is therefore appropriate to mention that this dependency will be eliminated with a sovereign Quebec.



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[English]

**Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC):** Mr. Speaker, I commend the hon. member on her remarks. She obviously grasps the importance and the relevance of this issue at this time in Canada.

In response to concerns raised by the Senate banking committee and the important efforts and work it did in that regard, we see Bill S-16, an act to amend the Proceeds of Crime Act, coming forward to legislate in the areas of solicitor-client privilege, the disclosure of information and records retention.

I should indicate at the outset that I had intended to split my time with the hon. member for Kings—Hants. Subject to his arrival I may just carry on.

Money laundering, as we all know and are very aware, is the process by which criminals attempt to conceal profits earned from crime so that the money looks as if it came from very legitimate sources. It is literally an attempt to clean dirty cash. It is also an attempt to hide or cover up the illegal means and sources from which the money originated. Typically it involves vices such as extortion, prostitution, illegal gambling, drugs and other contraband. The particular legislation is aimed at attempting to track the origins of the money and to get at the source itself.

• (1555)

The legislation speaks of abilities to trace the origins of money because the origins themselves are those which are most often concealed and erased. If the money is successfully covered up, it can then be used to buy goods and services the way any other type of cash or exchange takes place.

It is estimated that somewhere between \$5 billion and \$17 billion in money from nefarious sources is laundered in Canada each year. I do not mean to put too fine a point on it but that sort of vague estimate indicates the size of the black market out there. It is very disturbing. Exact figures are very difficult to come by in that regard.

Obviously the black market is thriving in Canada. It is straight profit that is hidden from Revenue Canada and from government generally. The money is very often shifted between countries, financial institutions and investment brokerages without a paper trace that would allow law enforcement to get to the source or to get to the origins. The more complex and convoluted the trail, the more difficult to trace, eventually prosecute and bring to justice those involved in money laundering.

It is fair to say it is a world problem against which even the world's most powerful nations struggle. For example, Vladimir Putin, the Russian president, just last week held a conference on money laundering in St. Petersburg. He outlined efforts to crack down on the global illegal industry and the expansion of this industry in Russia. Russia is currently a member of the FATF's

blacklist of nations because of its money laundering legislation, or lack thereof, which does not meet international standards.

We do not want this to happen in our country. That is why it is encouraging to all that the legislation is before us now. We must ensure our global partners and neighbours, not to mention our citizenry, that we are doing everything in our power to address and confront this problem.

Corruption is a growing problem in Canada and most countries recognize this point. They recognize the fact that it is very diverse and takes many forms just like legitimate industries. Any effort aimed at curtailing this type of underground economy and outsourcing of money from illegal means is where we should be focusing our attention. The magnitude and the reach of this problem are staggering.

Canada has come under heavy criticism in recent years as being an easy place for criminal organizations to launder their money. Our biggest ally, the United States, has sent signals which clearly indicate that we are leaving our neighbours to the south open and more vulnerable to criminal activity respecting money laundering because of a failing security system in our country. The lack of resources contributes to that. The lack of government support whether it be through funding or innovation indicates to members of our law enforcement community that in many instances their government is not behind them.

The response has been legislation such as Bill S-16, albeit late. Bill C-22 originally imposed new reporting and record keeping requirements and created financial transactions in the reports analysis centre of Canada to receive and analyse information. Bill C-22 was the predecessor for the legislation before us. It died on the order paper when the pre-emptive and very opportunistic election was called.

The banks would be required by law to adhere to a new reporting regime that would be put in place over the next year. It would help reorganize and report dubious transactions. It would present banks with the obligation to act upon information of which they might be in possession and report where there is a suspicion of organized crime activity. It is clearly there to try to unveil and unmask efforts by organized crime to use financial institutions such as our major banks and other financial institutions for illegal purposes. A failure to report would result in certain sanctions. Those sanctions include fines of up to \$2 million and five years incarceration. Therefore, this reporting scheme does have some teeth.

• (1600)

Concerns have been expressed however about the privacy and the disclosure of certain information. Those were voiced by the privacy commissioner, the Canadian Bar Association and other groups.

The Senate banking committee looked at the bill in June of 2000 and felt that there were numerous flaws and areas where it could

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have been improved. The government at that time was unwilling to entertain amendments to the legislation because it was late in June and the House of Commons was going to recess. We know that at this time of year ironically we are facing a similar attitude on the part of government.

However, the Secretary of State for International Financial Institutions gave a written undertaking to the committee that certain changes would be made in a new bill to be introduced in the fall. Those changes formed the substance of Bill S-30, introduced in October of 2000. This bill was identical to the bill we see before us and it went beyond those changes agreed to in the letter from the secretary of state.

The Senate banking committee reported the bill with the observation that the government should have given consideration to other amendments that would further ensure that solicitor-client privilege was protected by adding the phrase law office in any clause where the term dwelling house appeared.

Second, the first annual review should be held after three years not after five years as was indicated in the original legislation. We find far too often that we are becoming very slack in our review process that was initially intended to ensure that the bill was living up to the breadth, width and intention.

Third and finally, it would require regulations under the act to be tabled before a committee of each House of parliament. Sadly, this bill does not include those further changes that were recommended by the committee.

The Law Society of Upper Canada has asked for the deference of the worst sections of this legislation. In many legal circles around the country court action against the federal government is not only being discussed but is being planned. This has happened time and time again. It is a given that with legislation such as this, and Bill C-24 is another bill, the lawyers are already writing the briefs, and the games will begin as soon as this law comes into being.

This bill will focus on the following legal aspects of this particular legislation. Solicitor-client privilege is one, which I mentioned previously. Whereas Bill C-22 only dealt with instances where there was solicitor-client privilege involving legal counsel, Bill S-16 now clarifies that the officials of the Financial Transactions and Reports Analysis Centre may not examine or copy documents that might be subject to a claim of solicitor-client privilege where the document is in the hands of someone else until a reasonable opportunity has been made for that person to contact legal counsel. This responds to concerns raised by the Certified General Accountants Association of Canada.

It is very much akin to the situation we see with the information commissioner in Canada who would like to examine the Prime

Minister's agenda books. He would hold that information in privacy and counsel and determine its relevance to the individuals who have requested disclosure. It follows a longstanding tradition that allows judges to determine relevance and admissibility of certain information. So we support that particular initiative.

Privacy under Bill S-16 will also allow individuals or the privacy commissioner to take the Financial Transactions and Reports Analysis Centre to court if they are denied access by the centre.

This legislation has come under some criticism in the banking committee because the bill creates onerous and very involved new responsibilities. In fact, Margaret Beare, one of Canada's leading experts on organized crime, recently stated that the new legislation requiring banks to report suspicious transactions was contradictory to some of the banks' principles, mainly that they would be making a profit and reacting to customers' wishes.

**The Acting Speaker (Mr. Bélair):** I am sorry to interrupt the hon. member. It was understood that you would split your time with your colleague. Before going to your colleague, there are five minutes for questions or comments.

• (1605)

**Mr. Ken Epp (Elk Island, Canadian Alliance):** Mr. Speaker, I was listening to the hon. member speak and quite clearly he is not finished his notes. My question is very simple. What else does he have to say?

**Mr. Peter MacKay:** Mr. Speaker, I would like to thank my hon. colleague for his intervention. It does allow me to continue just momentarily with my remarks.

There were concerns with respect to the discrepancies over what would constitute a suspicious transaction, which again led to concerns that were expressed by Ms. Beare. There was also indication that certain levels of the banking sector had problems within their computer system or their system of reporting that would also leave them vulnerable by not being able to live up to the expectation of reporting. They would have an inability to monitor the type of monetary transactions that may be taking place on an ongoing basis, that was they could do so perhaps over a sustained period of time. However, as we all know, these transactions often occur in a very short time span.

Ms. Beare expressed a concern that lack of follow-up from police in some instances posed a considerable obstacle.

As is often the case with catching criminals, it is the slip-ups and lack of sophistication on their part that very often leads to the arrest. However the legislation I would suggest moves in the right direction in terms of arming those in the financial sector to combat the very sophisticated and often very complicated and nefarious

means by which those who are trying to launder their money will engage. Otherwise those who play the game very well continue to thrive despite our best efforts. We have to obviously strive regardless.

On that note, I will turn over the floor to my colleague from Kings—Hants. I know that as a member of the finance committee he has made significant contributions to this and other bills. I know that all members will be riveted to their seats when the hon. member for Kings—Hants assumes the floor.

**Mr. Scott Brison (Kings—Hants, PC):** Mr. Speaker, I would like to thank my colleague from Pictou—Antigonish—Guysborough for his erudite comments.

The issue of money laundering is one that no Canadian should underestimate. The fact that the estimates range between a \$5 billion problem to as high as a \$20 billion problem speaks volumes about the degree to which we really do not have a very good handle on the scale of the problem. What we do realize is its impact on facilitating and enabling organized crime in any range of applications, whether it is in particular on the side of the narcotics trade, is significant.

We should also not underestimate the degree to which significant resources are needed to fighting money laundering. In recent years we have seen an exponential increase in the range and complexity of financial vehicles available to criminals.

When we talk about organized crime, we are not talking about underfunded agencies. We are talking about some of the most sophisticated, well funded groups in the world with international linkages and the economies of scale to attract and to invest in the very best technologies. That is why, whatever we do in terms of new agencies and new approaches to money laundering, we have to ensure that the funds are committed to our RCMP and our enforcement capabilities. Otherwise all that will occur is the government will take baby steps in the right direction but really not achieve the goals of reducing the incidents of organized crime and money laundering, which should of course be the goal of the legislation. The government has had a terrible record of underfunding, the RCMP for instance. Clearly while new agencies and new approaches might be helpful, if they are underfunded, it will not achieve the goals that the government has attached to this legislation.

• (1610)

We have some concerns relative to issues of privacy and the member for Pictou—Antigonish—Guysborough articulated some of those concerns. It is important as well to ensure that the new agency's mandate and efforts are separated assiduously from those of the Canada Customs and Revenue Canada Agency. If the customs and revenue agency sees evidence of money laundering, it

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may be appropriate to refer some cases to this new agency to deal with money laundering.

That being the case, what we want to avoid in those cases where this agency has not found sufficient evidence of money laundering but may find some evidence relative to inappropriate behaviours relative to one's taxes, is the agency to result in a souped-up Revenue Canada to sink its teeth a little deeper into the ankles of Canadian taxpayer.

The issues of enforcement, and particularly the onus being placed on financial institutions, will be one that will be very difficult from an enforcement perspective and from a privacy perspective. We have to be awfully careful in this regard that a significant level of education occurs at the outset and that our financial institutions are prepared on a consistent basis throughout various financial institutions and throughout a branch of networks to carry out the mandate of this legislation. I suggest to the government that this will be a significant challenge and that the government has to be prepared.

The government has to be prepared to invest significantly in technologically driven approaches to deal with money laundering. Again, we are not dealing with amateurs. These are not underfunded agencies and local yokels who are doing a bit of criminal activities and do not really have the resources to carry on their activities. The government is fighting some of the best funded organizations in the world.

I would argue that we need to engage other countries more actively than we are right now in a co-operative effort. Clearly, money laundering and electronic transfers of money do not recognize borders, particularly if one were to consider just for a moment the impact of even the Interac system and its impact on the ability to launder money, to hide transactions and to break really large transactions into a multitude of smaller ones.

I am sure many of us in the House use online banking sometimes and I would suggest all of us probably use our bank cards. However, consider in the wrong hands and with nefarious motives what extraordinarily powerful tools the Interac system and online banking are. These are the simplest consumer available technologies of which we are aware. We are not even considering some of the extraordinarily powerful technologies being used in the mysterious world of arbitrage and currency trading.

If we are not very careful to ensure the necessary resources are committed to this fight, then we are sending this new agency, our RCMP and others into battle with pellet guns which will not be in the long term interest of the effort to reduce the incidence of money laundering and organized crime.

• (1615)

Accountability is of real importance. There is concern about the growing trend toward agencies which the government has pushed

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in recent years. The Canada Customs and Revenue Agency and the new money laundering agencies are not very accountable.

We must ensure, particularly in areas of privacy, that we do not create agencies that are able to run roughshod over the rights of Canadians. At the same time, however, agencies must have the resources and ability to do their jobs. It is a balancing act. I hope the government has a good understanding of what it will be up against with the new agency.

