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OFFICIAL REPORT
(HANSARD)

Thursday, April 18, 2013

Speaker: The Honourable Andrew Scheer

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HOUSE OF COMMONS

Thursday, April 18, 2013

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

• (1005)

[*English*]

PUBLIC SECTOR INTEGRITY COMMISSIONER

The Speaker: I have the honour, pursuant to section 38 of the Public Service Disclosure Protection Act, to lay upon the table the special report of the Public Sector Integrity Commissioner concerning an investigation into a disclosure of wrongdoing.

[*Translation*]

This report is deemed permanently referred to the Standing Committee on Government Operations and Estimates.

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[*English*]

GOVERNMENT RESPONSE TO PETITIONS

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

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INTERPARLIAMENTARY DELEGATIONS

Mr. Gordon Brown (Leeds—Grenville, CPC): Mr. Speaker, pursuant to Standing Order 34(1) I have the honour to present to the House, in both official languages, the following reports of the Canadian delegation of the Canada-United States Inter-Parliamentary Group respecting its participation at the following four meetings: the annual meeting with members of the U.S. Senate that was held in Washington, D.C., May 14 to 15, 2012; the fifth annual conference of the Southeastern United States-Canadian Provinces Alliance that was held in Myrtle Beach, South Carolina, May 20 to 22, 2012; the National Governors Association annual meeting that was held in Williamsburg, Virginia, July 12 to 15, 2012; and the Canadian/American Border Trade Alliance Conference that was held in Washington, D.C., September 23 to 25, 2012.

COMMITTEES OF THE HOUSE

JUSTICE AND HUMAN RIGHTS

Mr. Mike Wallace (Burlington, CPC): Mr. Speaker, I have the honour to present, in both official languages, the fifth report of the Standing Committee on Justice and Human Rights in relation to Bill S-209, An Act to amend the Criminal Code (prize fights).

[*Translation*]

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

[*English*]

TRANSPORT, INFRASTRUCTURE AND COMMUNITIES

Mr. Larry Miller (Bruce—Grey—Owen Sound, CPC): Mr. Speaker, today I have the honour to present, in both official languages, the eighth report of the standing committee on Bill C-52, An Act to amend the Canada Transportation Act (administration, air and railway transportation and arbitration).

* * *

CRIMINAL CODE

Mr. Mark Warawa (Langley, CPC) moved for leave to introduce Bill C-489, An Act to amend the Criminal Code and the Corrections and Conditional Release Act (restrictions on offenders).

He said: Mr. Speaker, I am honoured to introduce the safe at home bill. Canadian children should feel safe in their homes, especially if they have been a victim of a sexual assault.

In my riding of Langley, a sex offender was permitted to serve a house arrest right next door to his young victim. In another case, the sex offender served house arrest across the street from the young victim. In both cases, the poor victims lived in fear and were re-victimized every time they saw their attacker.

One mother asked me, “Why should we have to move from our home when we are the victims?” That is a good question.

This bill will amend the Criminal Code to require a bubble zone around the victim's home, and the sex offenders will not be able to knowingly be anywhere near the victim.

I look forward to working with all members of the House to ensure the passage of this very important bill.

Routine Proceedings

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

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PETITIONS

GENERIC MEDICINES

Mr. Chris Alexander (Ajax—Pickering, CPC): Mr. Speaker, I am happy to present a petition on behalf of 38 Canadians from British Columbia calling upon the government to pass Bill C-398, without significant amendment, to facilitate the immediate flow of live-saving generic medicines to developing countries.

CANADA POST

Mr. Sean Casey (Charlottetown, Lib.): Mr. Speaker, I rise to present a petition on behalf of hundreds of Prince Edward Islanders concerned about changes being made by Canada Post to post offices across the country without adequate consultation, as is required under the Canada postal service charter.

As an example, one of these changes requires that letters being sent from Charlottetown to Summerside go through Halifax. Therefore, the petitioners are urging the Government of Canada to instruct Canada Post to halt its plans to downgrade public post offices and to consult with the public and others to develop a better process in this regard.

• (1010)

[*Translation*]

Ms. Françoise Boivin (Gatineau, NDP): Mr. Speaker, along the same lines, we have just one post office in Gatineau. Apparently, there are supposed to be consultations regarding the closure of the only post office in Gatineau.

I rise here to present a petition signed by hundreds of people who strongly oppose the closure of the Racine Street post office.

[*English*]

LYME DISEASE STRATEGY

Ms. Elizabeth May (Saanich—Gulf Islands, GP): Mr. Speaker, I rise to present four petitions, two each on the same topic.

The first two are on the subject of my own private member's bill, Bill C-442, calling for a national Lyme disease strategy.

The first set of petitioners are from Bedford and Stellarton in Nova Scotia; from Delta, Penticton, Victoria and Surrey in British Columbia; and from Burlington and Oakville in Ontario.

The second set of petitioners are from Chilliwack, Surrey and Langley in British Columbia, as well as from Saskatoon.

Across Canada, Lyme disease sufferers are hoping that all members of this House will come to agreement on a national Lyme disease strategy.

FOREIGN INVESTMENT

Ms. Elizabeth May (Saanich—Gulf Islands, GP): Mr. Speaker, the second petition deals with the matter of the opposition day motion today. We are looking at the Canada-China investment treaty.

Petitioners from Vancouver, Abbotsford, Surrey, White Rock, Maple Ridge, Burnaby and Victoria call upon this House to reject the

Canada-China investment treaty and call upon the government not to ratify it.

SEX SELECTION

Mr. Bev Shipley (Lambton—Kent—Middlesex, CPC): Mr. Speaker, I have a petition that is signed by people from my riding of Lambton—Kent—Middlesex and by people across the country.

It urges that the House condemn discrimination against females occurring through sex-selective pregnancy termination, and that Parliament needs to condemn this worst form of discrimination against females.

Hon. Rob Merrifield (Yellowhead, CPC): Mr. Speaker, I have the honour to present, on behalf of the people of my riding, a petition calling on the government not to allow inequality of women's and girls' rights by sex-selective abortions.

The petition calls on the government to abhor this and to stop it at every opportunity in the future.

GENETICALLY MODIFIED ALFALFA

Hon. Ron Cannan (Kelowna—Lake Country, CPC): Mr. Speaker, it is a privilege to rise as the member of Parliament for Kelowna—Lake Country to present a petition that was presented to me on April 12 in my constituency office by Heidi Osterman from True Food Foundation. She is a constituent of mine who has collected approximately 1,000 signatures from constituents and British Columbians calling on Parliament to impose a moratorium on the release of genetically modified alfalfa in order to allow a proper review of the impact on farmers in Canada.

IMPAIRED DRIVING

Mr. Mark Warawa (Langley, CPC): Mr. Speaker, I am honoured to present two petitions.

In the first petition, petitioners are asking to see tougher laws in the implementation of a new mandatory minimum sentencing for persons convicted of impaired driving causing death. They want to see the Criminal Code of Canada changed to redefine the offence of impaired driving to vehicular manslaughter.

SEX SELECTION

Mr. Mark Warawa (Langley, CPC): Mr. Speaker, the second deals with gender selection. It highlights that the CBC investigation on gender selection revealed that it is happening in Canada. Ninety-two per cent of Canadians are vehemently opposed to this, and they are asking Parliament to condemn sex selection.

*Routine Proceedings***QUESTIONS ON THE ORDER PAPER**

Mr. Tom Lukiwski (Parliamentary Secretary to the Leader of the Government in the House of Commons, CPC): Mr. Speaker, the following question will be answered today: No. 1209.

[Text]

Question No. 1209—**Mr. Robert Chisholm:**

With regard to the changes made to the Fisheries Act in Bill C-38 and Bill C-45: (a) with which industry groups did the Department of Fisheries and Oceans (DFO) meet to consult on amendments to the Act; (b) what are the dates, locations, agendas of consultation sessions held with industry groups to discuss the amendments to the Act; (c) how much funding has DFO contributed to industry and civil society groups to engage on the amendments to the Act; and (d) how much funding has DFO allocated for engagement sessions in the 2012-2013 fiscal year?

Hon. Keith Ashfield (Minister of Fisheries and Oceans and Minister for the Atlantic Gateway, CPC): Mr. Speaker, with regard to (a), the Department of Fisheries and Oceans, DFO, has engaged various partners and stakeholders since summer 2012. DFO officials have met with representatives of various industries, such as oil and gas, e.g., Canadian Energy Pipeline Association, Canadian Association of Pipeline Producers; mining, e.g., Mining Association of Canada; forestry, e.g., Forest Products Association of Canada; hydroelectric, e.g., Canadian Electricity Association, Canadian Hydropower Association; and agriculture and agrifood, e.g., Canadian Cattlemen's Association, Canadian Federation of Agriculture.

The list includes the Canadian Gas Association, June 27 and July 9, 2012, teleconference, Ottawa; the Canadian Association of Petroleum Producers, June 27, July 17 and November 28, 2012 and January 30, 2013, teleconference, Ottawa, Calgary and Moncton; the Canadian Electricity Association, June 27, August 31 and November 13, 2012 and March 13, 2013, teleconference, Ottawa; the Canadian Hydropower Association, August 31 and November 13, 2012 and March 13, 2013, Ottawa; the Mining Association of Canada, June 27 and August 31, 2012, teleconference, Ottawa; the Forest Products Association of Canada, June 27, 2012, teleconference; the Canadian Energy Pipeline Association, June 27, 2012 and January 31, 2013, teleconference, Calgary; the Canadian Nuclear Association, June 27 and December 14, 2012 and February 27, 2013, teleconference, Ottawa; Nalcor, July 25, 2012, St. John's; Newfoundland Power, July 25, 2012, St. John's; Rio Tinto, July 25 and October 4, 2012, St. John's; Alderon Resources, July 25, 2012, St. John's; Wabush Mines, July 25, 2012, St. John's; Vale Inco, July 25, 2012, St. John's; Kruger, July 25, 2012, St. John's; British Columbia Hydro, June 27, 2012, teleconference; and Total E&P Canada, January 24, 2012, Ottawa.