We must invest properly and make sure the accountability is there to protect ordinary, law-abiding Canadians. However resources must also be committed to ensuring Canadians who do not take the law seriously, who participate in money laundering and globally powerful organized crime networks, are caught and dealt with.

Those are some of our concerns. The legislation, like so much of the government's legislation, represents a baby step in the right direction. However given the power of organized crime globally and the resources available to it, we are taking baby steps in the right direction while the forces we battle are taking gigantic leaps. We are not making the progress we should be making in this place to ensure that money laundering and organized crime are dealt with effectively in Canada.

**Mr. Ken Epp (Elk Island, Canadian Alliance):** Mr. Speaker, today is a special day in the House. We are debating three bills that were introduced in the Senate. Bill S-16 is the third of the Senate originated bills we are debating today. It is also a special debate in the sense that the government side seems not to be participating. It made a token one or two minute speech and said we should get on with it.

Issues like this should be dealt with by giving considerably more attention to detail. I commend the member who just spoke. He was talking, particularly toward the end of his speech, about the government taking timid steps in the right direction but perhaps not doing enough. Would he like to enlarge on some of his ideas with respect to money laundering and the curtailing of criminal activity in Canada?

As precisely as possible, what further and stronger measures would he propose to prevent Canada from becoming a haven for money laundering activities by criminal organizations?

**Mr. Scott Brison:** Mr. Speaker, I thank the hon. member for Elk Island, a colleague of mine on the House of Commons finance committee, for his intervention.

First, we should not underestimate the importance of resources. We must make an adequate commitment of resources to our law enforcement agencies in this regard. The task at hand has grown exponentially more complicated and difficult. Yet there has been

no commensurate increase in resources to deal with it. In a general sense the resources must be committed. They have not been to date.

Second, in a more specific sense we must work with the very best technologies available to deal with the problem. Clearly these are technologically driven problems. The challenge is to ensure we have the tools to effectively deal with them.

Third, we need greater interaction and engagement with the private sector agencies that will ultimately be acting on the enforcement side. There should be engagement with the Canadian financial services sector. Such engagement should take place while the measures are being put together and not after the fact. It should ensure the sector's commitment is a realistic one, not one imposed by a government with little understanding of the logistics of enforcement at the grassroots financial services sector level.

• (1620)

**Mr. Larry Bagnell (Yukon, Lib.):** Mr. Speaker, I thank my colleague opposite for his comments but point out that this is the second time I have been up in less than half an hour. It is not true that we are not participating in the debate.

I thank him for raising the good point that three bills have started in the Senate. In a bicameral system every bill must go through both houses. If all bills started in the Senate the House of Commons would sit around for a week with nothing to do until something was passed, and vice versa if they all started here.

I thank the hon. member for congratulating those who brought forward the improvement of splitting bills so that both houses could work on them. If the Senate could remove some of the fine details in its extensive committee consultations we would not have to worry about them and would have an even better bill when we got it.

**Mr. Scott Brison:** Mr. Speaker, I have never heard a more eloquent plea from a member on the Liberal side for a seat in the Senate. I suggest he make that plea on an individual basis to the Prime Minister. I wish him luck in his quest for a senatorial appointment.

I agree with the member that a significant amount of valuable work is done in the other place on legislation like this one. This House, the lower House, benefits from the work of many of our senators, particularly at the committee level where there is a significant level of expertise and talent.

**Mr. Jason Kenney (Calgary Southeast, Canadian Alliance):** Mr. Speaker, I am especially grateful to have the full attention of the government House leader. The Canadian Alliance, as my colleague has indicated, will support Bill S-16 which comes to us essentially as legislative amendments the Senate has sought to Bill

S-22. I echo the concern of my colleague from Elk Island about the growing practice under the current government of initiating legislation in the other place.

However I would also highlight that Senate committees, in particular the Senate banking committee in this instance, do good work. Frankly they pay more attention to the details of legislation of this nature than do some of our own committees.

The bill deals with the proceeds of crime, otherwise known as money laundering. I rise to make the point as finance critic for the opposition that Canada's laws with respect to proceeds of crime are unfortunately not as robust as they ought to be. Other jurisdictions have taken far more significant legislative steps to plug loopholes which allow those who benefit from proceeds of crime to secrete assets in Canada.

I also second the remarks of my colleague from Kings—Hants who pointed out that although we have a legislative framework to deal with the proceeds of crime, we do not provide nearly sufficient resources to law enforcement agencies to enforce the laws.

In particular, the proceeds of crimes division or white collar crime division of the Royal Canadian Mounted Police is constrained by quite finite resources. This means major fraudsters have pretty significant resources at their disposal.

These people benefit from tens, sometimes hundreds of millions of dollars of defrauded moneys and assets. They can afford the very best legal advice, lawyers, financial advice and accountants to hide their illegally gained assets and launder them so they become ostensibly legal funds. This is because police simply do not have sufficient resources to combat the problem on a large scale in Canada.

• (1625)

Consequently, victims of commercial crime increasingly are turning to lawyers to pursue civil remedies. That is a concern. I want to raise in the debate the need to consider giving, through our laws, greater latitude to victims of fraud to pursue civil remedies in court. In many Canadian jurisdictions it is difficult, if not impossible, for victims of fraud to collectively pursue so-called class action cases against fraudsters.

The legal framework in the United States allows for fairly robust civil remedies. For instance, when a telemarketing scam defrauds thousands of American seniors, they can put together a class action suit. They can find and hire skilled lawyers to investigate, track laundered assets, seek and in many instances obtain judgments against fraudsters, and restore defrauded moneys to the people to whom they rightfully belong.

In many Canadian jurisdictions similar remedies are not available. Individual victims of fraud are not able to collectively pool

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their resources and pursue legal remedies. In Canada police do not have the resources or advanced legal expertise to pursue money laundering cases, and affected individuals cannot collectively join together to finance the expensive investigatory and legal work required to pursue these cases. I raise this as an important point.

We need to join growing international efforts to stamp out money laundering. Literally billions of dollars are laundered in and through the Canadian economy every year. Multiple billions of dollars of assets in Canada belong to criminals indirectly and are controlled by criminals. Our police forces do not have the resources or expertise to fully trace the laundering process and restore justice to victims of fraudulent activity. Our legal framework limits the remedies available to those people.

I raise this as a matter of concern. I invite the government to revisit the issue in a broader perspective to find out how we can amend laws to be more clearly in compliance with the growing international intolerance of money laundering. I invite the government to find out how we can give more powerful civil remedies to victims of fraud. Finally, I invite the government to find out how we can better equip the RCMP and other police services across the country to plug loopholes, track down fraudulent and laundered assets and enforce the law to protect the tens of thousands of Canadians who are the unwitting victims of fraudulent scams.

I invite the government to consider all these things. However we in the Canadian Alliance Party will be supporting the bill.

• (1630)

[*Translation*]

**The Acting Speaker (Mr. Bélair):** Is the House ready for the question?

**Some hon. members:** Question.

**The Acting Speaker (Mr. Bélair):** The question is on the motion. Is it the pleasure of the House to adopt the motion?

**Some hon. members:** Agreed.

**The Acting Speaker (Mr. Bélair):** I declare the motion carried.

(Motion agreed to, bill read the third time and passed)

[*English*]

**The Acting Speaker (Mr. Bélair):** 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 St. John's West, Canada Mortgage and Housing Corporation.

*Government Orders***CRIMINAL CODE**

**Hon. Lawrence MacAulay (for Minister of Justice and Attorney General of Canada)** moved that Bill C-24, an act to amend the Criminal Code (organized crime and law enforcement) and to make consequential amendments to other acts, be read the third time and passed.

He said: Mr. Speaker, it is a pleasure to rise today to speak on third reading of this very important bill, Bill C-24. The Standing Committee on Justice and Human Rights has reported the bill to us with only a few changes. The bill deserves to be sent to the Senate without delay. We know that police and prosecutors need better tools to fight organized crime and criminal gains.

The bill is important because fighting organized crime is a key part of ensuring safer communities and that is why the government tabled the bill.

We know that the actions of organized criminals are felt across the country and around the world. They are at the heart of serious social problems like illegal drug use and organized prostitution. Telemarketing, Internet and credit card fraud cost victims thousands and sometimes tens of thousands of dollars, and stolen cars from Canadian communities end up around the world to feed illegal markets. Sometimes the costs are not obvious but the impacts and costs are real and they often can be very significant.

This is why the new definition of a criminal organization in the bill targets those who seek "material benefit, including a financial benefit", through crime. These new provisions would allow police and prosecutors to target the professional criminal at the heart of so many of the criminal problems that we face. In addition, the three new offences in the bill related to the criminal organizations would further help us to focus on those who lead gangs, those who participate in offences to benefit criminal organizations and those who participate in order to enhance the criminal organization's ability such as recruiting youth or others into gang activities.

These tools are what the RCMP, other police forces and provincial governments have told us that they need to deal with the organized crime problem today and in the future. The provisions on intimidation are very important for Canadians and for the health of our institutions.

Intimidation of witnesses and jurors and criminal justice officials can threaten the integrity of the criminal justice process. Likewise we are all aware that parliamentarians and other legislators can be subject to intimidation. This is unacceptable in this democratic society. The new offence of intimidation of a criminal justice system participant would help us address this threat and take firm action against those who would seek to undermine our institutions.

The standing committee did amend the bill to include journalists in these provisions. This is very appropriate. The media are a very important part of the democratic process and public debate free of intimidation is crucial.

I would like to note the importance of the provisions in the bill regarding proceeds of crime. Right now there are a number of offences in which illegal profits can be seized by police and ordered forfeited by courts, like drug trafficking or murder.

• (1635)

The bill also expands the range of offences to include almost all indictable offences. This would mean that police could take away the proceeds of crime from criminals more effectively.

On the question of protection from criminal liability for law enforcement officers, the bill would put in place important new provisions to provide for limited justification for law enforcement officers. It would allow designated officers, under strict conditions, to perform for the purposes of investigations acts and omissions that would otherwise be offences. The supreme court has recognized that officers operating in good faith may need to have such powers. It also recognized that it is up to parliament to provide for them. That is exactly what we do in Bill C-24.

During the committee hearings on the bill we heard from police and other witnesses on the need for these provisions. Since the supreme court's decision two years ago, many investigations have been affected. It has been felt most strongly in complex undercover operations against organized crimes. A number of the operations have had to be suspended, modified or stopped entirely, but the effect of the decision has not been limited to organized crime investigations. It also has affected other operations such as law enforcement purchases of contraband tobacco and alcohol and counterfeit currency in order to gather evidence.

Few would dispute that enforcement officers should have the power to gather this kind of evidence, but the statutory authority must be put in place. Also, there are serious crimes outside the area of organized crime where these powers are needed. Investigations in areas like murder and kidnapping sometimes require undercover operations where officers must gain the confidence of their targets before making arrests and bringing an operation to an end.

The need for the limited justification for the police has been well established, but the debate on how it should be put in place has been useful and important. One of the main issues has involved the question of judicial authorization. It was rightly pointed out that certain law enforcement powers, like wiretapping and search provisions, require judicial authorization. However, it is not appropriate for this law enforcement justification system. That was made clear during the standing committee proceedings.

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Unlike wiretapping and searches, this system does not involve precisely defined police actions that can workably be made subject to prior judicial authorization. As well, the broad nature of decisions about police operations that a judge would be asked to make during the investigations themselves would lead to inappropriate judicial involvement in investigations.

Another important question also raised was whether the limited law enforcement justification should be restricted to investigations of organized crime. The effect of the supreme court decision has not been limited to organized crime investigations. An appropriate system must recognize this and provide for the full scope of activities where the justification is needed.

However, the concern about these powers being used for minor operations is understandable. The concern is addressed in the bill. A fundamental requirement of the bill is that the use of the law enforcement justification must satisfy a condition that the conduct is "reasonable and proportional" in the circumstances. Enforcement officers would weigh matters like the nature of the act or omission that would otherwise be an offence, the nature of the investigation and the reasonable availability of other means for carrying out of duties. Failure to respect this requirement would be serious. The justification would no longer apply and officers may be subject to criminal liability in the courts.

There are many other safeguards in the bill. First and foremost is the role of ministers responsible for policing in designating those who are eligible for the law enforcement justification.

• (1640)

As solicitor general, I will be responsible for designating members of the RCMP. This role would provide an important measure of control and accountability. The designations will be based on the advice of senior law enforcement officials and reviewed with them before they are made. They may be subject to specific conditions. If designations are misused, they will be taken away. I should also stress that the bill is clear that this role would not involve ministers in individual investigations.

Still more safeguards under the bill include: the exclusion of certain types of conduct such as causing bodily harm, sexual offences, or the obstruction of justice; the provision for a public annual report; and the requirement to notify persons whose property may be lost or seriously damaged.

As I said, if the enforcement officers step outside the condition of the provisions, they would be subject to criminal liability in the courts. Officers would remain subject to internal discipline for unprofessional behaviour or other misconduct and public complaint mechanisms would continue to apply.

New provisions added by the committee include: specific examples of conditions that ministers might apply; clarification of the requirements on the police agents under the system; and the requirement for a parliamentary review after three years. The government supports these changes.

The law enforcement justification under Bill C-24 is not a blank cheque for law enforcement officers, far from it. It is a balanced system with strict limits and conditions. It responds to very real and substantial law enforcement needs. Together with the other provisions on criminal organizations, intimidation and proceeds of crime, the bill represents a major step forward in the public safety agenda.

**Mr. Vic Toews (Provencher, Canadian Alliance):** Mr. Speaker, I am pleased to rise today to do something that does not happen very often, at least for me, and that is to praise a government bill. I am actually surprised that Liberals would do the right thing on this issue. I know it was very difficult for them given the fact that in committee most of the Liberals had trouble supporting the bill. In fact, in committee the Canadian Alliance had to encourage them to do the right thing.

I am pleased to see that the Solicitor General of Canada and the Minister of Justice have brought the bill forward and have, I think, moved in the right direction. I would like to thank the minister for bringing forward this bill as well as the members who have worked so hard to get this vital legislation before the House.

Both government and opposition members have taken the proposed legislation very seriously during the course of debate in committee work and I am relatively satisfied with what has been accomplished here to date. At long last we have legislation that gives the police many of the tools they have been asking for and, I might add, not simply because the police have been asking for it. I believe that they have been asking for these tools for solid public policy reasons.

We have known for years now that our law enforcement officials are at a severe disadvantage in their efforts to combat organized crime. We know that sophisticated criminal organizations have access to virtually unlimited resources, state of the art technology and unlimited funds, all derived from their illegal activities, while our police forces are barely getting by.

When the solicitor general indicated that this was not a blank cheque for the police, it would have been nice of him to say at least that it would have been a bigger cheque in order to fund some of these operations. I do not think the police forces expect a blank cheque in terms of either the legislation or the funding, but I think an increase in the amount of money available to conduct this very worthwhile endeavour is of course necessary. Frontline officers feel that they are fighting a battle without ammunition.

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● (1645)

Bill C-24 is in many ways a long overdue response to a number of concerns raised over the years by federal, provincial and municipal law enforcement officials.

My praise is not entirely unqualified. Bill C-24 is a great step forward but we must not close the book on this issue. We must continue to ask ourselves as elected representatives what we can do to ensure that our law enforcement officials have the necessary tools for keeping Canadians safe and secure in an ever changing world.

We must recognize that police power must be exercised for the common good of the public. Police power is certainly a very important one not simply for itself but for of us to enable society to proceed and to develop in an orderly fashion.

I echo the comments of RCMP Commissioner Zaccardelli who said that Bill C-24 was a work in progress. He said that many of the amendments in Bill C-24 were absolutely critical, but he hoped for more work in this area. He hoped that we as parliamentarians would keep the radar screen alive. The commissioner is all too aware of the ever changing nature of organized crime and that these kinds of criminals always seem to be two or three steps ahead of the law.

Beyond the very real need to continue our legislative work in the area of our justice system I have to say, as I alluded to earlier, that I continue to be disappointed with the level of funding that the government has provided to fight organized crime. Given the fact that a relatively simple prosecution under legislation like this could cost up to \$10 million or more, the \$200 million over five years the minister has announced is really a small amount of money.

It seems strange to say that \$200 million is a small amount of money, but when we look at each individual case and the costs involved, it is a staggering amount. I have had experience in the provincial sphere of being responsible for the costs and the administration of those types of cases.

We must make the money available for our police. If we do not, it does not matter how good the legislation is or how good our intentions are. If organized crime realizes that frontline police officers do not have the necessary funding in place, all of this is for naught, and that would be a disappointment.

During committee testimony on May 10, Toronto city police Chief Fantino and Winnipeg police Chief Jack Ewatski both indicated that the new funding they were to receive was insufficient. Chief Fantino said he felt totally inadequate in his ability to direct resources away from the day to day pressing issues he had to contend with. He stated:

I do not have any direct federal funding to help me dedicate the necessary resources to sustain the very labour-intensive, difficult work that has to be done in this area to the extent that we should.

I have to wonder about the \$100 million we are putting into a failed long gun registry. Everybody has acknowledged that the long gun registry has failed. It is not doing the job and it will never do it. Yet through blind political allegiance to a failed idea the Liberal government continues to pump \$100 million into a registry that has not worked and will not work. The only thing it is doing is destroying the hunting industry and the tourism industry in my area.

● (1650)

I do not understand it. If we gave that \$100 million to frontline police officers and asked them if they could do better than the long gun registry, there would not be a police officer or even a police chief who paid lip service to the long gun registry who would not say, given that choice, that they would put it into frontline policing. Why? It is because every police officer in the country cares about reducing crime and is not concerned about a failed political agenda.

Directing resources into very complex investigations often puts tremendous pressure on routine policing operations. Our frontline police officers are saying that they feel like beggars trying to find the resources to do the things of national priority. Because of the lack of resources our municipal forces may not be able to support additional investigations regardless of the legislation we pass today.

I urge the minister and the solicitor general to take a look at areas where we can find existing funding that is not being used appropriately. If we want to find \$100 million today, we can find it in the failed long gun registry which is making criminals of ordinary hunters and farmers and destroying tourism and other industries in constituencies such as mine.

Why will the minister not listen? Why will the minister not do anything? The answer is simple. The minister would rather spend \$100 million a year than face the political embarrassment of saying that they have made a mistake and have to find a policy that will stop criminals.

There has been a fair amount of public debate on certain aspects of the legislation, particularly in the area of the immunity provisions for peace officers. I should like to discuss that briefly because it is a very important topic.

The legislation would not give police officers any additional rights that they did not enjoy over the last 100 years or so. They always assumed that they had a measure of protection when conducting investigations where in certain situations they were called upon to break the law. That is a very difficult thing for a police officer or anyone to do. Yet it was a necessary aspect of carrying out some very delicate operations.



Police chiefs and crown prosecutors knew about it. It was accepted. It was done in the vast majority of cases in a responsible manner because police officers knew of their responsibilities to our citizens. Crown attorneys and police chiefs who supervised police officers understood it was necessary but uncomfortable, given the fact that it was a breaking of the law.

Therefore the legislation sets out in statutory form with clear criteria the conditions under which this may occur. This is not granting police officers new powers or new steps that they did not exercise before. It simply is a response to the Supreme Court of Canada.

For those concerned about constitutional issues, if one looks at the judgment of the Supreme Court of Canada and the legislation in place, I do not think the Supreme Court of Canada was asking that there be any pre-authorization by judicial figures in this matter. It simply said that police officers do not enjoy an immunity in respect of these matters.

• (1655)

If we as a society expect police forces to do the necessary things on our behalf, we must give them legal sanction to do it. I liken it a bit to war because when we are dealing with crime we are at war. In the context of war, our soldiers must do things that would not be otherwise acceptable in society. Our soldiers kill on behalf of our country when it is necessary for them to do so. All of us regret the killing and no one believes that killing is good. Yet as a civilized society we understand that at times it will occur and we give police officers that legislated common law immunity.

In the very same way we are giving our police officers that immunity, but that immunity is very clearly defined and closely supervised. It complies in every respect with the concerns of the Supreme Court of Canada in its judgment in Campbell and Shirose. Given the nature of undercover operations and general policing activities, this immunity is essential in continued efforts in our war against crime and organized crime in particular.

Despite initial misgivings many concerned people, including a number of committee members and witnesses, ultimately expressed support for these provisions in Bill C-24. Provincial and municipal leaders and law enforcement officials alike have recognized that there may be concerns regarding the potential for abuse of these powers that could harm innocent third parties.

However, in light of the fact that criminal organizations have increased in sophistication to such a degree that police cannot keep up with them, there is a general consensus that police must have the ability to conduct undercover operations and reverse sting operations to make a significant impact in this area. Later I will talk

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about innocent third parties because it is an important issue that the bill overlooks.

After careful consideration of the provisions in Bill C-24 members of the committee as well as a number of witnesses decided that these concessions were necessary to allow police to carry out its duties effectively.

Legislation is not always a precise art. I recognize the difficulties that the minister had in weighing some of the concerns on both sides of the issue. I am satisfied the minister has been reasonably prudent and careful in ensuring appropriate checks and balances are provided in the legislation to protect the public.

At the same time these protections are not so overly restrictive that they would impede police investigations. They would also provide police protection from prosecution in very specific and carefully delineated circumstances. I put on record that there are only clearly delineated circumstances where this authority can be exercised.

Ultimately by supporting these provisions we have respected the decisions made by justice department officials who have reviewed the law, who have considered the Supreme Court of Canada decision in Campbell and Shirose, who have dealt with police officers on a day to day basis over the years, and who have listened to the provincial attorneys general across Canada that are on the frontline of fighting crime.

• (1700)

However, should these provisions require improvement, an amendment was passed in committee that would provide yet another check. With this amendment parliament would now conduct a mandatory review of the sections in the criminal code dealing with these provisions every three years.

The three year time frame is appropriate and prudent. If any concerns arise in the operation of this bill, and I certainly hope that is not the case at least in respect of substantive concerns, in three years we will be here to review the matter and make appropriate corrections. We should not leave it for the next group of members to fix any problems that might arise.

While many of us recognize that the legislation may not be perfect, our support for these provisions stems from the fact that the safety and security of Canadians continues to be a considerable risk as a result of criminal activity, and citizens want protection by our police who they understand must be governed by reasonable laws and reasonable conditions. Generally speaking, the bill reflects that reasonableness.

I was also pleased to see that the minister took the suggestion from the Canadian Alliance to include provincial leaders in the list of justice system participants, thereby extending to them additional

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protection against intimidation from criminal organizations. That protection must be recognized given that they, even much more than many of us, are involved in the front lines of fighting organized crime.

The minister took this one step further and added municipal leaders to the list, and I commend her for that initiative.

I would also like to thank my colleague from the Bloc from Berthier—Montcalm who brought forth an amendment to extend this protection to journalists as well. We are all aware of the important role that journalists play in our society. They are fundamental to free speech in a democratic society and as a part of the exercise of free speech, they are engaged in the fight against organized crime.

As a number of recent cases demonstrate, journalists who serve the public interest by reporting on organized crime are very much in need of and deserve enhanced protection under our criminal law.

I want to briefly deal with the concern that I raised in committee and which, unfortunately, the committee voted against. I introduced an amendment that would have ensured the right for innocent third parties to sue for damages that were caused by a peace officer carrying out his or her duties.

I was disappointed that the amendment was defeated, since it was a very worthwhile amendment that deserved our consideration. The main thrust of the amendment was that a private, law-abiding citizen should not be penalized if his or her property was destroyed in the course of a police investigation or action, even when the police were acting in the context of the authority of this proposed legislation.

Some of the members in committee said that it was a matter for provincial rights because they dealt with civil property and civil rights under section 92 of the Canada Act, 1867. That is not entirely correct. What in fact we may be doing is granting an immunity from civil process by this section. I simply wanted that amendment, given the priority of criminal law when it comes into conflict with the property and civil rights, as a matter of clarification so every that judge was assured that this legislation would not interfere with property and civil rights and that the innocent third parties would still have the right to sue where their property was damaged.

• (1705)

If we expect our citizens to co-operate in this fight, the least we can do is compensate them for any damage that they might suffer as a result of police actions. Although the amendment was not supported in committee, it is an important issue to consider for the future.