With regard to (b), engagement sessions with industry, as well as other partners and stakeholders—e.g., provinces and territories, non-governmental organizations and aboriginal groups—started in June 2012 and are currently ongoing. These sessions have occurred across the country as well as through teleconference. The agendas for these meetings have been approximately the same: ensure comprehensive understanding of the changes to the Fisheries Act, flesh out the key concepts and gather information to assist in developing policy and regulations, identify and develop partnership opportunities and inform partners and stakeholders of implementation plans.

With regard to (c) and (d), DFO has spent approximately \$100,000 in 2012-13 to undertake engagement sessions across the country. These costs are primarily associated with travel and translation. Included in this total is DFO financial support and participation in an NGO-organized workshop on October 30, 2012.

* * *

[English]

QUESTIONS PASSED AS ORDERS FOR RETURNS

Mr. Tom Lukiwski (Parliamentary Secretary to the Leader of the Government in the House of Commons, CPC): Mr. Speaker, if Questions Nos. 1207, 1208, 1210, 1211 and 1212 could be made orders for returns, these returns would be tabled immediately.

The Speaker: Is that agreed?

Some hon. members: Agreed.

[Text]

Question No. 1207—**Mr. Mathieu Ravnagat:**

With regard to the Department of the Environment: (a) over the past six years, how many transactions involving land or buildings, works and infrastructure have been completed, broken down by (i) land, (ii) buildings, (iii) works and infrastructure, (iv) vehicles; (b) what is the total amount for (a) and for (a)(i), (a)(ii), (a)(iii), (a)(iv); (c) what are the criteria used by the department to determine whether to dispose of these non-financial assets; and (d) what are the actual savings between sale versus the government's cost of maintaining each of these non-financial assets?

(Return tabled)

Question No. 1208—**Mr. Mathieu Ravnagat:**

With regard to the Department of Foreign Affairs and International Trade: (a) over the past six years, how many transactions involving land or buildings, works and infrastructure have been carried out, broken down by (i) land, (ii) buildings, (iii) works and infrastructure, (iv) vehicles; (b) what is the total amount for (a) and for (a)(i), (a)(ii), (a)(iii), (a)(iv); (c) what are the criteria used by the department to determine whether to dispose of these non-financial assets; and (d) what are the actual savings between sale versus the government's cost of maintaining each of these non-financial assets?

(Return tabled)

Question No. 1210—**Mr. Robert Chisholm:**

With regard to the changes made to the Fisheries Act in Bill C-38 and Bill C-45: (a) which First Nations, Aboriginal groups or organizations have attended or participated in engagement sessions to discuss the proposed amendments to the Act; (b) how much funding has the Department of Fisheries and Oceans (DFO) contributed to the capacity of First Nations to engage on the proposed amendments or on policy and regulation changes in the 2012-2013 fiscal year; (c) which First Nations or Aboriginal organizations have received funding for capacity to engage on proposed amendments or on policies or regulations in the 2012-2013 fiscal year; (d) which First Nations, Aboriginal groups or organizations has DFO worked with to hold or facilitate engagement sessions; (e) what are the dates and locations of meetings funded by DFO and hosted or facilitated by First Nations, Aboriginal groups or organizations to discuss changes to the Fisheries Act or new policies and regulations in the 2012-2013 fiscal year; and (f) how will DFO work with First Nations, Aboriginal groups or organizations to engage on proposed amendments, policies or regulations in the 2013-2014 fiscal year?

Business of Supply

(Return tabled)

Question No. 1211—**Hon. John McCallum:**

With regard to government-purchased mobile data devices: (a) how many were in use by the Department of Human Resources and Skills Development Canada (HRSDC) prior to January 11, 2013, broken down by type of device and HRSDC department; (b) what is the total cost paid by the government for the devices identified in (a); (c) how many of the mobile data devices identified in (a), (i) have been recalled by the department since January 11, 2013, broken down by type of device and HRSDC department, (ii) have been destroyed since January 11, 2013, broken down by type of device and HRSDC department, (iii) will be destroyed, broken down by type of device and HRSDC department; (d) how many personal mobile data devices owned by HRSDC employees have been confiscated by the department, including by senior managers, since January 11, 2013, broken down by type of device and HRSDC department; (e) how many of the devices identified in (a), (i) have been destroyed since January 11, 2013, broken down by type of device and HRSDC department, (ii) will be destroyed, broken down by type of device and HRSDC department; (f) what is the total that (i) has been paid, (ii) will be paid by the government to compensate HRSDC employees for mobile data devices confiscated by the department; and (g) has the department (i) purchased, (ii) made plans to purchase new mobile data devices to replace those recalled and destroyed, and, if so, (iii) how many new devices will be purchased, and at what cost, broken down by type of device and HRSDC department?

(Return tabled)

Question No. 1212—**Mr. Denis Blanchette:**

With regard to the Department of National Defence: (a) over the past six years, how many transactions involving land or buildings, works and infrastructure and vehicles have been carried out, broken down by (i) land, (ii) buildings, (iii) works and infrastructure, (iv) vehicles; (b) what is the total amount for (a) and for (a)(i), (a)(ii), (a)(iii), (a)(iv); (c) what are the criteria used by the department to determine whether to dispose of these non-financial assets; and (d) what are the actual savings between sale versus the government's cost of maintaining each of these non-financial assets?

(Return tabled)

[English]

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

The Speaker: Is that agreed?

Some hon. members: Agreed.

The Speaker: The Chair has notice of a question of privilege from then hon. member for Malpeque.

Hon. Wayne Easter: Mr. Speaker, I gave the Clerk a letter saying I would hold it for another day, that I would not point that question of privilege today.

GOVERNMENT ORDERS

●(1015)

*[English]***BUSINESS OF SUPPLY**

OPPOSITION MOTION—CANADA-CHINA FOREIGN INVESTMENT PROMOTION AND PROTECTION AGREEMENT

Mr. Don Davies (Vancouver Kingsway, NDP) moved:

That, in the opinion of this House, the government should inform the Government of the People's Republic of China, that it will not ratify the Canada-China Foreign Investment Promotion and Protection Agreement.

He said: Mr. Speaker, I rise today to move a motion on behalf of the official opposition, the New Democrats, to direct the Government of Canada to inform the Government of the People's Republic of China that it will not ratify the Canada-China foreign investment promotion and protection agreement. In doing so, I rise proudly in the knowledge that we are discharging a profound responsibility to this chamber, to Canadians and to our country.

This FIPA is critically flawed in a number of ways and, if allowed to proceed in its present form, will do serious damage to Canada. In fact, in view of the very serious concerns raised about this deal by international trade experts and others, it would be absolutely reckless for the government to proceed to ratify this treaty. Indeed, I believe that many members on the government side are aware of the dangers this deal presents to Canadian interests and are troubled by the agreement's violation of core Canadian values.

I say this because even though the government has been in a position to implement the treaty for over five months now, it has declined to do so. While there may be several reasons for this delay, I believe that one of them is the distinct awareness that this deal is bad for Canada, fails our businesses, threatens our economic interests, violates our democratic processes and puts our taxpayers at risk.

Before proceeding to outline these flaws and shortcomings in detail, I would like to set forth some general principles that the New Democrats hold when it comes to this issue.

New Democrats believe in the importance of engaging with diverse economies and emerging markets. We support the development of clear rules that give confidence to investors, create level playing fields, preserve democratic policy-making and are transparent and accountable to Canadians. We believe in trade and investment policies that promote and protect Canada's interests.

With respect to China, we believe that Canada should deepen and broaden our economic relations. China is the second-largest economy in the world, it is in ascendancy and there are many opportunities for mutual benefit and synergies between our two nations. Developing a rules-based framework that improves the investment and economic activities in both countries is desirable and necessary. With careful negotiation, it is also achievable.

New Democrats know that an investment agreement done well has the potential to be of great benefit to both countries. However, a deal that is poorly negotiated risks doing great harm. Because the Conservatives have taken an extreme ideological approach to negotiating and ratifying trade and investment agreements, they have concluded a carelessly and poorly negotiated deal. Put bluntly, this FIPA will do harm to Canada's economic interests. Canadians deserve better.

Let me start, then, with a summary of the problems with this FIPA.

Business of Supply

It ties the hands of Canadian governments at all levels—municipal, provincial, federal and first nations—and restricts them from taking legislative measures in the public interest. It exposes Canadian taxpayers to huge liabilities and multi-billion-dollar lawsuits by foreign corporations if they feel that public legislation affects their profit expectations. It is imbalanced and lacks reciprocity for Canadian investors. It does not help Canadian investors effectively break in to China's markets. It puts at risk Canada's vital natural resources, including those in strategic areas such as energy, and allows these assets to be controlled by foreign state interests, including state-owned enterprises that serve foreign state interests, not commercial ones. It contains an unaccountable dispute resolution mechanism that allows China or Canada to hear lawsuits involving taxpayers' money outside Canadian courts and in secret: no public access, no public disclosure, no media, no transparency and no accountability. It subordinates our environment to corporate interests and puts legislative efforts to protect our land, air and water at risk of being struck down by corporate lawsuits.

It was passed by the Conservatives with no consultation with provinces, first nations, trade experts, business, labour or the public. Outside of this one day called for by the New Democrats, there has not been a single minute of democratic debate after 18 years of negotiation. Once ratified, this FIPA will lock Canada into these damaging terms for a minimum of 31 years.