The bill is a very important step forward, but I express the concern that there is a lack of funding. I hope the justice minister will ask her colleagues to consider allocating to our police forces and to frontline police officers, the funding they so desperately need.

I certainly hope she will be open to consider future amendments to the criminal code that will further streamline our justice system. We have made great gains with Bill C-24 but we must not become complacent. We need to continually revisit this issue in order to combat organized crime effectively at a national level and to offer all Canadians the greatest possible protection from this kind of criminal activity.

I also want to stress that this bill is an example where all parties in the House can move together. Yes, we might disagree on certain aspects, but I think that the disagreements were relatively minor. What I appreciated about dealing with this bill was that I did not feel that there was an underlying political agenda to embarrass one political party or another.

I wish the minister would take the goodwill she has earned and the good work she has done on the bill and turn that goodwill and that good work to Bill C-15, where I think the most crass Liberal politics is at work. That is very unfortunate.

Government members have placed together child protection laws, firearms long gun registry laws and treatment of animal laws into one bill. Of course we know what the politics behind it are. They want us as opposition members to vote against the bill, then they will come into my riding and say that I did not like children, or that I did not want the protection for children, or that I did not want police officers to have additional protection and therefore I voted against the disarming of police officer section, or that I did not want to see an increase for penalties for home invasion so I voted against the bill.

In fact government members know what the truth is. They knew that we could not support amendments to the gun registry, which is sending \$100 million a year literally down the toilet. That and that is why they put it all into one bill. They knew that people in my riding, hard-working farmers and those involved in the animal husbandry industry, in food production, in livestock and otherwise, had legitimate concerns about the treatment of animals laws. What did they do to avoid discussion? They put it all into one bill.

If I ask my colleagues to vote for the bill, because we want to protect children, or we want to create an offence of home invasion or at least increase the penalties in that respect, then they will go to my constituents and say that I flip-flopped on Bill C-68 and now voted for provisions of long gun registry. They may say that I do not care about the livestock industry because I voted for the treatment of animal sections that may imperil their livelihood.

*Points of Order*

• (1710)

The people of my riding work hard. They are an industrious people. Yet government legislation has destroyed their livelihood in respect of the hunting industry. It has destroyed their livelihood in respect of tourism. Political pride, nothing less, prevents the government from standing up and saying it made a mistake and can we work together to fix that problem.

I want the members opposite to know that on Bill C-15, I am prepared to work in the same open way that members of the opposition, regardless of party, worked to get Bill C-24 through to protect our people. I would be willing to do that with Bill C-15. Why will Liberals not do it? Political pride.

I would ask the minister to reconsider her position, look at the good she has done here, take that good and put it to use in terms of the political mileage she has gained now on this bill and do the right thing, which is split Bill C-15.

\* \* \*

**POINTS OF ORDER**

## VOTE 1—NATIONAL DEFENCE

**Mr. John Williams (St. Albert, Canadian Alliance):** Mr. Speaker, I rise on a point of order with respect to the main estimates which were tabled in the House on Tuesday, February 27, 2001, and which have recently been returned from committee studies and are to be concurred in tomorrow.

My point of order concerns an irregularity with the estimates. I have an interest in ensuring that parliament retains its power over the public purse. This power has been eroded over time.

I refer you to the remarks of Madam Speaker Sauvé on June 12, 1981, at page 10546 of *Hansard*, when she said “it matters not whether the amount spent is a large sum or simply one dollar”. The issue is whether parliamentary process is properly being followed.

Speaker Lamoureux properly stated on March 26, 1974, at page 896 of *Hansard* that “Parliament cannot legislate by estimates”.

Speaker Jerome has also stated, at page 607 of *Hansard* on March 22, 1977:

—the government receives from Parliament the authority to act through the passage of legislation and receives the money to finance such authorized action through the passage by parliament of an appropriations act. A supply item in my opinion ought not, therefore, to be used to obtain authority, which is a proper subject of legislation.

Marleau and Montpetit made note of this on page 735 at note 223.

I believe there is a prima facie case where an estimate this year should be ruled out of order. I am bringing this matter to your attention at this time because your predecessors, Speakers Jerome

and Sauvé, have indicated that such points of order be brought up on the next to last allotted day of a supply period. This is noted in Marleau and Montpetit, at page 735, note 221.

I bring to your attention, Mr. Speaker, specifically to National Defence, Vote 1, and the creation of Parc Downsview Park Inc. and to the report of the auditor general of October 2000, chapter 17, pages 18 to 21.

In its 1994 budget, the government announced the closure of Canadian Forces Base Toronto at Downsview. In its place, Downsview was to be held in perpetuity as a unique urban recreational green space for the enjoyment of future generations.

In order for the project to go ahead, the government has first, issued an order in council authorizing Canada Lands Company Limited to incorporate a new crown corporation, Parc Downsview Park Inc. as a subsidiary of Canada Lands Company Limited, pursuant to paragraph 91(1)(a) of the Financial Administration Act.

Second, it has transferred control and responsibility, as well as the benefits from management of the Downsview lands, from national defence to Canada Lands Company Limited and subsequently to Parc Downsview Park Inc. under a management agreement with national defence, while national defence continues to hold title to the lands.

• (1715)

Third, it provided initial funding to Parc Downsview Park Inc. from an existing national defence vote.

Fourth, it issued an order in council authorizing the transfer of the first parcel of land, about 32 acres, to Parc Downsview Park Inc. pursuant to paragraph 16(1)(a) of the Federal Real Property Act.

Mr. Speaker, I draw your attention to page 17-19, paragraph 17.58, of the October 2000 report of the auditor general, which was tabled in the House on October 17, 2000, wherein the auditor general specifically states:

Parliamentary authority was not sought for any of the above-noted activities.

The litany of the government’s failure to recognize parliament continues. The auditor general said in the same report that “no parliamentary approval to spend funds on the Park” was sought.

In August 1999, the treasury board approved the first transfer of land for commercial development and acknowledged that Downsview Park would not be in a position to pay anything for the land for “decades”. Normally the government acquires lands to meet its needs and to deliver a program, such as national defence. When the land is no longer needed for program purposes it is declared surplus and is sold. The proceeds from the sale are returned to the

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consolidated revenue fund. Parliament then votes on its program priorities and appropriates money from the consolidated revenue fund through the estimates process. This process is intended to ensure that spending of public money is authorized by parliament.

In the case of Downsview Park the government has in substance transferred assets to another entity and, by developing these assets, would have proceeds available to fund new program activities without parliamentary approval. Parliament has not been asked to appropriate funds for development of the park and for park activities.

During 1999-2000, national defence spent approximately \$4.8 million for Downsview Park operations and development, which of course, we will remember, is under a subsidiary of Canada Lands. It expects to spend \$4.5 million annually on Downsview Park for the next three years. To date, these expenditures have been charged to national defence's Vote 1, which parliament has authorized to be used for the department's operating expenditures, not for Canada Lands.

In the view of the auditor general, the expenditures related to the development of the Downsview Park site, approximately \$2 million of the \$4.8 million, are not a valid charge against national defence Vote 1. The Department of National Defence should clearly not be funding Downsview Park from its operating expenditures. If the government wants to develop and operate Parc Downsview Park, it should introduce legislation accordingly, then seek the appropriate funding through the estimates rather than through national defence.

I want to make it clear that I am not opposed to spending for our hard working men and women in the Canadian forces in the Department of National Defence. In fact, I support increasing their funding. However, we have a case where parliamentary approval has not been sought for expenditures.

Mr. Speaker, I wish I could ask you to only rule the money in Vote 1 for Downsview Park out of order, but I cannot. I can only ask that you rule the vote out of order in its entirety even if one dollar has been spent without proper parliamentary approval.

Mr. Speaker, I am asking you to send a message to the government that such methods of deception are not acceptable. Parliament is supreme and its authority has to be respected.

• (1720)

This is the first time since the auditor general brought the matter to parliament's attention that we will be voting on the main estimates. Therefore, Mr. Speaker, using the criteria established by previous Speakers on several occasions, which I quoted from earlier, and with the information provided by the auditor general, I am asking you to strike the national defence Vote 1 from the estimates and the subsequent supply bill, since it is clear that millions of dollars are not a valid charge against the public purse, the national defence, and are not in order.

**Hon. David Collenette (Minister of Transport, Lib.):** Mr. Speaker, certainly I had no notice of this coming forward, but I am speaking in the context of being a former minister of national defence who oversaw the dissolution of the Canadian forces base at Downsview and also the minister with geographic responsibility for the greater Toronto area, where I and the current minister of defence sort of share shepherding responsibilities for Downsview Park-Parc Downsview.

I think that the point made by the hon. member is very specious in the main. First, when we closed those bases, in particular Downsview, we said that the land would be retained in perpetuity for future generations, primarily as a unique, open, recreational green space. The reason we put primarily in there is that other ongoing uses would still be permitted, for example, national defence still has housing on that site and there is now an armoury that has been announced by my colleague the Minister of National Defence, as well as other activities. It was always intended for that portion of land to remain in the title of national defence so that if, God forbid, we were in an emergency situation whereby that land would be required for emergency defence operations, it would be there.

**Mr. John Williams:** You didn't say that.

**The Deputy Speaker:** Order, please. The Chair is listening to a very substantive intervention. The House heard uninterruptedly from the hon. member for St. Albert and I am sure the same courtesy will be extended to the Minister of Transport and other members who might choose to make an intervention.

**Hon. David Collenette:** Mr. Speaker, I do not purport to have all the references that the hon. member for St. Albert has, but as a parliamentarian of longstanding I can state that if a financial matter comes before the House in the budget and if it is passed, as the 1994 budget was, whether it is a taxation measure or whether it is the measure under discussion, that legitimizes the particular expenditure. It legitimizes the particular use that was called for in the budget.

I would submit that, first, it is entirely appropriate that national defence retain ownership of those lands, and second, that it is entirely appropriate for the government, in the view that those lands are no longer needed in the short term and hopefully in the long term, to make an arrangement with another government agency, in effect a contract, to manage those properties and that revenues be allocated for that purpose.

The hon. member talks about inappropriate transferring of assets to another entity. National defence has not transferred any assets. National defence remains in title in the government and has entered into contractual arrangements with Canada Lands, and a subsidiary of Canada Lands, Parc Downsview Park, is managing this on an ongoing basis.

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It was always our intention to try to have other sources of revenue. There was a parcel of land that was subdivided, which has been now taken up by one of the box stores. It was an orphan piece of land, as we say, in the southern portion of the runway. That was severed and the moneys accrued as per the normal procedure of divestiture of the federal government, whereby the land went to Canada Lands and was put on the open market. The proceeds went back into Canada Lands for use for the ongoing maintenance of the park. All of this is appropriate.

● (1725)

I think that this is another case, with great respect, where the former auditor general erred. I have another case in my current department, on Moncton Airport, where the logic he used is not supported by the facts and is creating political expectations about the arrangement that was made for the transferring of the Moncton airport.

I am not attacking the former auditor general, but I am saying that no one is perfect, including auditors general. In the case of Moncton airport, my officials have been looking at that and will continue to look at it as part of the ongoing lease review of the 26 NAS airports on which the government has entered into contractual arrangements with local communities for administration. In that case and on the issue of Downsview Park and the changes of the Canadian forces base there, he was wrong. His logic was wrong.

I would say, Mr. Speaker, with great respect, that I would hope you do not find yourself entitled to strike any vote out of these estimates for reasons that are highly subjective, will not stand up procedurally and will not stand up in terms of parliamentary precedents.

The fact is that nothing could be more germane to the mandate of the House than the voting of money and the spending of money. That is what the 1994 budget has done. That is what all subsequent budgets have done. Therefore I would hope that the hon. member sees the error of his ways and withdraws his point of order.

**Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC):** Mr. Speaker, I have listened carefully to the minister as well as the previous speaker, the mover of this point of order. I must say that of the two arguments I certainly think the hon. member for St. Albert has put forward a very credible and very serious matter which he has brought to the Chair.

I would like to speak in support of this matter. The member for St. Albert has a very strong reputation as the fiscal thistle. He has made a number of very timely and well placed barbs and he comes by this name by virtue of his at times very prickly approach to some of the frivolous government spending he encounters.

This matter the minister calls subjective somehow, saying that because it has already received scrutiny and has gone through the

House in a previous budget we should just accept it part and parcel because the government at some point passed it with its majority will in the House.

That is not how it works nor, I suggest, are his comments about the position taken by the auditor general particularly germane to this argument. The auditor general obviously saw a flaw in the process which is very similar to that pointed out by the member for St. Albert. He put forward in his report of 2000 a very detailed and, I would suggest, very relevant commentary on the Downsview Park Incorporated scenario.

In fact a number of issues arise, but this point of order focuses on whether this spending should be legitimized through this process, that is to say, the process that has been set up, and I think it is the contention of the hon. member from St. Albert, is outside the bounds of parliamentary spending. The way in which this money has been manoeuvred within the government department is wrong. The government has not taken these particular assets through the normal channels, and in this instance we are talking about the value attached to a certain piece of property that will be used to incorporate and operate in perpetuity a park.

There is precedent, as was pointed out previously, and I would refer the Chair to Beauchesne's 6th edition of *Parliamentary Rules & Forms*. As the very learned trio of Fraser, Dawson and Holtby point out at page 258, notation 937:

The test which items must meet to be included in the Estimates is whether or not the government is putting forward a spending estimate under authority it already possesses, or whether it is really seeking new legislative authority to do something. It makes no difference whether an item attempts to spend a large sum or simply one dollar. The government may not, by the use of an Appropriation Act obtain authority it does not have under existing legislation.

This came from *Debates* of June 12, 1981.

● (1730)

Beauchesne's goes on at 938 to cite:

The previous amendment of legislation by Appropriation Acts cannot justify a repeated use of items in the Estimates to amend legislation.

Finally, the notation at 942 states:

Asking for money in the Estimates before legislation is passed to establish programmes "puts the cart before the horse."

That is exactly what has happened here. The government does not have the authority to act in this manner. In fact, I am referring to the auditor general's report where he cites at page 17 under citation 17.67:

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In the case of Downsview Park, the government has, in substance, transferred assets to another entity and, by developing those assets, intends to fund new program activities. Parliament was not asked to appropriate funds for development of the park and for park activities.

That clearly falls within the description and the bounds of what was cited in Beauchesne's.

I also want to bring to the Chair's attention under the *House of Commons Procedure and Practice* rules, edited by Robert Marleau, a very distinguished clerk of the House, and Camille Montpetit, at page 733. I will quote the last paragraph on that page. It states:

The inclusion of one dollar items in the Estimates also gave rise to the issue of using Estimates to "legislate" (i.e., Estimates going beyond simply appropriating funds and attempting to obtain new legislative authority which would otherwise require separate enabling legislation through the regular legislative process, outside the Supply procedure).

That is what is happening here. There is an attempt through this process to circumvent or do an end run around the normal spending practices of this place. That is the rub and that is what is contained in the conclusion of the auditor general's report where he states at 17.73:

In our view, the Government of Canada wishes to set up an urban park and invest more than \$100 million of public funds therein, it should have clear and explicit approval from Parliament to do so.

To ignore the arguments by the member for St. Albert would allow the government to do just that. If one wants to talk about specious and evasive language, one only has to read the government's response to the auditor general's commentary in this regard. It is very evasive and dismissive in what the auditor general had put forward.

I would humbly submit that this is an abuse of process that has been brought to the Chair's attention at the appropriate time. I would suggest that it is typical of the government's attitude toward parliament to subvert the normal practices and procedures when it comes to spending and to other issues. We see time and time again the avoidance of the ever shrinking examination of the estimates.

Even though the government may want to go home early, I would suggest this is an important issue for the Chair to examine. We cannot avoid our responsibility in that regard. There has to be respect for the opinions of the auditor general here. There is precedent that has been pointed out by previous Speakers Jerome and Sauvé.

Therefore, I encourage you, Mr. Speaker, to accept the prima facie case that has been presented to you by the learned and hon. member for St. Albert.

**Hon. Don Boudria (Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, we could get into an extensive debate on whether items can be introduced by way of the estimates process. There has been debate after debate on that issue going

back to the creation of VIA Rail and so on, but I do not even think it is at issue today.

What we have today is an issue involving the asset. The asset is land. It is real property. It is real estate. There is no doubt in anyone's mind that in real estate, if someone is the owner of the title, that person owns the property. As the Minister of Transport has said very clearly, the asset still remains the property of the Minister of National Defence.

There may be arrangements toward the administering of that real property by another agency, in this case another agency of the crown, not one that was created for this purpose but one that already exists, namely Canada Lands Company Limited and, of course, one of its subsidiaries, Downsview Park Inc., to look after this land.

• (1735)

However, the fact still remains that if we are dealing with a physical asset, that is, real estate, it is the ownership that is at issue and the ownership remains and is retained by the Department of National Defence, and for good reason. Those good reasons have all been explained by the Minister of Transport.

I am sure that when Mr. Speaker prepares his ruling to that effect he will want to inquire as to the ownership of the property in question, the asset in question, to use the language of the auditor general, and Mr. Speaker will conclude, as we did, that the asset is still in the hands of the Department of National Defence. As it was not changed it makes the point that was raised today moot. It no longer has any value because the asset was not changed.

**Mr. John Reynolds (West Vancouver—Sunshine Coast, Canadian Alliance):** Mr. Speaker, the member for St. Albert has raised a very serious point. He is claiming that the government has attempted to usurp the authority and responsibility of the House and its members.

As you are aware, Mr. Speaker, this responsibility of the House represents a basic principle of our constitution. The fundamental principle, that the crown has no power to tax except by grant of parliament, is to be found even in the Magna Carta. The bill of rights of 1689 declares:

Levying money for or to the use of the crown by pretence of prerogative without grant of Parliament for longer time or in another manner than the same is or shall be granted is illegal.

The principle that parliament approves expenditures for the specific purposes for which they were intended began as far back as Charles II and was developed under William and Mary. As a result, we are governed today by rules that make it illegal for the executive to make expenditures, except those expenditures that are approved by parliament in ways approved by parliament.

Mr. Speaker, we have just had a report from the modernization committee suggesting that there are deficiencies in the handling of estimates by parliament. It recognized that:

The estimates are an important tool in terms of accountability, and the financial control of the House of Commons. Despite numerous procedural changes over the years, we have been unable to discover a workable solution. There are many reasons for the lack of progress in this area, many of which are attributed to our political culture.

This disturbing attempt by the government to erode the influence of the Commons in this way represents some of that political culture. While we as members could alter the rules to improve the way we consider the estimates, only you, Mr. Speaker, can protect our financial privileges from the government's attempt to slide through illegal spending.

Therefore I ask you, Mr. Speaker, to take this point of order very seriously. We ask that you protect the ancient constitutional right of the Commons to insist on legislative authority as a precondition to sanction grants of supply.

**Mr. David Chatters (Athabasca, Canadian Alliance):** Mr. Speaker, I thought some information out of the auditor general's report for October 2000 might be helpful to you in making your decision on this. I would like to quote a couple of sections that are relevant to what the member for St. Albert was objecting to from section 17, page 19.

Section 17.63 states:

Downsview Park was capitalized by \$2.9 million of surplus funds generated by property management activities at Downsview Park base up to 31 March 1999. Leasing revenues for the next four years are expected to exceed \$20 million.

Section 17.64 states:

Half the land (300 acres) will be used for commercial or residential development. The other 300 acres will be developed as a park. Downsview Park expects that commercial and residential development will generate more than \$145 million over the next 15 years for developing and operating the park.

It is pretty clear from the report that the government is in the business of land development. I suggest that is not a role the government should have. This is clearly outside the authority of government and it is not acting in the best interests as it should be.

• (1740)

**The Deputy Speaker:** Certainly the member for St. Albert has raised a point of order that is serious and at the same time substantive. I thank all members who participated in the debate at this time.

The Chair will take the matter under advisement and I assure the House that the matter will receive the close scrutiny that it deserves, and if necessary I will report back to the House.

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**Hon. Don Boudria:** Mr. Speaker, I rise on a point of order. There have been consultations among House leaders to extend the hours this evening to complete consideration of two bills.

I would like to seek consent to propose a motion to the House which was negotiated with House leaders, that any divisions deferred to the conclusion of government orders today be taken at 6.30 p.m., that after the said divisions the House continue to sit to consider if necessary third reading stage of Bill C-24, as well as Bill C-6, that divisions be deemed requested thereon and deferred to the conclusion of government orders on June 12, and that when Bill C-6 is disposed of the House shall adjourn until the next sitting day.

I am asking to extend the hours to complete Bill C-24 and Bill C-6. There is a third bill but negotiations are not complete on it yet. I believe we now have consent regarding Bill C-24 and Bill C-6.

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

**Some hon. members:** Agreed.

**Some hon. members:** No.

\* \* \*

[*Translation*]

### **CRIMINAL CODE**

The House resumed consideration of the motion that Bill C-24, an act to amend the Criminal Code (organized crime and law enforcement) and to make consequential amendments to other acts, be read the third time and passed.

**Mr. Michel Bellehumeur (Berthier—Montcalm, BQ):** Madam Speaker, Bill C-24 is an extremely important bill. Earlier, the Canadian Alliance member for Provencher began his speech in a manner he says is unusual for him, and expressed surprise that the Liberals were doing the right thing on this issue.

I think we must forgive the Canadian Alliance member, because he has been in the House only since November 2000 and perhaps does not have all the background.

The reason the Liberal members decided to take action was because there was an opposition party here in the House known as the Bloc Québécois, which decided to press the issue.

Since 1994-95, we have been talking about organized crime, in a much more structured way since 1997, and we have never given up, because we believed, and we still believe, that the whole issue of organized crime is a very important one. We must do what it takes to give our law enforcement officers and the legal system all the tools necessary to combat organized crime.

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The Bloc Québécois has raised this frequently and regularly in the House, because there was a special problem in Quebec.

But the real question the member for Provencher should perhaps have asked is how it is that it is an opposition party which has kept this issue alive all these years, while the federal Liberal members from Quebec have never said a thing on the topic, even though they are supposed to defend the interests of Quebec. At least, that is what they said during the last election campaign.

• (1745)

Throughout the years that we have been questioning the government, why is it that we never saw members from Quebec, Liberal members opposite, rise in this House and tell the Solicitor General of Canada and the Minister of Justice the exact same thing that the Bloc Québécois has been saying, which is that we need additional tools within the Criminal Code?

The Liberals opposite, the federal Liberals from Quebec, do not utter a word in this House. They take their cue from English Canada, and in particular the Minister of Justice and the Solicitor General of Canada, and if these people say yes, then they say yes. But if the people from English Canada do not ask questions, you can be sure that the Liberals from Quebec will not ask any either.

And that is not just on the issue of organized crime. The same thing goes for several other bills. However, to stay on the subject of justice, let me digress here from a moment to talk about the Young Offenders Act. Where were the federal Liberal members from Quebec? They were crawling on their knees.

This is how they defend Quebec's interests. They get down on their knees and they watch what English Canada does, what the justice minister who is from Alberta does, to find out if they should get up on their feet or not. They watch the Solicitor General of Canada, who is from the Maritimes, to see if they should say yes or no. That is how they defend Quebec.

However, that is not how the Bloc Québécois in the opposition sees things. It is not true, and it is not the way we saw things with regard to the Young Offenders Act. We fought hard and we will keep on fighting because it is too important.

It is not the way we saw things with regard to organized crime either. We did not crawl, we did not grovel on our knees before English Canada. We took on that issue and we defended it. We even sacrificed opposition days to get members opposite, particularly federal Liberals from Quebec who never say a word in this House to defend Quebec's interests, to understand that they should introduce a bill that would include certain tools in the criminal code. We made numerous proposals over a period of several years. We asked questions and finally, the government gave us Bill C-24.

I think I just gave a brief history of this issue, but I will remind members that, with the war that was raging between criminal biker gangs in Quebec, with the bombs that were going off here and there, this was an issue of great concern to everybody, something people read about in the newspapers practically every day.

Innocent people died because of that, people who tried to bypass the system somewhat to defend their territory, their vested interests as well as democracy. It is indeed a matter of democracy when one looks at the influence criminal groups can have on a justice system such as ours.