• (1020)

This is a major economic initiative, and contrary to repeated Conservative misstatements, a deal that raises concerns unlike any other. It concerns billions of dollars of investment. It is the first time since NAFTA that Canada has signed an investor protection agreement with a country that is a major investor in Canada. Unlike virtually every other FIPA Canada has signed, China is a major capital exporting nation with massive foreign currency reserves.

Let us look at the numbers. Chinese investment in Canada hardly registered in 2007. It was too small to record. In 2011, it was \$11 billion. In 2012, it doubled to \$22.5 billion. According to the Conference Board of Canada, China is projected to be Canada's number two foreign investor in Canada by 2020, exceeding \$50 billion a year. That is in seven years.

Before the \$15 billion CNOOC-Nexen takeover, Chinese state-owned enterprises, such as PetroChina, Sinopec and CNOOC, had already invested over \$10 billion in the Canadian oil and gas sector and controlled more than 7% of Canada's oil sands interests. Today, over \$25 billion of Canada's oil sector is controlled by China's state-controlled firms.

Let me quote an economist, Wendy Dobson. She said, "There is a tidal wave that is heading out of China in the next decade and I don't think we're ready for it".

She estimated that this tidal wave amounted to more than \$1 trillion of investment worldwide to acquire access to resources and technology. Yet this deal, which will involve those sums of money, was rammed through this Parliament without any study, debate or vote.

On October 23, as official opposition critic for international trade, I presented a motion to the Standing Committee on International

Trade to conduct a study of the agreement and to call a varied list of Canadian stakeholders to committee to provide their views. Conservatives refused to even debate that motion in public. No study was agreed to.

On October 31, the NDP member for Ottawa Centre rose to request an emergency debate on the FIPA. That request was denied by the government.

On October 2, 18, 24, 25 and 31, members of the NDP rose in question period to request that the FIPA be properly studied by a parliamentary committee. Each time, the Conservatives refused even to address the merits of the question.

Through Leadnow, some 80,000 Canadians have sent messages to the government voicing their concerns about this FIPA and requesting proper study and prudence. Just yesterday, in one day, I received over 17,000 emails after this motion calling for this debate was made public. That was in 24 hours. Despite all of this widespread concern and opposition, the Conservative government has refused to bring this FIPA forward for debate, study or vote.

I want to turn to some of the details of why this FIPA is so dangerous and poorly negotiated. I will turn first to natural resources.

This FIPA requires Canada to award national treatment to investments made by Chinese firms once established in Canada. This paves the way for a massive natural resources buyout and foreign-state expansion of ownership in our economy. For example, I have referenced CNOOC's recent purchase of Nexen, which was approved by the Conservatives. Under the FIPA, if CNOOC wants to expand by buying up other oil interests, it can, and it must be treated by this FIPA as if it were a Canadian company. Any attempt by any government to limit this expansion may be met by a lawsuit claiming damages for unequal treatment.

There is a loophole in this FIPA: non-producing oil properties are not subject to Investment Canada Act review. This means that when oil reserves are present, but drilling has not yet commenced, those oil leases are not subject to any kind of review and therefore would qualify under this FIPA for national treatment.

This FIPA will place Canada's strategic oil reserves, and in fact strategic sectors beyond oil, into the hands of foreign states and state-owned enterprises that do not operate as purely commercial businesses but rather would serve the interests of a foreign state. This locks us into a dangerous path of foreign ownership and resource extraction until at least 2044.

Canadians are opposed to this. Canadians want a national conversation and a policy that makes responsible choices for the wisest long-term stewardship of our natural resources in Canada.

Business of Supply

•(1025)

This deal is unbalanced. First, this deal allows both parties to maintain their current non-conforming measures. This means that both countries commit to not implementing any new discriminatory barriers to each other's investors in the future, but the agreement allows both to keep any existing non-conforming measures.

Here is the problem. China has been and is a command economy. It has many non-conforming measures. These include requiring foreign investors in China to partner with local Chinese enterprises, to use local suppliers and to source local goods and services. Anyone who has done business in China is well aware of these requirements. However, Canada, which has been on a trade liberalization trajectory for the last 30 years, has largely eliminated such requirements. The result: Canadian investors are at a major disadvantage. This deal fails to secure reciprocal and equal access to China for Canadian investors.

When I asked DFAIT officials at committee for a list of China's non-conforming measure, they first said that they did not have them, then they said that they were on the website, and then they said that they were not sure. The government has signed an agreement allowing China to keep non-conforming measures in place that bind Canadian investors, and it cannot even tell us what they are.

In addition, this deal fails to include Canada's pre-establishment rights model, which grants protections to both existing investors and those seeking to invest. Instead, the Conservatives have acceded to the Chinese model, which provides very little protection to prospective investors compared to existing ones. The result: again, imbalance against Canadian investors. Why? It is because relatively speaking, Canadian investment in China is a relatively small \$4.5 billion. In 2012, China had five times that amount invested in Canada, and it is growing exponentially.

As Paul Wells wrote last September, when this deal was released, quoting an investment analysis: "It will be interesting to see if this is spun as an agreement that 'liberalizes' or opens markets for Canadians. If it is, that will not be true".

Canadian companies need and deserve an agreement that helps remove the barriers that are keeping them out of Chinese markets. The simple reality is that this FIPA fails to provide effective tools to challenge the protectionist barriers the Chinese government has at its disposal to block new foreign investment in the profitable sectors of its economy. For certain, access to sensitive areas of the Chinese economy by Canadian investors has been restricted, while Canada has thrown the doors wide open to firms from China.

This deal will also expose Canadian taxpayers to expensive litigation and billions of dollars in damages. This FIPA provides a mechanism to Chinese companies to sue the federal government if they feel that Canada has passed regulations or policies that they feel amount to unfair treatment or that interfere with their expectations of profits or future expansion.

Foreign corporations can sue Canadian governments and cost Canadian taxpayers billions of dollars. I would like to emphasize that this is not the Conservatives' money; this is Canadian taxpayers' money for enacting laws that protect our energy security, environment, jobs or public health.

This is not a hypothetical concern. Chinese state-owned insurance company Ping An sued Belgium for \$3 billion in damages after its profit expectations were not met after the European recession. Canada has been forced to pay damages exceeding \$157 million to U.S. firm AbitibiBowater following the Newfoundland government's decision, after the company closed its pulp and paper mill, to reclaim the water and timber use rights it had provided. An investor state tribunal has now ruled against the Government of Canada in another case, because the Newfoundland government tried to get foreign oil companies to invest a certain amount in local research and development to create good jobs in that province. The amount of damages that have to be paid has not yet been released.

Other lawsuits have been filed challenging Quebec's decision to place a moratorium on fracking, Ontario's offshore wind power policy and the Canadian court's invalidation of a drug patent.

In short, this FIPA provides protectionist policies for foreign corporate profits and not for the well-being of Canadians, our economy or our environment.

As the South African government put it, "Investor-state dispute resolution that opens the door for narrow commercial interests to... matters of vital national interest" is a direct challenge to "constitutional and democratic policy-making".

•(1030)

Let us hear it from the horse's mouth. Here is what one of the international arbitrators himself had to say about the exact type of clause contained in this FIPA:

When I wake up at night and think about arbitration, it never ceases to amaze me that sovereign states have agreed to investment arbitration at all. Three private individuals are entrusted with the power to review, without any restriction or appeal procedure, all actions of the government, all decisions of the courts, and all laws and regulations emanating from parliament.

That was Juan Fernández-Armesto, an arbitrator from Spain.

Canadians do not agree with this.

All 50 U.S. states, every one of them, have passed resolutions opposing the application of investor state dispute resolution mechanisms in their jurisdictions. They did it last year again.

Let us look at the investor state dispute mechanism in this particular FIPA. This deal changes Canada's long-standing policy of ensuring public access, public disclosure and transparency in arbitrations. For the first time in Canadian history, the Conservatives have agreed to a dispute resolution procedure that violates the Canadian tradition of open courts at the whim of three arbitrators who have no responsibility or accountability whatsoever to Canadians.

Business of Supply

I thought Conservatives did not like unelected judges overturning democratic decisions by elected officials. However, in this case, they cannot help but trample down the door and give over sovereignty to three unappointed, unaccountable, world legal arbitrators to overrule decisions made in this Parliament. That is undemocratic and indicative of Conservative principles.

These panels lack the standards and safeguards that apply to judges in Canadian courts. There is no security of tenure for arbitrators, raising concerns about their ability to be impartial. There is no prohibition on arbitrators being paid for non-judicial activities, giving rise to apprehensions about bias and conflicts of interest. Worst of all, these hearings can be conducted in secret, and documents can be hidden from the public.

I have heard a lot of dissembling from the government, so I am going to read for Canadians exactly what the FIPA says in article 28. It states: “Where a disputing Contracting Party”—that is the sued state—“determines that it is in the public interest to do so...all other documents submitted to, or issued by, the Tribunal shall also be publicly available”.

Here is the next clause: “Where...a disputing Contracting Party”—that is the state being sued—“determines that it is in the public interest to do so...hearings held under this Part shall be open to the public”.

If China determines that it is not in the public interest to do so, at its sole discretion, hearings are not open to the public and documents need not be disclosed. What a violation of Canada's tradition of open courts, where Canadians can see justice done when their money is on the line.

Canadians can decide for themselves when Conservatives stand up and say that these hearings will be held in public. I read it right there in black and white.

Interestingly, Canada has made 16 claims through NAFTA's ISDS mechanisms, mostly against the U.S., and we have never won a single case. Neither the U.S. nor China, on the other hand, have ever lost an arbitration brought against them by another country.