These people died. A young boy named Desrochers lost his life in a bomb blast. There was also the young owner of a bar in Terrebonne who was murdered by organized crime. There were bombings. There was the case of journalist Michel Auger, who received threats. Then, someone shot him on orders from organized crime. Luckily he survived. But this is a very important issue.

We in the Bloc Québécois tried in every possible way to make the government opposite listen to reason. That was the case in 1997. I clearly remember that the issue of organized crime was discussed during the 1997 election campaign. We raised important elements in our election platform to make the government understand. We fought throughout the 36th parliament to have amendments made. It was also true during the last election campaign in November 2000, when the Bloc Québécois put the issue of organized crime at the forefront.

• (1750)

We were committed to making Ottawa take action. We were committed to spending the time and the energy to make the government opposite do something and we got Bill B-24.

Hon. members probably remember that I was pleased when Bill C-24 was introduced, because it included about 80% of what we had been asking for. Some clauses were even taken from a memo that I had sent to the Minister of Justice at the time. I have before me a note on gangsterism dated June 1, 1999, asking to redefine a gang as a group composed of three or more people. Simplification was called for because the bill was, to our minds, too complex despite the minister's protestations to the contrary, that everything was fine and it was just me who could not understand any of it. Now it can be seen that I was right in saying it was complex.

The minister has, I see, finally understood something about this matter, and has proposed the amendments I had submitted long before Bill C-24 was introduced. I submitted them to her in writing as long ago as June 1999.

Certainly we are in agreement with the main thrust of the bill. It is what we wanted, but there are some unanswered questions. Time will tell, really, as the legislation is applied, whether the govern-



ment has gone too far or not, whether or not it ought to have listened to the opposition as far as granting immunity to police officers who commit illegal acts is concerned.

Yes, I do believe we must give police officers carrying out an investigation the permission or legal protection for them to commit certain offences with complete impunity. If we want to be able to infiltrate certain groups, to gather evidence, to fight organized crime on an even footing, then I believe that in a free and democratic society such as ours, we have no choice but to confer these powers.

That said, however, I am not necessarily in agreement with the way it will be done. Bill C-24 gives the final blessing to the solicitor general. I find it dangerous to have both the political and the legal mixed up together in this cocktail that allows police officers to commit certain acts.

I moved amendments in committee and I defended them. I can say that if I had had a little more time, I think I would have convinced the government representatives of the dangers of having the authorization in the hands of the Solicitor General of Canada. Unfortunately, my amendment was defeated by two votes, I think.

I would have preferred, even today, to have the authorization given by a judge, who gives the police this immunity to enable them to commit offences, just as a judge issues a search warrant before proceedings or permits wiretapping, for example. This would have ensured total detachment.

I have faith in the Quebec and Canadian legal system. I have faith in the judges, who are very well trained, perfectly competent and very professional. To my knowledge, as far as anyone can remember, there has been no major abuse in the legal field as compared with what has happened with the police.

I am working in close co-operation with the police. I know them well and I know they are very professional. I know they do an excellent job, and I have a lot of respect for the work they do. Yet, in a big family, such as that of the police, we cannot know or keep tabs on all the family members.

• (1755)

From the way immunity is given in the bill, abuse is possible. In any case, the possibility for it is there, and I can see it. I find that dangerous. This is why I moved the amendments that were defeated.

It is obvious we will be closely following all the developments and especially the implementation of this bill in daily matters along with everything connected with police immunity. I would also have preferred that immunity be given only in cases involving organized

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crime. The Barreau du Québec, the Canadian Bar Association, other prosecutors and specialists in the field, and the Bloc Québécois find it dangerous that this immunity applies to almost all spheres of criminal activity, and not just to organized crime.

The title of the bill before me is an act to amend the Criminal Code (organized crime). In reality, Bill C-24 applies to much more than just organized crime. I introduced amendments which were rejected, but I would have liked its application to be limited to organized crime, so as to limit the potential for abuse. Once again, we will be following the implementation of this bill and watching how the solicitor general, with his authorizations, and the police enforce the legislation on a daily basis.

The police are delighted with these powers, but I remind them that they now have an obligation, but not the means, to produce results. There is zero margin for error. They do not have the right to abuse their authority and commit illegal acts. I do not know whether they realize this, but there will be enormous pressure on them and many people will be watching.

I also won a point when the bill was being studied in committee, of course. I would point out, in passing, that the federal Liberal members from Quebec did not introduce any amendments. Once again, they did not have a thing to say in committee, as though there were no members of the government from Quebec. The point that I won concerned protection. In Bill C-24, members of the House of Commons were protected. That is wonderful. The senators in the other place were protected. Fine. However, I wonder why organized crime would want to infiltrate the Senate. I do not know whether anyone can draw me a picture that would help but, in any event, the bill protected them.

But members of the Quebec national assembly and of any other legislative assembly were not protected. Nor were city councillors. Yet, we are well aware that, because of zoning, anti-bunker and other types of bylaws, organized crime can exert a great deal of pressure on these people.

Journalists were not protected either, even though we had a striking example in the case of Michel Auger, from the *Journal de Montréal*, who was the victim of attempted murder by organized crime, because he was reporting on their activities, because he had a power, the power of the press, which is an extremely important democratic power. The bill was totally silent on this issue.

It is not federal Liberal members from Quebec who defended these people. They did not say anything. It is the Bloc Québécois which moved amendments in committee and these amendments were adopted. As was pointed out by the Progressive Conservative member for Pictou—Antigonish—Guysborough, who was present when the bill was reviewed in committee, I managed to get these

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amendments adopted. How? By asking for a roll call vote and telling those federal Liberal members from Quebec who were present "If you vote against these amendments I will give your names to the media. If these amendments are not adopted it will be because of you".

• (1800)

This is how, in the end, the two Liberal members from Quebec found the courage to say yes to my amendments. I had to threaten them with giving out their names to the newspapers, otherwise they were not going to agree to provide protection to journalists. This was not very proper on my part, I know, but it was the only way to get this amendment adopted.

I was pleased by what I saw later on at report stage in the House. The minister moved an amendment to strengthen the amendment that I had proposed in committee to protect journalists, but that the Liberals had initially rejected. Bravo.

I can say that it took a long time to get the people over there to understand this. Who would have defended Quebec if the Bloc Quebecois were not here? Not the Liberal MPs from Quebec, who never say a word in this House. They always just parrot what a minister has said. That is not what we in Quebec need, and the people of Quebec know that very well. A striking example of this is evident in Bill C-24, and an even more striking one with the Young Offenders Act. Quebecers need Quebecers to defend them, to represent only the people of Quebec in this House.

**An hon. member:** It takes a Bloc Quebecois member.

**Mr. Michel Bellehumeur:** The hon. Liberal member across the way says that it takes a Bloc Quebecois member; even he has understood.

There is also another point on which I do not think we have gone far enough. We will vote in favour of Bill C-24, but I believe we could go a little further. We are going to monitor how it will be applied, we will watch how the police forces and the government are going to apply this law. In due course we will review the situation, since we consider it one of our priorities, both before it is passed and after as well. The matter of reversal of burden of proof is the aspect relating to the proceeds of crime that we believe needs to be taken further. It is still too easy to get around this.

There are many cases I could cite. For instance, when someone declares an income of \$13,000 for the previous year and is driving around in a Jaguar, frequenting the most chic Montreal restaurants almost nightly, and lives in a \$350,000 house, I think there is something fishy going on. The law needs to be strengthened in this area.

The government should also amend certain federal laws relating to taxation. As Canada has a police force specializing in organized crime, there should be special investigators to enter organized

crime, investigate and build files. We do not have this at the moment, and millions of dollars are slipping through our fingers. We will study that closely and come back to it if the government drags its feet once again.

We will not wait for the Liberal members from Quebec. We know they never do anything. We will take the initiative and continue to defend the matter as we have done from the start.

There is also the question of financing. I know the member for Provencher, a member of the Canadian Alliance, mentioned this in his remarks earlier. He is right, especially since I put the question to the minister. I asked her, "Of the \$200 million that you say you will make available for the implementation of C-24, how many millions of dollars will go to Quebec, because the provinces will apply it on a daily basis? The provinces will be going after organized crime. How many millions of dollars will be coming to Quebec?"

Do members know what the answer was? It is perfectly splendid "Zero". The \$200 million is for the federal government, for the machinery, for adjustments, for training, for application purposes, not for those working on location. And yet we know that a lot of money is needed there.

We know because we carried out operation Printemps 2001 in Quebec. We conducted the biggest operation against organized crime that Canada has seen. I no longer know how many gang leaders and members in good standing were arrested, and how many warrants were issued. I think there were about 40 in approximately 77 municipalities. So it was quite a large-scale operation.

• (1805)

Operation springtime 2001 alone cost the Quebec treasury around \$15 million, and that does not include all the future court costs. If close to 50% of all those accused end up behind bars, several prisons would have to be adapted, because they could not all be incarcerated immediately.

In addition, we saw what it cost in terms of adapting court houses, conducting trials, and so on. The costs were enormous. The federal contribution needs to be rethought, because no funding has been planned for Quebec or the other provinces with respect to enforcement of this legislation.

This is very important. We know that enforcement is what will make the difference. Even if we have the best laws in all the world, if we are unable to enforce them, if we lack the staff or law enforcement officers, where will it leave us? In the wonderful Canadian system in which we live, it is the federal government which makes certain laws and the provinces which enforce them.

It seems to me that there is something wrong. The federal government is the lawmaker and it has money coming out of its ears, but it decides to make cuts and to look after its own interests.

Fine. But we have to see about the implementation of the act as such, which is very important.

Right now, what the minister is telling us about funding is not reassuring. We will have to check and to monitor this very closely to ensure that Quebec, among others, gets the necessary funds. This will not be the first issue over which we fight. Indeed, the Bloc Québécois has fought a number of battles to ensure that the federal government gives us the money that belongs to us, the money owed to the province under certain programs and following Ottawa's withdrawal from certain programs, including in the area of justice. We fought; we went and got money for Quebec, and we will continue to do so.

We will not wait for Liberal members from Quebec, because they never say anything in the House, they are too afraid to get any money. But not us Bloc Québécois members. We will continue to protect Quebec's interests and to go and get the taxes that we paid.

I will conclude by saying that for us the most important issue that is still unresolved is that of making it a crime to merely be a member of a criminal gang. This is not in the bill, but I still believe in such a clause and the government is making a mistake by not taking the Bloc Québécois up on its proposal.

We said so in 1997, when the Minister of Justice brought in amendments to the criminal code. We told her—or rather him, since the federal Minister of Justice was a man at that time—that it was a mistake. But he did not heed us. He had indeed made a mistake. Today we still feel that not making mere membership a crime is again an error on the government's part.

There is the whole matter of the Canadian constitution. Is it or is it not constitutional to make mere membership in a gang an offence? There is agreement on the definition of a gang as being a group of individuals who join together to commit crime and to live off the proceeds of crime. Such a definition naturally excludes such groups as the Knights of Columbus, the Daughters of Isabelle, the Optimist clubs, the Club Richelieu and so on. Does this respect the Canadian constitution or not? I believe that it does. I believe we have everything we need in the Canadian constitution to create legislation in this area that respects jurisdictions, that respects the Canadian constitution.

• (1810)

That was my opinion before, continues to be today, and likely will be tomorrow as well. For the worst case scenario, that it does not respect the Canadian constitution, we have the notwithstanding clause in section 33 and it can be used in such a case. It is not true that the constitution is there to protect gangs. It does not do so in Bill C-24.

We will be voting in favour of Bill C-24 because it offers additional tools. It may not be all we wanted in such a system, but

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in large part it reflects what we were calling for. We are going to vote in favour of this bill. But it will have to be monitored very closely and we will not hesitate in the least to revisit the matter. We will not hesitate to invoke the notwithstanding clause if need be. In any case, there are reference procedures. We could have checked the legality or illegality of a bill that used the definition of organized crime as we understand it.

The government opposite knows about that, since it has already used the reference procedure. The Liberals were a little short on guts politically. They did not go that far. We will follow this. We will check it and closely follow the laws daily application. We will no doubt be back if certain points are not well applied, and the criminals still get away with it.

We know that criminal groups are well informed in legal terms. They are sometimes said to be better equipped legally than the crown prosecutors. They are obviously going to examine this bill and find its weak spots, try to get around it.

We will follow the law's application. We will work, as we always have, with the police and the justice system and, once again, try to bring the issue of organized crime before this House. We will try to convince the minister to go further in the procedures we raised with Bill C-24.

Probably, one day or other, the government opposite will tell us we were right, as we were right in 1997 to complain about the bill it tabled. One day or other, I am sure, the government will say it will have to go further, because the bill does not provide what Canada and Quebec need to fight organized crime.

Once again, we will be there for the people of Quebec. We will rise, unlike the Liberal members from Quebec, who say nothing in this House. From this side of the House, we will defend the interests of Quebec, because we were elected to do that.

[English]

**Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC):** Madam Speaker, I know my learned friend has contributed significantly to this debate. He brought forward a number of good ideas both at the committee and here in the House, some of which were embraced and are now encompassed in the legislation.

The Conservative Party generally supports Bill C-24. We see this as a positive initiative. We see it as an attempt finally by the Liberal government to recognize and put into law shortcomings that exist for police officers and law enforcement generally across Canada as it relates to this ongoing issue of organized crime.

Previous speakers have alluded to the numerous attempts made to amend the legislation, one of which dealt specifically with the special designation or authorization that would be granted by virtue of the bill. That designation, as the Chair knows, would allow

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police officers, in some instances, such as in very critical and dangerous circumstances, to engage in activities that would otherwise be offences under the criminal code.

The legislation would grant a form of immunity to the police in cases where they need to prove their affinity and prove themselves to members of organized gangs in order to gain their trust so that they might infiltrate that organization and embark on an important investigation.

The Conservative Party supports that. We believe it is a necessary evil, in some instances, to allow police to do just that. However, it is the unfettered ability to do that with which we are somewhat concerned, and that is the origin of that jurisdiction, the origin of that granting of authority.

• (1815)

We believed very strongly and moved an amendment to the effect that it should come from a judicial authority, as opposed to an internal police decision. That is not to cast aspersions in any way on the police or to suggest outright that there would be abuse. It is just to recognize that there are normal practices currently in place which pertain to warrants and wiretaps, for example, that allow those in a position of judicial authority to review the circumstances and make a more impartial, a more informed and a more impassioned decision as to who should receive that designated authority.

The government in its wisdom does not believe this to be the case. Yet I sense a great deal of unease and discomfort on the part of many government members who were part of the committee process.

Canada has increasingly become the focus of these very notorious gangs within our own borders. We know that organized crime does not recognize or respect borders. Yet this plague or this cancer that exists in our country and around the world is spreading. Many organizations have branched out and recently, for lack of a better word, set up shop in Canada.

In my home province of Nova Scotia the Hell's Angels are becoming very prominent. They have opened a clubhouse that in terms of its outward appearance has store frontage that would rival that of Wal-Mart. It is that blatant. They have their name up in neon lights. That is very much the attitude and the cockiness that exist within many of the criminal gangs in the country.

Many concerns have been ongoing for many years about the resources and the state of our laws that create the imbalance which allows organized crime to thrive.

Bill C-24 goes some distance to bringing back some form of equilibrium, at least in the ability of police forces to combat organized crime, to penetrate the very being of organized crime, to gather evidence, to go into the field and to hurt organized crime in the same way that it is wreaking havoc in our communities. To do

so they have to use extraordinary methods at times. That is surely what the legislation is intended to do.

It is also clearly a response to the Supreme Court of Canada decision in Campbell and Shirose. The decision was interpreted as having struck down many of the previous authorizations in police for police to occasionally break the law. The decision opened up a chasm, a gaping hole in terms of the police understanding of what was or was not permissible in pursuit of organized crime. Bill C-24 is an attempt to restore some of the power and discretion that existed for many years in Canada.

It is following the trace of authorization to permit this type of activity which causes members of the Conservative Party and I some concern, as well as members of the bar associations in many provinces and others concerned that this type of potential invasion of civil liberties is a bit stretched by virtue of the bill.

As the government would be quick to point out, the level of accountability in legislation, at least in terms of the tracing the line, goes right to the solicitor general. Quite interestingly, in probably his last speech in the House before he trundles off to the other place as a reward for his diligence and duty on the part of the Prime Minister, he would be the figurehead, the top cop, if the bill were to come into being. That causes many to shake in their boots but that is currently the case.

The solicitor general is supposed to be directly accountable. Yet the supposedly personal responsibility which rests with the solicitor general's office will not be personal at all when there is a cabinet shuffle or when he leaves for an appointment.

• (1820)

It cannot be personal. It is ludicrous to suggest otherwise. That is the type of fallacy the bill creates. If there is to be real authorization and real accountability in the legislation, there must be judicial oversight, a judicial review of who receives this type of designation.

This concern is shared by many, as I have alluded to, but it is one that is particularly prevalent in the province of Quebec. The Chair would certainly be aware that on Tuesday, September 12, 2000, Quebec public security minister, Serge Ménard, urged the federal government in some instances to use the notwithstanding clause to outlaw membership in gangs such as the Hell's Angels and Rock Machine that were a plague to the streets of Montreal and other cities in Canada. In so doing it might anticipate the fact that the courts may very well strike down as unconstitutional some of the provisions of anti-gang legislation and legislation such as Bill C-24.

At the same time we know that in the city of Toronto, under the very able and capable leadership of Chief Julian Fantino, the police have assigned a full time team to monitor Hell's Angels bikers who have brashly set up clubhouses throughout the city as they have in Halifax. Police are most concerned that Hell's Angels might be

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involved in drugs or arms dealing or taking over legitimate businesses for money laundering purposes. We spoke to that previously in debate on legislation before the House today.

Yet organized crime does not exist just in the large cities. Hon. members would be quick to recognize that their reach goes far beyond our major metropolitan areas. It is found in small towns and villages. Particularly in rural Canada now more and more we are seeing the activities of organized crime. Ports and coastal communities are particularly vulnerable to the importation of contraband materials.

We in the House have an obligation to recognize that Canada is becoming a target of organized crime. In so doing we are very much committed to bringing forward legislation such as this one which arms the police with the tools, the support and the resources necessary.

Resources do not just entail the concrete types of resources one might expect such as computers, firearms on occasion, weaponry, cars, surveillance equipment, helicopters and planes. It also includes legislative backup, legislative tools that allow police forces to optimize their efforts. They allow police forces to see the fruition of their efforts through the courts and prosecutorial system and the eventual incarceration of those who engage in illegal activity.

There was a reference made in previous remarks to the horrible shooting that took place in Montreal of *Journal de Montreal* reporter Michel Auger who was shot five times in the back. It was a truly cowardice act. I think evidence emerged recently to suggest that it was very much linked to organized crime, particularly motorcycle gangs which Mr. Auger had made the subject of many of his articles.

Therefore the bill now encompasses protection of journalists who write about, disclose and pull back the veil of secrecy surrounding organized crime. As I said, criminal gangs are branching out. Any effort that curtails their activity is such that we should be supportive.

Having said it is rampant and spreading within Canada, it is certainly recognized that it is a world problem. We have seen references to Russian mafia. Certainly Chinese triads have now set up in Canada. We have references to all sorts of organizations from the Middle East that have been active within our borders.

This is a clear indication that Canada has to be competitive and to look in some instances for information from other sources outside our boundaries. That again has to be a direction in which we are prepared to move, because just as in legitimate practices within the economy Canada stands to be left behind if we do not keep up the pace and recognize that this is something now far beyond our control and far beyond the scope of our boundaries.

There was a debate in the House on September 18 initiated by the Bloc that I would suggest very much pushed the government toward bringing forward useful and positive legislation.

• (1825)

The Minister of Justice repeatedly gave assurances throughout the debate and on other occasions that efforts were being made to break the back of organized crime. Yet she refused to discuss using the notwithstanding clause during the course of the debate and conceded that the Liberal government could strengthen the anti-gang laws first initiated back in 1997.

Bill C-24 would do a great deal to achieve some sense of hobbling organized crime. It certainly would not break its back but it would strengthen the definition that pertains to what comprises an organized gang. It would target various degrees of involvement within the organization, make it easier for police and crown prosecutors to arrest and jail gangsters and keep them in prison for longer periods of time by extending the range of sentencing available.

It would allow law enforcement agents to forfeit the proceeds of crime, use the property to do good work and put those resources toward necessary areas. It would also strengthen the rules protecting against intimidation of witnesses, jurors and their families in an organized crime trial, a big problem when it comes to the successful prosecution of these types of offences.

Further, it would strengthen protection for federal members of parliament and improve protection for law enforcement officers from criminal liability when they commit certain illegal acts while engaged in undercover operations to infiltrate criminal organizations. This is the immunity clause of which we spoke earlier.

In recognition of the non-partisan efforts put forth on the committee some very useful amendments were passed. The record will reveal that all who have spoken to the bill have done so in a fairly positive and straightforward fashion as to what would be accomplished when the bill comes into being.

There was also mention of the amendments moved by other parties in attempts to improve and expand upon the status of the legislation. Under the bill the Solicitor General of Canada and provincial ministers responsible for policing would release an annual report accounting for how often law enforcement agents engage in acts which are considered illegal under the current criminal code. That would provide some record and some ability to trace at least what actions have occurred, when the immunity has been used and for what purposes.

There is some degree of comfort in knowing there will be an after the fact examination of the efforts and acts of police in attempts to infiltrate organized crime and invoke on occasion the immunity which allows them to commit illegal acts like stealing a

*Government Orders*

car and using stolen property. However there are still limitations that speak in particular to offences that might involve bodily harm, sexual assault, and certainly murder and the use of violence. The limitations are there. They are real and they exist for a reason.

The amendment the Conservative Party brought forward, which in fairness emulated much of the intent and mirrored the substance of the Bloc amendment tabled at the committee, would go back to this designation. Suggesting that somehow it would slow the process down by having a judge rather than a police officer or superior law enforcement officer make the designation simply does not wash.

There is no further delay in having judicial authority in the first instance than there would be in having police authority to grant the immunity. There would be a much greater sense of ease among many if they knew the designation was coming from a judicial authority as opposed to an internal, in shop process which allows in the extreme one police officer to designate another who would in turn designate him again.

We support this type of legislation and recognize it as something that can be improved upon. Yet the authorization itself is something we would like to revisit at some opportunity. I expect we will because we know that the instant the bill comes into being there will be challenges before the courts. Who knows what the supreme court would do in its wisdom with this type of intervention and designation of authority?

• (1830)

**Hon. Don Boudria:** Madam Speaker, I rise on a point of order. Given the fact, I believe, that all parties support the bill, I would like to try again to move the motion I sought to move earlier. I understand there was one member who had asked for a slight wording change.

I would move that any divisions deferred to the conclusion of government orders today be taken at 6.30 p.m., and that after the said division the House would continue to sit to consider the third reading stages of Bill C-24 and Bill C-6, that divisions be deemed requested thereon and deferred to the conclusion of government orders on June 12, 2001, and that when Bill C-6 is disposed of the House shall adjourn to the next sitting day—and I have added the next few words—that during such extension of debate this evening the House shall not recognize any motions or requests for unanimous consent.

**The Acting Speaker (Ms. Bakopanos):** Is there unanimous consent?

**Some hon. members:** Agreed.

**Some hon. members:** No.

**FARM CREDIT CORPORATION ACT**

The House resumed from June 8 consideration of the motion that Bill C-25, an act to amend the Farm Credit Corporation Act and to make consequential amendments to other acts, be read the third time and passed.

**The Acting Speaker (Ms. Bakopanos):** It being 6.30 p.m. the House will now proceed to the taking of the deferred recorded division on the motion at third reading stage of Bill C-25.

Call in the members.