I want to talk about the environment a bit. I want to read a section of the FIPA, as well. One would think that when Canada negotiates a deal on corporate interests, it would make sure that nothing in that agreement would inhibit the ability of Canadian governments to protect the environment. Here is what the clause says:

Provided that such measures are not applied in an arbitrary or unjustifiable manner, or do not constitute a disguised restriction on international trade or investment, nothing in this Agreement shall be construed to prevent a Contracting Party from adopting or maintaining measures, including environmental measures: (a) necessary to ensure compliance with laws and regulations that are not inconsistent with the provisions of this Agreement

What does that mean? Why do they not just say that nothing in the agreement would prevent any Canadian government from taking any measure to protect the environment, period. That is what the Conservatives could have said. They did not.

The government failed to consult. Wise governments consult, especially when important issues involving Canada's economy, resources and policy-making freedom are at stake, and especially

when we are talking about profoundly large deals that would bind Canada's interests for the next three decades.

Canadians want us to be prudent, cautious, informed and intelligent, yet after 18 years of negotiation, the Conservatives have announced this FIPA as a *fait accompli*, take it or leave it, without conducting a minute of consultation. Predictably, the Conservatives have been taken to court by a first nations lawsuit that was filed on January 18 because of this lack of consultation.

• (1035)

In conclusion, no rational government that cares about Canada's economic interests, democratic policy-making, and citizens' interests could possibly stand beside such a flawed agreement. No prudent government that is sincerely concerned about Canada's future generations, resource security, and environment could possibly defend this FIPA in its current form. No responsible government could defend an agreement that has taken 18 years to negotiate, that would bind Canada for 31 years, and that would affect billions of dollars of investment without proper study and input from Canadians.

Canadians want and deserve a well-negotiated agreement with our trading partners, including China. Let us take the time to ensure we secure such an agreement.

I urge all members of this House to support this prudent, thoughtful, and wise motion.

Mr. Gerald Keddy (Parliamentary Secretary to the Minister of International Trade, for the Atlantic Canada Opportunities Agency and for the Atlantic Gateway, CPC): Mr. Speaker, I will try to be fairly brief in my question. I listened closely to the hon. member's speech. It is not just anti-investment, it is basically anti-trade.

There are a couple of corrections to be made.

I think one of the most important ones is the right to regulate in the public interest. The hon. member knows full well, even though he would not state it in his speech, that under this treaty, both Canada and China have the right to regulate in the public interest. Chinese investors in Canada must obey the laws and regulations of Canada, just as Canadian investors in China must obey the laws and regulations in China.

Another point the hon. member made that is absolutely incorrect is that the government denied an emergency debate. The government does not deny emergency debates, Mr. Speaker. You deny emergency debates.

There are a few small corrections.

However, here is the issue. I do not understand the NDP's position on investment. Perhaps you can enlighten me. You do not want Chinese investment in Canada. You do not want Canadian investment in China—

The Deputy Speaker: Order, please.

Business of Supply

The parliamentary secretary has now asked me three times what my position is and what the Chair's position is. It is not my role to answer that, so, I would ask the parliamentary secretary to direct his comments and questions to the Chair, not asking him to involve himself in the debate.

Mr. Gerald Keddy: Mr. Speaker, of course, through you, to the hon. member, the issue here is quite simple. The hon. member and the party do not want Chinese investment in Canada. They do not want Canadian investment in China. Then why are they asking every day to have the tariff on Chinese products coming into Canada reduced, which would put our manufacturers at a disadvantage?

Mr. Don Davies: Mr. Speaker, I have said before that the Conservative government's trade policies are incoherent, and we just saw an example. Now, I think the hon. member is arguing for increasing tariffs on China, and 72 other countries. I would have thought that the Conservative government's trade policy would be to reduce tariffs. Instead, it wants to justify increasing them. I fail to understand that policy.

For that matter, we saw the Prime Minister go to India not too long ago and announce with great fanfare the pursuit of a Canada-India trade agreement, the purpose of which is to reduce tariffs, and brought over \$1 million worth armoured cars at the same time.

And so, while we sat at a table in India, trying to negotiate reductions of tariffs, we come back in this House and the government increases tariffs in India. I will leave it to the Canadian public to understand the coherence of that.

The bottom line is that the matter is not simple. The Conservatives always want to reduce this to some sort of simple and usually incorrect and false accusation.

Of course, the New Democrats support investment from China. Of course, we support signing investment deals that would protect investors. I said that in my speech.

The question here is whether or not this agreement would accomplish those goals. We have laid that out in detailed form, as have many Canadians, trade experts, academics, businesses, including people who are very much in favour of investment and trade agreements, who are concerned about this FIPA.

I wish the government would listen and actually study the details of the agreement instead of relying on pure rhetoric and spin.

• (1040)

Hon. Wayne Easter (Malpeque, Lib.): Mr. Speaker, I enjoy working with the trade critic for the NDP and expect my office received many of the same emails that he mentioned receiving overnight on this particular issue.

I disagree with the NDP motion, by the way, to just throw this out. We need rules around investment, serious rules, but I understand why the motion was put. As the member said, there was a request for an emergency debate, which was denied by the Speaker as it was not seen as an emergency, and there were several attempts by myself and the NDP to have the committee look at this issue, but, of course, the Conservative members on the committee would not even allow that debate to happen in public and the motions were lost.

My question to the member relates to the box that I think all parliamentarians are in. This motion is to reject the agreement. I believe the member would probably agree that if we had transparency around the discussion and hearings across the country and maybe other countries around the world to put in place the safeguards to make this investment treaty work for Canadians, then maybe we could come up with a better treaty. My question to the member is along those lines. Why can we not get that kind of transparent and open debate and would that not be a better procedure, so that there is investment protection for Canadian investors and we can improve our economic relationship?

Mr. Don Davies: Mr. Speaker, I very much enjoy working with the hon. member for Malpeque on the trade committee as well. I must say I am disappointed to hear that the Liberal Party will not support the motion, though. All the motion says is that the Government of Canada should inform the Government of China that it will not ratify the FIPA. That is all it says. In its present form, this FIPA is seriously flawed. There is nothing in the motion that says we would not seek to amend or improve the agreement to put it in a form that would actually be acceptable to Canadians.

I want to talk for a moment about the Conservatives' refusal to debate this. They often boast about the fact that, unlike the Liberals before them, they put trade agreements before the House for debate, but they do not do that with investment agreements and I do not understand the difference. When Canada signs a treaty that covers trading goods and services, that is considered appropriate to put before the House for scrutiny, but when Canada signs a treaty that covers investment, they do not consider that to be worthy of the same treatment. I do not understand that.

If the Conservatives believe that this deal they have signed is justified, why do they not bring it forward and make arguments in front of the Canadian people? Parliamentarians have a prime responsibility, and that is to come here, debate legislation, and give it a thorough scrutiny before it is passed. The Conservatives have a majority and can ultimately pass what they want, but why are they afraid of detailed scrutiny? Why are they afraid of bringing in people from across this country, such as trade experts, academics, economists, business people, people who trade, the public, provinces, and first nations, and really taking a look at this agreement?

Once again, it took 18 years to negotiate, it would be in force for 31 years. We can take a few weeks or months to make sure that Canada gets it right. New Democrats say we should. Why do the Conservatives not?

Business of Supply

Ms. Elizabeth May (Saanich—Gulf Islands, GP): Mr. Speaker, I want to thank the hon. member for Vancouver Kingsway and his entire caucus for finally allowing this issue to come forward for debate. He will recall I raised it in the House before it was tabled for 21 days of non-debate but sitting before us, and I requested an emergency debate on the matter twice. Rather than detail the history of a lack of debate, let us get into this one.

The hon. member mentioned corporate lawsuits and I want to hang on the word “corporate” for a moment. In investor state agreements we never have lawsuits, really, let us admit. There is, as the member described, a hotel room somewhere where three \$1,000-an-hour global arbitrators make decisions that binds governments and cannot be appealed. In the interests of a Canada-China investment treaty, we are not actually talking about corporations. We are talking the People's Republic of China and state-owned enterprises. It means we will be sitting down, essentially, nation to nation and the People's Republic of China will be in a very different situation than U.S. corporations under chapter 11 of NAFTA. China can link its investments and, in private, use diplomatic pressure to tell Canada that if we do not change our laws, it could pull all of its investments. This is a different feature and I want to ask the member to comment on that.

• (1045)

Mr. Don Davies: Mr. Speaker, I would like to thank the hon. member for bringing up what I think is a very special consideration about this FIPA.

She is quite right. What we are talking about here are not just normal corporations as we understand them in the western legal tradition. We are talking about state-owned enterprises. State-owned enterprises are organizations that provide different considerations. State-owned enterprises in China do not exist solely to make decisions in the best interests of their commercial interests. State-owned enterprises are also there to advance the interests of the Chinese state.

I am not saying that there is anything necessarily wrong with that, but what we must be careful about is allowing those kinds of state-owned enterprises to have key ownership of strategic resources in our country because they will not be acting in commercial interests, they will be acting to exploit those resources in the interests of a foreign state.

That is not good for Canada. It is not good for our resources. It is not good for our environment. New Democrats will stand up to make sure we have a better deal than that.

Mr. Gerald Keddy (Parliamentary Secretary to the Minister of International Trade, for the Atlantic Canada Opportunities Agency and for the Atlantic Gateway, CPC): Mr. Speaker, this opportunity to debate the motion by the member for Vancouver Kingsway gives me a bit more time to expand on some of the ideas I have on his motion and on the lack of time in questioning. Let us be clear and let us try, in the interests of openness and honesty in this place, to lay out the parameters of what we are actually discussing.

I have heard a lot of talk about the inability to debate this in the House. Of course, the hon. member would know that, prior to the Conservatives' coming to government in 2006, there was no ability to debate treaties, not just investment treaties but any treaty in the

House. We debated free trade agreements because that is legislation, but there was no ability to debate treaties. We changed that law to allow treaties to be debated. Since coming to power, we have signed FIPAs with 11 countries: Iran, China, Czech Republic, Jordan, Peru, Kuwait, Latvia, Madagascar, Mali, Romania and Slovakia. Apparently, none of those were worthy of debate; they are basically all the same format.

Some hon. members: Oh, oh!

Mr. Gerald Keddy: I hear a lot of squealing from the opposition benches, but they are all the same format and basically all the same agreement. None of those were worthy of debate, but somehow this one is different.

Now let us expand on the debate a little further. It was tabled in the House on September 26, 2012. This is the 17th opposition day, not the first or the second or the third, that the official opposition has had to debate this treaty. I will forgive the Liberals on this one because they said from the beginning that they are going to support the treaty, so they do not need to debate it in this House. However, there is an opportunity to debate this treaty in this House. This is the opportunity. It is the 17th item on the NDP list of priorities. That is what we are dealing with here, nothing more and nothing less.

Let us just stop for a second, and look at how this treaty unfolds and how it would actually work for Canadian investors. The key message with this foreign investment promotion and protection agreement, and with all the rest of them, is that it is about rules. It is about rules-based investing, in the same way as we have rules for rules-based trading. Anytime we have rules, we know exactly what the parameters are, we know exactly what we are getting into when we make an investment and we can make that investment with some surety.

We made a promise to Canadians when we formed government in 2006 that we would provide jobs, prosperity and opportunity. Of course, with the downturn in 2009 that became more difficult, but Canada is still in an enviable position with our economy compared to all the other economies in the world.

To come back to this FIPA for a moment, what we are dealing with here is a foreign investment promotion and protection agreement with the second-largest economy in the world. Yes, it took 18 years to negotiate and that is no mean feat, and I give some of the credit to the former government that started it for the right reasons. However, our government finished it, and we put it into place because we need this investment agreement to deal on equal footing with the Chinese, for Canadian investors investing in China. They need this protection much more, I would argue, than Chinese investors investing in Canada. However, there is a little thing that the New Democrats obviously do not understand and that is called “reciprocity”. When we have a set of rules, we have to offer that same set of rules to the partner in the agreement.

Business of Supply

●(1050)

This agreement was signed to protect Canadian investors in China through stable, predictable rules and protection against discriminatory and arbitrary practices. Opposition members can try to make it more complicated than that, but it is no more complicated than that. It allows predictability. It allows transparency, and there is transparency and public access to any arbitration. The idea that there is not simply incorrect. All of the hearings, all of the paperwork, will be provided to Canadians upon request, and there will be transparent public access to the dispute settlement procedures.

I am going to get off this topic and talk about trade a little bit, because it is all one and the same. What we have is a party that is anti-trade and now it is coming out to be anti-investment. For businesses looking to set up in China, the Chinese could not treat a Canadian company less favourably than they would any other foreign company looking to do the same thing. Once an investment is made, a Canadian business could not be treated less favourably than any other business, including Chinese businesses.

I really cannot comprehend the opposition to this treaty. We are creating a secure, predictable environment for Canadian investors, and we are not doing any more than that. There is nothing hidden here. This is about opportunity for Canadian investors in China. This is about equal footing and reciprocity for Chinese investors in Canada. We are dealing here with the world's second-largest economy with arguably the largest reserves of foreign currency of any nation in the world, and we are hearing from the official opposition members that we do not want to trade with China, and I do not know where they expect this country to go.

I started to articulate my opposition to their line of questioning on the favoured nation status for imports coming from China or exports from China to Canada. I think we have to draw them together. For the public listening to this, here is the dichotomy. On one side of the equation, the official opposition is against rules-based investing and rules-based trading apparently with China, and on the other side of the equation, the official opposition asks that China, the second-largest economy in the world, remain on the preferred nations list. That list of 72 nations was put together for emerging economies, nations and people living in poverty, to give them an opportunity to get out of that situation and to move from an emerging economy to a mature economy.

Most people would argue that China has done that. So have India, Brazil and a number of other countries that were on the list. They no longer have a preferential tariff coming into Canada. They are now on equal footing with Canadian companies. They do not have that advantage. This is one and the same. We are talking about the same issue here. I find it bizarre that the anti-investment position the NDP takes is the same anti-trade position it takes. Since we formed government in 2006, we have been opening up trade. We have been trading with countries around the world.

●(1055)

We continue to get static from the official opposition and sometimes from the Liberals, though the Liberals tend to at least say they believe in free trade. We saw a number of trade agreements, and it is as if trade and investment do not account for anything in

Canada. It accounts for one out of every five jobs and it accounts for 64% of Canadians' annual income. That may not be important to the opposition parties, but it is certainly important to us.

The Liberals were in power for 13 years and they signed three trade agreements. One of them was an extension of NAFTA, which they were going to get rid of but could not, because it was too important. They saw the error of that and they changed their ways, which I appreciate, because governments are sometimes forced into positions they did not originally take.

We are continuing to negotiate deals around the world. We are working on a free trade agreement with India, and we are working on a free trade agreement with Japan. At committee, we have been discussing the Pacific alliance, although again, the NDP and the Liberals do not want to discuss that agreement and its potential. Here is their logic and it is not unlike their logic with the FIPA with China: It is not important. It is not important to Canadians and it is not important enough for us to take our time to conduct even a precursory study or to take even a brief glance at it, to see if it is worth pursuing.

When we look at the real numbers in that agreement—and it is no different from the position they are taking on the FIPA with India—we have Chile, Peru, Colombia and Mexico. We have already got bilateral agreements with those countries and we have already got a very good trading relationship with them, but those countries put together make up the ninth-largest trading bloc in the world. The answer we get from the opposition is that it does not want to study this. It does not want to look at it, it does not want to talk about it or think about it because it is not important.

What is important? The opposition does not want a foreign investment promotion and protection agreement with China, because it is not important enough. The second-largest economy in the world and a growing and dynamic nation that we need to do greater business with, and we will continue to do greater business with, is not important enough. The opposition is not going to support the CETA, the comprehensive economic trade agreement with the European Union, because it is apparently not important enough. The NDP does not know about that. There were 28 countries on July 1. The official opposition does not realize the importance, I would hope, of this; the ability for Canada to expand with traditional trading partners and form potentially one of the most, if not the most, important trading bloc in the world.

Canada, with 33 million people, would sit between the United States, with 330 million people and an affluent economy that is starting to rebound, and the European economy, which even though it is struggling has 500 million consumers and is one of the wealthiest economies in the world. Canada, with 33 million people and goods, services and talented workers to offer those economies, would be between those two huge economies in an enviable position to any nation on earth, and all we get from the opposition, in place of support, is condemnation.

Business of Supply

I cannot understand that for the life of me. Perhaps we are going to see some type of an epiphany on behalf of the official opposition. Perhaps it is going to change its ways. Perhaps it will begin to embrace investment and trade.

• (1100)

I have seen nothing to assure me that this will occur. First, we really have to look at our position on investment, which we have discussed. Second, we have to look at our position on trade and our rejuvenated global commerce strategy, which allows Canadian goods, services, talent and investments to be spread around the world. In our own hemisphere, we have to look at our Americas strategy and the importance of that Americas strategy to many of our provincial manufacturers that, by looking at the Americas, and not just the United States and Mexico but also looking at the Caribbean, Central America and South America, are able to invest in real time, in their own time zone, not talking to somebody 10 or 11 hours away, in the western hemisphere.

We will continue that strategy. We will continue the Americas strategy. We will continue our strategy for the Caribbean. We will continue a global commerce strategy, because it is good for Canadians, for manufacturing and for workers.

The NDP record deserves to be discussed because it has brought forward the motion. It is 17th in the NDP list of priorities. The NDP had 17 opposition days to debate this, but chose not to do so. Now all of a sudden it is a priority.

I believe it has become a priority for the NDP because it was hoping that by holding back there would be some kind of groundswell of support. That did not occur. The hon. member said that he had 17,000 emails, but I do not know if that 17,000 emails is 1,700 emails sent 10 times or if it is 170 emails sent 100 times. I certainly received some of those form emails. It was a matter that someone forwarded it to someone else, and then it could be forwarded to a member of Parliament. I had emails that had reasonable, responsible concerns that were easily addressed.

Let us take a look at the NDP trade and investment record and at what the New Democratic Party is actually saying. Page 18 of the NDP policy book states, "New Democrats believe in renegotiating the North American Free Trade Agreement". That is incredible. The trade critic, the member for Vancouver Kingsway, said that he would not support a free trade agreement because trade unions did not want it. Those are his words, not mine. I am just reading it back.

The former NDP trade critic from Windsor West has said that he supports the efforts of big union bosses to stop any further trade negotiations with Korea, Japan and the European Union.

Are we to become isolationists? Are we to withdraw? Are we to lose that slight advantage that we have over other countries in the G7, the G8 and the WTO?

These are difficult times. The world is truly at a crossroads. The economy is struggling. We have never said anything else. However, we are better off because of prudent fiscal management than all of our neighbours.

Let us look at some more quotes. I only have a minute left and I want to get these on the record.

The former NDP trade critic from Dartmouth—Cole Harbour described the free trade agreements as "job destroying".

The member for British Columbia Southern Interior said that trade agreements threatened the very existence of our nation.

The member for Welland said that the Conservative government told them that free trade was good for all of us, and he begged to differ.

The former critic from Burnaby—New Westminster even said in the House that free trade had cost Canadians dearly.

• (1105)

I ask Canadians to use some common sense. There is nothing hidden here. There is nothing untoward. This is a straightforward investment agreement that would allow Canadians investing in China to do so with assurance and would offer the same rights to Chinese investors in Canada.