• (1900)

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

(Division No. 132)

**YEAS**

## Members

Adams	Alcock
Allard	Anderson (Victoria)
Assad	Assadourian
Augustine	Bachand (Richmond—Arthabaska)
Bagnell	Bailey
Bakopanos	Barnes
Beaumier	Bélanger
Bellemare	Bennett
Bertrand	Bevilacqua
Binet	Blondin-Andrew
Bonin	Bonwick
Borotsik	Boudria
Brison	Brown
Bryden	Bulte
Caccia	Calder
Cannis	Caplan
Carignan	Carroll
Casey	Castonguay
Catterall	Cauchon
Chamberlain	Charbonneau
Chrétien	Coderre
Collenette	Comartin
Comuzzi	Cullen
Cuzner	Davies
DeVillers	Dhaliwal
Dion	Dromisky
Drouin	Duhamel
Duplain	Easter
Eggleton	Eyking
Finlay	Folco
Fontana	Fry
Gagliano	Gallaway
Godfrey	Godin
Goodale	Graham
Harb	Harvard
Harvey	Hearn
Herron	Hubbard
Ianno	Jackson
Jennings	Jordan
Karetak-Lindell	Karygiannis
Keddy (South Shore)	Keyes
Kilgour (Edmonton Southeast)	Knutson
Kraft Sloan	Laliberte
Lastewka	Lavigne
LeBlanc	Lee
Leung	Lill
Longfield	MacAulay
MacKay (Pictou—Antigonish—Guysborough)	Macklin
Mahoney	Malhi
Maloney	Manley
Marcil	Mark
Marleau	Martin (LaSalle—Émard)
Mathews	McCallum
McCormick	McDonough
McGuire	McKay (Scarborough East)
McLellan	McTeague
Mitchell	Murphy
Myers	Nault
Neville	Normand
Nystrom	O'Brien (Labrador)
O'Reilly	Owen
Paradis	Parrish

*Government Orders*

Patry  
Peschisolido  
Phinney  
Pillitteri  
Price  
Proulx  
Redman  
Regan  
Ritz  
Rock  
Scherrer  
Sgro  
Speller  
St-Jacques  
Steckle  
Stoffer  
Telegdi  
Thibault (Saint-Lambert)  
Tobin  
Torsney  
Valeri  
Volpe  
Wasylcia-Leis  
Wilfert

Peric  
Peterson  
Pickard (Chatham—Kent Essex)  
Pratt  
Proctor  
Provenzano  
Reed (Halton)  
Richardson  
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Scott  
Shepherd  
St. Denis  
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## NAYS

## Members

Ablonczy  
Anderson (Cypress Hills—Grasslands)  
Bachand (Saint-Jean)  
Bergeron  
Bourgeois  
Brien  
Cadman  
Crête  
Dalphond-Guiral  
Duceppe  
Epp  
Fournier  
Gagnon (Québec)  
Gauthier  
Goldring  
Grewal  
Guimond  
Hill (Macleod)  
Hilstrom  
Laframboise  
Lanctôt  
Loubier  
Ménard  
Moore  
Pankiw  
Penson  
Picard (Drummond)  
Reid (Lanark—Carleton)  
Rocheleau  
Schmidt  
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Bellehumeur  
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Burton  
Casson  
Cummins  
Dubé  
Duncan  
Forseth  
Gagnon (Champlain)  
Gallant  
Girard-Bujold  
Gouk  
Grey (Edmonton North)  
Hanger  
Hill (Prince George—Peace River)  
Kenney (Calgary Southeast)  
Lalonde  
Lebel  
Lunney (Nanaimo—Alberni)  
Merrifield  
Obhrai  
Paquette  
Perron  
Rajotte  
Reynolds  
Roy  
Skelton  
Spencer  
Stinson  
  
Toews  
Tremblay (Rimouski-Neigette-et-la Mitis)  
Williams

## PAIRED MEMBERS

Bradshaw  
Marceau  
Sauvageau

Gray (Windsor West)  
Plamondon  
Savoy

*After the taking of the vote:*

**The Deputy Speaker:** I wonder if I might get the attention of the member for Calgary East to assist the Chair in his vote. Was it yea or nay?

**Mr. Deepak Obhrai:** Mr. Speaker, I vote nay.

**Miss Deborah Grey:** Mr. Speaker, I inadvertently supported the motion. I intended to vote nay.

**The Deputy Speaker:** I declare the motion carried.

(Bill read the third time and passed)

\* \* \*

[Translation]

## MOTOR VEHICLE TRANSPORT ACT

The House resumed consideration of the motion that Bill S-3, an act to amend the Motor Vehicle Transport Act, 1987 and to make consequential amendments to other acts, be read the third time and passed.

**The Deputy Speaker:** The House will now proceed to the taking of the deferred division at third reading of Bill S-3.

[English]

**Ms. Marlene Catterall:** Mr. Speaker, I think you would find unanimous consent that those who voted on the previous motion be recorded as voting on the motion now before the House with Liberal members voting yes.

**The Deputy Speaker:** Does the House give its consent to proceed in that fashion?

**Some hon. members:** Agreed.

**Mr. Garry Breitkreuz:** Mr. Speaker, Alliance members present will vote yes to the motion.

[Translation]

**Mr. Stéphane Bergeron:** Mr. Speaker, Bloc Québécois members are opposed to this motion and you should add the names of the hon. members for Lotbinière-L'Érable and Laurentides, who have joined us for this vote.

**Mr. Yvon Godin:** Mr. Speaker, NDP members who are present vote no to this motion.

[English]

**Mr. Rick Borotsik:** Mr. Speaker, members of the Progressive Conservative Party will vote yes to the motion.

[Translation]

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

*Adjournment Debate**(Division No. 133)*

## YEAS

## Members

Ablonczy	Adams
Alcock	Allard
Anders	Anderson (Cypress Hills—Grasslands)
Anderson (Victoria)	Assad
Assadourian	Augustine
Bachand (Richmond—Arthabaska)	Bagnell
Bailey	Bakopanos
Barnes	Beaumier
Bélanger	Bellemare
Bennett	Bertrand
Bevilacqua	Binet
Blondin-Andrew	Bonin
Bonwick	Borotsik
Boudria	Breitkreuz
Brison	Brown
Bryden	Bulte
Burton	Caccia
Cadman	Calder
Cannis	Caplan
Carignan	Carroll
Casey	Casson
Castonguay	Catterall
Cauchon	Chamberlain
Charbonneau	Chrétien
Coderre	Collenette
Comuzzi	Cullen
Cummins	Cuzner
DeVillers	Dhaliwal
Dion	Dromisky
Drouin	Duhamel
Duncan	Duplain
Easter	Eggleton
Epp	Eyking
Finlay	Folco
Fontana	Forseth
Fry	Gagliano
Gallant	Galloway
Godfrey	Goldring
Goodale	Gouk
Graham	Grewal
Grey (Edmonton North)	Hanger
Harb	Harvard
Harvey	Hearn
Herron	Hill (Macleod)
Hill (Prince George—Peace River)	Hilstrom
Hubbard	Ianno
Jackson	Jennings
Jordan	Karetak-Lindell
Karygiannis	Keddy (South Shore)
Kenney (Calgary Southeast)	Keyes
Kilgour (Edmonton Southeast)	Knutson
Kraft Sloan	Laliberte
Lastewka	Lavigne
LeBlanc	Lee
Leung	Longfield
Lunney (Nanaimo—Alberni)	MacAulay
MacKay (Pictou—Antigonish—Guysborough)	Macklin
Mahoney	Malhi
Maloney	Manley
Marcil	Mark
Marleau	Martin (LaSalle—Émard)
Matthews	McCallum
McCormick	McGuire
McKay (Scarborough East)	McLellan
McTeague	Merrifield
Mitchell	Moore
Murphy	Myers
Nault	Neville
Normand	O'Brien (Labrador)
O'Reilly	

Obhrai	Owen
Pankiw	Paradis
Parrish	Patry
Penson	Peric
Peschisolido	Peterson
Phinney	Pickard (Chatham—Kent Essex)
Pillitteri	Pratt
Price	Proulx
Provenzano	Rajotte
Redman	Reed (Halton)
Regan	Reid (Lanark—Carleton)
Reynolds	Richardson
Ritz	Robillard
Rock	Saada
Scherrer	Schmidt
Scott	Sgro
Shepherd	Skelton
Sorenson	Speller
Spencer	St. Denis
St-Jacques	St-Julien
Steckle	Stewart
Stinson	Szabo
Telegdi	Thibault (West Nova)
Thibeault (Saint-Lambert)	Thompson (Wild Rose)
Tirabassi	Tobin
Toews	Tonks
Torsney	Ur
Valeri	Vanclief
Volpe	Wappel
Wayne	Wilfert
Williams	Wood
Yelich—202	

## NAYS

## Members

Asselin	Bachand (Saint-Jean)
Bellehumeur	Bergeron
Bigras	Bourgeois
Brien	Comartin
Crête	Dalphond-Guiral
Davies	Desrochers
Dubé	Duceppe
Fournier	Gagnon (Champlain)
Gagnon (Québec)	Gauthier
Girard-Bujold	Godin
Guay	Guimond
Laframboise	Lalonde
Lanctôt	Lebel
Lill	Loubier
McDonough	Ménard
Nystrom	Paquette
Perron	Picard (Drummond)
Proctor	Rocheleau
Roy	St-Hilaire
Stoffer	Tremblay (Lac-Saint-Jean—Saguenay)
Tremblay (Rimouski-Neigette-et-la Mitis)	Venne
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## PAIRED MEMBERS

Bradshaw	Gray (Windsor West)
Marceau	Plamondon
Sauvageau	Savoy

**The Deputy Speaker:** I declare the motion carried.

(Bill read the third time and passed)



## ADJOURNMENT PROCEEDINGS

• (1905)

[*English*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

### CANADA MORTGAGE AND HOUSING CORPORATION

**Mr. Loyola Hearn (St. John's West, PC):** Madam Speaker, the question for debate this evening concerns Canada Mortgage and Housing Corporation funding being made available for housing projects throughout the country.

I raised the question was in relation to Canada Mortgage and Housing Corporation being involved with multimillion dollar projects such as the one at 1 Post Road. Even though we know the extent of the involvement is only in relation to the mortgage insurance, it still sends a message to Canada that the government and the agencies that come under it are more concerned with housing for the rich and the well-to-do than they are for the people who really need housing.

When we see Canada Mortgage and Housing Corporation signs being flashed around in front of large multimillion dollar developments, it sends a message to the people who need such funding that government is not paying attention to them whether it be factual or not.

A couple of days ago we talked about the housing needs in this country. We talked about the need for housing for the homeless and the poor people. We talked about affordable housing. There are so many avenues to provide housing for those who need it if government would only sit down and come up with a plan to address the major problem.

I certainly think wrong messages are being sent. There is talk about a plan to address the housing issue but the conception on paper and bringing it into reality are two different things. We do not seem to really understand what we are doing and we do not seem to have the heart to do the job that needs to be done.

We could help the poor and those in need of affordable housing a lot more if we would spend some time concentrating on the major problem that we have in front of us and, instead of wasting time on

### *Adjournment Debate*

foolishness, put some of our energies and efforts into addressing the real problems that face the country.

**Mr. Paul Szabo (Parliamentary Secretary to Minister of Public Works and Government Services, Lib.):** Madam Speaker, let me assure the member that the government does not subsidize luxury condominium developments. Mortgage insurance is not a subsidy. Mortgage insurance protects approved lenders against losses resulting from borrowers defaulting on their mortgages. The lender pays the premium that covers the cost of providing insurance coverage.

As Canada's national housing agency, Canada Mortgage and Housing Corporation provides access to mortgage financing for all Canadians regardless of where they live in Canada. It provides mortgage loan insurance on a wide range of housing types across Canada, including condominiums, single family housing, affordable rental apartments and retirement homes for seniors.

CMHC's mortgage loan insurance enables Canadians to buy a home with as little as 5% down payment. This insurance has provided one in three Canadians with an opportunity to own their own home and it has also contributed to the availability of rental housing and nursing and retirement home beds in our country.

CMHC is the only mortgage insurer in Canada to offer mortgage insurance for the construction of new rental housing and the purchase of existing units. Insurance is also available on loans for construction of multi-unit residential buildings, including rental apartments and condominiums. It also helps make affordable rental housing available at lower cost financing.

I want everyone to understand that CMHC operates its mortgage insurance on a commercial basis at no cost to the Canadian taxpayer. As members can see, CMHC's mortgage loan insurance helps to ensure that low cost financing is available for housing purchases all across Canada.

[*Translation*]

**The Acting Speaker (Ms. Bakopanos):** The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24(1).

(The House adjourned at 7.10 p.m.)



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