Mr. Don Davies (Vancouver Kingsway, NDP): Mr. Speaker, a government that does not consult is a poor government. A government that does not listen is an incompetent government. A government that misleads Canadians is a dangerous government. All three of those apply to the Conservative government.

My hon. colleague talked about counting. People are counting. They are counting the trade deficit under the government. When the Conservatives came to power in 2006, we had a trade surplus of \$17 billion. Today, after six and a half years of the Conservatives being in power, we have a trade deficit of \$67 billion. That is the record of the present government. We have a record merchandise trade deficit approaching \$100 billion. The percentage of our exports that are made of raw or barely processed items is going up and the percentage of our exports of refined or value-added is going down. The consequences of the Conservative trade policy are disastrous for our country, and my hon. friend can only respond by misleading and spin.

My colleague keeps saying that we have open arbitration. I am going to read again from the FIPA under Public Access to Hearings and Documents. Article 28 states:

Where...a disputing Contracting Party determines that it is in the public interest to do so...hearings held under this Part shall be open to the public

Does my colleague not understand that if a contracting party decides it is not in the public interest to do so, it can decline to have hearings in public? If my friend thought this deal was so good, and this is a government agreement, why did the Conservatives not bring it forward for debate in this chamber, which we are doing here today, instead of attacking the opposition?

Mr. Gerald Keddy: Mr. Speaker, our job is to table the treaty in this place and it is the opposition's job to bring it forward for debate. I have been counting and it has been 17 days. This is 17th on the opposition's list of priorities.

Business of Supply

My colleague made a statement about the trade deficit. Everybody recognizes that there is a trade deficit. We have 72 countries on a preferential tariff list. We have decided to take away that preferential tariff list because those countries are no longer emerging economies; they are mature economies. The official opposition does not want to do that, and that would lead to a trade deficit.

• (1110)

Hon. Wayne Easter (Malpeque, Lib.): Mr. Speaker, I have to laugh at some of the responses from the parliamentary secretary. He did say that these were difficult times. What he failed to add was that these times were all the more difficult as a result of the government's actions.

The international trade critic for the NDP mentioned some trade facts and I would like to add to them. There was a surplus when the Conservatives came to power and now there is a serious trade deficit, the first trade deficit in 30 years. Canada has been in a trade deficit 10 months out of the last 12 months. The Conservatives like to talk about the number of agreements they have signed, but they never want to talk about results. Why? Because the results are absolutely terrible.

The CETA agreement was supposed to be agreed upon and signed over a year ago. It has now been moved to the summer. We are playing second fiddle to the United States negotiations and that puts us in a lose-lose position. We are losing a billion dollar market on pork and hogs as a result of the government's FTA with South Korea. The U.S. secretary of agriculture is bragging to the U.S. beef industry about stealing the beef market from Canadians in South Korea. Those are the results we are seeing.

Will the parliamentary secretary answer my question directly? Who is responsible for liabilities as a result of a provincial government decision under the FIPA that may affect a Chinese company investing in this country that feels it has been wronged and sues in court? Who accepts liability for that? I believe if the member answers honestly, he will say that federal taxpayers do.

Mr. Gerald Keddy: Mr. Speaker, I do not know why the hon. member asked the question if he wants to answer it himself.

The first part of the member's diatribe was on the trade deficit. Let us just look at this for a moment.

Canada's trade deficits over the past few years were the result of a relatively weak global economy. Maybe the hon. member is an isolationist and thinks that we exist without the rest of the world and that we do not build things and make products with other countries, but the reality is that we do.

We have a weak global economy and a strong Canadian economy compared to all of our trading partners. The recession hit the United States, which is the main source of our trade surplus, and the rest of the world harder than Canada therefore weakening the demand for Canadian exports to the rest of the world but leaving Canadian demand for imports largely unaffected due to our strong domestic economy.

I would ask the member the same question I asked the official opposition. Why does he support reducing tariffs for Chinese investors and Chinese companies on products coming into Canada, putting us at a disadvantage?

Hon. Michael Chong (Wellington—Halton Hills, CPC): Mr. Speaker, I have been listening to this debate, not just in the House but for the last number of months with a great deal of interest and puzzlement.

Since 2006, 14 foreign promotion and protection agreements have been concluded or brought into force by this government. Between 1990 and 2006, some 10 foreign promotion and protection agreements were brought into force. In other words, since 1990, some 24 FIPA agreements have been concluded or brought into force. The Canada-China FIPA agreement is similar to those 24 other FIPA agreements negotiated since 1990. It contains the same or similar core standard obligations as in these 24 other agreements. It contains rights and obligations that apply equally to both Canada and China.

In light of these facts, my question is this. Why is this FIPA such a concern? If this FIPA is similar to the other 24 FIPAs, what is motivating all the concern about this Canada-China foreign promotion and protection agreement? Is this a form of dog whistle politics that is going on here? What is motivating all the concern about this agreement in light of the fact that it is so similar to the other 24 agreements?

• (1115)

Mr. Gerald Keddy: Mr. Speaker, I do not want to say it is as simple as politics. I do not want to say that it is opposition for the sake of opposition. However, I think the public can draw its own conclusions.

The hon. member is absolutely right in that there have been a number of FIPAs signed since 1990 and 11 since we formed government in 2006. There have been 17 opportunities with opposition days by the official opposition alone, not including the Liberal Party, to debate this in the House. Therefore, it is 17th on the NDP's list of priorities but suddenly it is a priority today.

These FIPAs are all very similar. They all offer the same basic end game, which is protection for Canadian investors in China and protection for Chinese investors in Canada. There is nothing untoward about that. There is no ability for the Chinese to take over the Canadian economy. There is no ability for them to destroy the environment. All of this really is fearmongering and goes back to the basic anti-trade roots of the official opposition.

Hon. Wayne Easter (Malpeque, Lib.): Mr. Speaker, I will start off by stating what the parliamentary secretary did not say in response to that question. Yes, the FIPA with China and Canada is similar, but it is certainly not the same.

Business of Supply

We are dealing with what is now or will be the biggest economy in the world, and we are also dealing with state-owned enterprises. There is a lot of difference in terms of the China agreement, and some other countries have recognized that and have put in specific safeguards in their own country's interests on SOEs. They have done it in a way to protect their own interests and still have a foreign investment protection agreement. That should be added to the parliamentary secretary's answer.

I am pleased to speak to the motion, but I want to point out a few facts as I begin. What the motion really shows in this place is the extreme position of both the Conservative government and the NDP opposition on major issues that affect Canadians.

On the one hand we have the Conservative government that will sign any deal just to get a deal, just to get the number. It will sign basically anything, regardless of the long-term consequences on Canadians.

On the other hand, we have the NDP, which seems to oppose any trade or investment treaty, and leaves us with the impression that the NDP position is anti-trade in its approach to the economy. That kind of thinking belongs in the early 20th century, not today.

We have the two extremes. What the Liberal Party wants to do is find the balance. That is why, as I said earlier in a question, we will not be voting for the NDP motion because we really think what we should be doing is holding the proper hearings. We cannot just throw out an investment treaty that has some flaws in it. We need to fix the flaws. That is really what we need to be doing.

In order to do that, and the parliamentary secretary can say all he likes about the fact that there were seven opposition days and more

Mr. Gerald Keddy: Seventeen.

Hon. Wayne Easter: —seventeen, but the government has a responsibility. All parliamentarians have a responsibility to come up with the best agreement for Canada that we can come up with.

The problem with the government is that it either denies debate or limits debate, so that the proper hearings cannot be held across the country, and in this case globally, I would submit, to find the best solution for Canadians on an investment treaty with China, to fix those flaws.

That is where we want to be. We want to ensure the facts are laid out, both the good points and the bad points, so that we can fix the flaws in this particular agreement to ensure that it is best for Canada.

The facts are these: Foreign investment protection agreements are important for Canadians investing abroad, as well as businesses here at home. While the Canada-China FIPA contains several flaws that raise serious concerns, completely abandoning the treaty is not the answer to assist Canadians and Canadian businesses in dealing with investments and trade issues with China, which is a major player in the world.

Second, a better opposition day motion would have toned down the anti-foreign investment and trade rhetoric by highlighting the areas that require improvement, and I hope I can do that through the course of my remarks.

There is no question that the Canada-China foreign investment protection agreement needs to be improved, but not completely discarded.

• (1120)

The Liberal Party has raised concerns about provisions in the Canada-China investment agreement, particularly on issues of transparency during arbitration, termination of the agreement and the length of time the agreement is in force. Liberals have consistently called for a public debate on the issue, not on a motion such as this but a real debate where the treaty is actually laid out. I would submit that beyond that, we need to be bringing in witnesses, going to see businesses, some in favour and some opposed, to see the implications from their perspectives.

Unfortunately, the government has failed to take responsibility for this treaty and has blocked discussion on it, creating a vacuum that has been filled with misinformation and fearmongering. That really concerns me because there are two major extremes, and that is causing a lot of dissension toward the agreement. Indeed, if the government had the will, the FIPA could be fixed.

It is important to keep in mind that the only briefing ever provided to the Canadian public and Parliament came about as a result of a motion presented to the international trade committee, at which government officials were permitted to speak for a single hour. The minister never went before committee on this issue. By way of a motion that the government members were too embarrassed to defeat, officials were before the committee for one single hour. Does anyone think that on an investment treaty this broad that is enough time to debate the issues and get some answers? I certainly think not.

From what we know, the key issues surrounding the Canada-China FIPA are these: one, transparency in terms of public awareness of disputes; two, federal liabilities for provincial decisions based on the Constitution; three, restrictions on investment and joint ventures in China, restrictions on what industries Canadians can invest in in China vis-à-vis what China investment companies and state-owned enterprises are allowed to invest in in this country; four, security concerns raised by both CSIS and United States security agencies; five, energy investments such as CNOOC and national treatment on further investments. Those are the five key areas about which there are concerns. To a great extent, if the government had the will to allow itself to debate the issue, many of those key issues could be solved and we could have an investment treaty that in fact works. Let us not just throw it out, but let us also not just do as the government does and sign it because it is under a bit of pressure.

Let me come back to each of the issues. On the transparency issue, in terms of disputes to be resolved through arbitration, officials told the committee the following:

Business of Supply

...it is Canada's long-standing policy to permit public access to such proceedings. Canada's FIPA with China...will allow Canada to make all documents submitted to an arbitral tribunal available...subject to the protection of confidential business information.

• (1125)

Later in the same testimony, we found out Canada has little to do with it. In response to the question that stated that FIPA means that “China...does not have to have public hearings and does not have to disclose documents if they don't want to”, the response from officials was, yes, that was correct.

On the transparency issue, I am saying that officials, in that single hour of testimony we had from them in questions, admitted that there is an entirely different situation related to transparency on disputes that has to occur in this country versus the transparency that has to occur for Canadian investors having a dispute on the China side of the equation.

When asked if the government has done an economic impact assessment of the agreement, something that has been done for all the FTAs, which has been used as the basis of defending them, officials confirmed that no such analysis was undertaken or apparently attempted. That is a serious issue, when we have the Government of Canada undertaking a major international agreement, which any of us who have read the document and the timeframes know is basically locked in for 31 years, and the government has not done a cost-benefit analysis. That is just about unbelievable, but in fact it is true.

The second major concern that I raise was a termination clause. In other FIPAs, there is usually an easy mechanism to end the agreement early if the agreement does not end up providing Canadians the protection it is supposed to. This agreement remains in force indefinitely, and the exit mechanisms generally consist of a six-month or one-year notice and then the exiting investments remain in force for a period of a certain number of years that would be spelled out.

For example, under NAFTA, which is a major agreement, a party may withdraw six months after it provides written notice of withdrawal to the other parties. If a party withdraws, the agreement shall remain in force for the remaining parties. In our agreement with Lebanon, there is a one-year notice for termination, and then existing investments remain in force for some 20 years. In Jordan, it is the same thing; there is a one-year notice of termination, but the existing investments would remain in force for 15 years. In Argentina, it is much the same.

However, and this is the point I raised earlier, the parliamentary secretary said that this FIPA with China is the same, but it is not the same in many respects. It is similar, but with many different qualifiers around it. With China, this agreement is not indefinite until termination notice. In other words, we are locked in for an initial period of 15 years, which is unprecedented in terms of these agreements. Then it can be terminated on one year's notice and existing investments remain in force for another period of 15 years. Hence, that is where we get the 31-year agreement point that many people keep citing. This is a departure and locks us into the agreement, regardless of whether it ends up providing Canadians the protection it is supposed to.

The third point of concern is federal liability for provincial decisions and the constitutional impact. At the international trade committee on October 18, 2012, in response to the direct question, “Would this FIPA subject provinces to claims for damages as a result of this legislation if a Chinese investor believed that provincial actions had violated this deal?” officials responded, “No, it doesn't subject provinces to any claims. The federal government is responsible. The federal government would be accepting all obligations”.

• (1130)

That is something we seriously have to consider. If a province makes a decision, and a Chinese business is upset because it believes that it has future lost profits as a result, and it wins the case, the federal government is responsible for all those obligations. The federal taxpayer could end up having to pay for those obligations.

That is key. That is not different from some of the other trade agreements. I recognize that. However, we should go in with eyes wide open and look at whether there is any way of limiting that liability to the federal taxpayer as a result of provincial decisions, for whatever reason they are made.

The fourth area is restrictions on investment in China and on joint ventures.

During the briefing by officials at the international trade committee, the following was stated:

Some sectors are completely off limits to foreign investment, such as mining of certain minerals. In other sectors, foreign investments are restricted or “encouraged”, meaning that they are subject to foreign equity caps or requirements for Chinese control or joint venture arrangements.

The official went on to state that this agreement:

will support Canadian businesses' efforts to explore the growing investment opportunities in the world's second-largest economy across a range of key sectors, including financial services, natural resources, transportation, biotech, education, information technology, and manufacturing.

Further to this point concerning restrictions with China, and to the point the Prime Minister raised in the House on October 23, 2012, regarding reciprocity, the following should be noted from the U.S.-China Economic and Security Review Commission report of 2012, which states:

The Chinese government identifies “oil and petrochemicals” as one of seven strategic industries for which the state must maintain “absolute control through dominant state-owned enterprises.”

As such, foreign companies are not permitted to participate in China's domestic strategic industries, except through joint ventures.

There we have it. There are different rules for our investments in China versus its investments here. We need to be looking out for those pitfalls in terms of this particular agreement.

The point is that state-owned enterprises in China are designed in such a way as to enhance total economic endeavours and the foreign, political and trade policies of China. We need to recognize that up front. That is not necessarily a bad thing, but we need to go in with eyes wide open and ensure that we protect ourselves from any problems that may occur as a result of that strategy.

Business of Supply

I would like to move that the motion be amended by replacing all the words after the words “China that” with the following: prior to any decision and the ratification of the Canada-China Foreign Investment Promotion and Protection Agreement, the said agreement should be referred to the Standing Committee on International Trade to conduct hearings across Canada and report back its findings and any recommendations to amend the agreement to the House.

• (1135)

The Deputy Speaker: Order. It is my duty to inform hon. members that an amendment to an opposition motion may be moved only with the consent of the sponsor of the motion. Therefore, I ask the hon. member for Vancouver Kingsway if he consents to this amendment being moved.

Mr. Don Davies: Mr. Speaker, while I appreciate the spirit behind my hon. colleague's amendment, we will not consent to that amendment. My hon. colleague knows that the New Democrats put forth a motion to have this matter brought before the Standing Committee on International Trade. It was rejected by the government, so we know already that it is not going to happen.

We need to take action on this FIPA now, and we may as well get to the real action, which is that this FIPA in its present form should not be ratified. The New Democrats are going to press the government to make that responsible move.

The Deputy Speaker: Obviously there is no consent. Therefore, pursuant to Standing Order 85, the amendment cannot be moved at this time.

Questions and comments, the hon. member for Vancouver Kingsway.

Mr. Don Davies (Vancouver Kingsway, NDP): Mr. Speaker, again, the hon. member for Malpeque and the New Democrats have been focusing on the government's disastrous trade record for the last six years. The parliamentary secretary was just attempting, very weakly, to defend what is an abysmal trade deficit. We went from a \$17 billion surplus when the Conservatives came to office in 2006 to what is now a \$67 billion deficit. He attempted to brush that off by saying that we've had a global recession, that commodity prices are low and that other countries have suffered.

We did a study two weeks ago that compared Canada's current trade account record with 17 other countries around this world: the United States, Japan, Germany, Spain, Colombia, Chile, Peru. They are all countries that have been operating in the same global environment, have gone through the same global recession and have to deal with the same commodity prices and currency fluctuations. What did we find? Eight countries have been running trade surpluses at the same time that the Conservatives have been in power. Five of those countries have trade deficits, but they are improving, and five countries have trade deficits, and they are deteriorating. Guess who is in the 18th position, the last place out of 18 countries? It is Canada under the Conservative government. It is no excuse to say that this massive current account deficit is someone else's fault. It is the Conservatives' fault.

I would like to ask my hon. colleague if he would like to comment on those numbers as opposed to the spin we hear from the government?

Hon. Wayne Easter: Mr. Speaker, I will comment on those numbers, but I am disappointed that the NDP would not support the amendment to basically send this to the trade committee and do hearings across the country. Yes, it was rejected at the trade committee, clearly on direction from the government, but I thought that maybe in this place, where there are a number of backbenchers now starting to speak out and rally against the tight control by the Prime Minister's Office, that they might have the backbone to stand and say that we should do our jobs as parliamentarians and hold the proper hearings on issues such as this.

Be it as it may, that is the decision taken by the NDP members, and I do not understand where they are coming from.

On the numbers that the trade critic for the NDP talked about, he is absolutely right. We are in 18th position among those countries. For the first time in 30 years, we have an annual trade deficit. Merchandise trade is showing problems all the time. The Canadian government has failed to implement an FTA with South Korea. As a result, in that market now, we are losing a billion dollar market for beef and hogs. The United States is displacing us in that particular market. The CETA has been now moved back to summer. We are playing second fiddle to the United States there.

Conservatives may talk numbers in terms of trade agreements, but the results of the government in terms of trade is 18th worst, and it seems to be getting worse all the time.

• (1140)

Mrs. Cheryl Gallant (Renfrew—Nipissing—Pembroke, CPC): Mr. Speaker, the CBC recently lamented that our Conservative government is focused only on the economy, and for once, the state broadcaster had it right.

Growing the economy means growing jobs. Canadian workers produce and provide more services than Canadian citizens can consume, so it is natural that we look to other markets. China has a high population and is ready to buy Canadian. In order to do so, we have to invest there. Some of that is investing in different companies and buying companies, but they need the protection we afford investors in Canada. They need to know that their assets are not going to be confiscated by the government.

All we hear from the member opposite's leader is whining about his little red wagon. Why is it that the members opposite, including the other opposition, are more concerned about jobs in China than they are about jobs in Canada?

Hon. Wayne Easter: Mr. Speaker, I think the questioner started off talking about the CBC, saying that the poor government was solely focused on the economy. My only hope would be that it does not focus on much else, because when it is has focused on the economy, it has become a disaster.

Business of Supply

The Minister of Finance has not hit a target yet. The government started off with a surplus, and it now has a deficit. We are finding out more and more about the budget. As our leader said the other day on the budget, the increasing of tariffs on something like 1300 items is going to cost middle-class Canadians more.

Maybe the member who raised the question is not concerned about the families that buy those little red wagons for their children, but it is going to cost them more. Maybe the member is not concerned about the people who go out and buy bicycles that are going to cost them more.

If the member would just admit it, she would stand up here and say that yes, the government has been misinforming Canadians all along. It is, in fact, raising taxes in a number of areas, and its policies are damaging the ability of middle-class people to make a decent living in this country.

Mr. Scott Simms (Bonavista—Gander—Grand Falls—Wind-sor, Lib.): Mr. Speaker, as the critic for heritage, I would like to point out that the CBC is our public broadcaster. It is not our state broadcaster, as some people like to describe it.

I would like to ask my colleague about the situation of this agreement and particularly the others. When it comes to CETA and agreements such as this, they are always looked upon in a population of 35 million. We are looking at, in many cases, bilateral agreements. In many of these markets or countries we have bilateral agreements with, such as the European Union, and in negotiations with China and certainly Mexico and the United States, they are always seen as stepping stones to bigger fish to fry, as it were, whether it be with the European Union or, eventually, the United States of America.

My hon. colleague pointed out, quite rightly, that we are now playing second fiddle. In many cases, we are. However, we have to maintain that strong trade relationship so that we are not playing second fiddle.

I wonder if the member could comment on that.

• (1145)

Hon. Wayne Easter: Mr. Speaker, my colleague is absolutely right. Countries initially negotiate with Canada rather than with the United States. If they get an agreement with Canada, they then move on to the U.S., which has an economy 10 times bigger than ours.

At one point in time we heard that the Canada-Europe trade agreement was on the Prime Minister's desk for signature. We know that there are three problem areas, such as the procurement of pharmaceutical drug costs and issues related to supply management. However, the European Commissioner has basically now told Canada that unless it settles for less than what it wants, Europe will move on to the United States. In fact, the U.S. agreement is proceeding. That is why we are now playing second fiddle to the United States. The Europeans are now emphasizing that particular negotiation. I would suggest that all we will end up with in Canada right now is a bad agreement. That is the result of the government not doing its job aggressively enough when it had the opportunity.

I might point out, as well, as I did not have enough time in my remarks, that the United States is very concerned about the Chinese agreement and how the Chinese government guides foreign direct investments to those sectors it sees as strategic. Canada has to

recognize that concern and ensure that we protect those industries in Canada and ensure that they benefit Canadians rather than become subservient to Chinese needs.

Mr. Peter Julian (Burnaby—New Westminster, NDP): Mr. Speaker, in starting I would like to say that I was very disappointed, having been in this House now for nine years, to see the Liberal Party yet again siding with the Conservatives.

I have been in Parliament nine years, and hundreds of times, when push comes to shove, when Canadians' interests are at stake, the so-called new Liberal Party seems to be exactly like the old Liberal Party, always siding with the Conservatives, always siding with the Prime Minister.

I would just like to share my disappointment, because I know that this is an important debate. The member for Vancouver Kingsway, in his very eloquent speech, spoke of thousands of emails flooding in from across this country on this important debate. We have received tens of thousands of emails, letters, cards, and phone calls from Canadians who are very concerned about the Canada-China FIPA and its implications for Canada.

I would like to say at the outset that on this side of the House we are resolute fair traders. The NDP has always stood for fair trade, that means a rules-based system that is balanced and well-negotiated and serves both parties.

In the NDP caucus of 100 strong members, we have many members of Parliament who have actually worked as negotiators in the past. They have represented the interests of their side in negotiations. What we have seen before in the Liberal government and most certainly now under the Conservative government is governments that seem incapable of negotiating strongly for Canada's interests.

I would just like to say on behalf of the NDP caucus that when we come to power in 2015, Canada's interests will finally be effectively protected. Canadians can know for sure that we will have tough Canadian negotiators who will always stand for Canada first and will always be capable of negotiating fair trade agreements.

I just want to mention in starting off that I will be sharing my time with the very eloquent member for Nanaimo—Cowichan who has just reminded me of that point. I look forward to her speech. She will be speaking particularly to the consultation that was not done on the Canada-China FIPA, and will also be referencing the lawsuits that are starting to emerge because of this badly botched negotiation.

Let us start with the Conservative approach to trade. Let us start with the record. The member for Vancouver Kingsway very eloquently set it out. We have the worst trade deficit in our nation's history, and this is after seven years of Conservative government. So badly have they botched negotiations, so badly have they been in terms of defending Canada's interests, that the Conservatives have taken Canada into the worst trade deficit in our history.

Business of Supply

This is something the Conservatives were trying to explain, badly, quite ineptly, just a few minutes ago, that somehow that was due to international conditions, that somehow it was somebody else's fault. It is the worst government in Canadian history for trade deficits, but it is "somebody else's fault". We see this systematically. The Conservatives are always trying to point the finger at somebody else. The member for Vancouver Kingsway replied that out of 18 countries, in terms of the trade deficit, in terms of our chief industrial partners worldwide, Canada is 18th out of 18 among those countries. It is the worst trade deficit because of Conservative incompetence.

We have seen this firsthand, time after time since the Conservatives came to power. We have seen half a million manufacturing and value-added jobs evaporate because of Conservative incompetence. We have the worst trade deficit in our history.

If we look at the inability of the Conservatives to negotiate even one fair trade agreement, then every time we bring fair trade proposals forward, Conservatives and even the Liberals always vote against them. They have never supported a fair trade agreement or anything that has been brought forward that even smells of fair trade on the floor of the House of Commons, certainly since I have been here.

When we look at the components of what the Conservatives have actually negotiated, we see how badly they have defended Canada's interests.

● (1150)

I will give one example, because it strikes home in my riding of Burnaby—New Westminster. It shows the impacts of these badly botched agreements the Conservatives throw onto the floor of the House of Commons and then try to cover up. Of course, there is never any debate because they are so reprehensible in how badly they negotiate these agreements that they never want them to be examined in committee. They never want them debated on the floor of the House of Commons because they are all so bad.

I will give one example: the softwood lumber agreement. In my riding of Burnaby—New Westminster, in the weeks following the ramming through of that agreement on the floor of the House of Commons, Conservatives and Liberals concocted together, and another party that used to exist and that is not so present today, the Bloc Québécois, conspired, on behalf of Canadians, to push it through. In my riding of Burnaby—New Westminster, 2,000 families lost their breadwinner. Within a matter of weeks, we saw three softwood plants go down, one, two, three: Canfor, Interfor, Western Forest Products. Those workers were sold out by Conservatives and their partner, the Liberal Party, resulting in those workers losing their jobs and those families losing a breadwinner.

We said at the time, on the floor of the House of Commons, that there would be dire consequences if we rammed this through. Most of the Conservatives did not even bother to read the agreement. They just voted blindly because the Prime Minister told them to. Many of the 60,000 jobs that were lost were lost in Conservative ridings. The Conservatives said, "We don't care about those workers. We don't care about those jobs. We don't care about those businesses."

Actions have consequences. That is why the member for Vancouver Kingsway is bringing forward the motion today. Having read the Canada-China FIPA and understanding the consequences, we are saying we need to take a halt on this, not ram it through, not ratify it, because the consequences to Canadian communities and the consequences to Canadians would be serious.

We have a government that seems intent on a one-dimensional economy. It wants to ship raw logs, raw minerals, raw bitumen out of this country. That is all it wants to do. It seems to think that there would be some economic benefit to doing that. I think the figures prove the contrary. Half a million manufacturing and value-added jobs were lost. We have the largest trade deficit in our nation's history. We have the worst trade economic performance in our nation's history. Those facts basically speak for themselves. What, then, would happen if we compounded that by ratifying a Canada-China FIPA?

Here is the situation. It was badly botched. The member for Vancouver Kingsway was very eloquent about that, going over step by step, section by section, how badly botched the negotiations were.

It would permanently keep in place all of the discriminatory measures taken by the Chinese state government, but it would open up Canada and basically ensure that the measures that we might normally take to protect our environment, to ensure that there is economic development, even value-added economic development, could be contested and that Chinese state companies that then choose to move forward and seek compensation could seek compensation from Canadian taxpayers.

Who would negotiate an agreement that would ensure that discriminatory measures could be taken by one party but not by another? And who would then say, "We're going to put this into place and ratify it for three decades"?

We have our answer. It does not seem logical. It does not seem consistent with what the Conservative Party ran on. Yet it is the current Conservative government that wants to put into place this FIPA and ensure, for all time, that those discriminatory measures could be taken by the Chinese state government but that Canadian measures that we put in place to protect our environment, our health and safety, our economy, could not be taken.

On this side of the House, we stand with the Canadians who are writing to us throughout this debate, the tens of thousands of Canadians who have expressed valid concerns about how badly this negotiation was botched.

● (1155)

The New Democratic Party caucus stands with Canadians on this issue. That is why we encourage the debate. We invite members who have actually read the agreement to vote with us to send a clear direction to the government that the agreement should not be ratified because it is not in Canada's interests.

Business of Supply

Mr. Deepak Obhrai (Parliamentary Secretary to the Minister of Foreign Affairs, CPC): Mr. Speaker, I heard the member's usual fearmongering nonsense about anti-trade policies. The member says he has been here for eight years. Indeed, I have been here for 14 years. When he used to sit in the other chair over there, every time he spoke, and we can take it from *Hansard*, there was absolutely no question in our minds that he was anti-free trade.

This nonsense that he is espousing about fair trade is nothing but a cover-up for the anti-trade stand he has taken year after year. There is nothing new in what he is talking about today, except now it is clear that he is directing his anger against China. China is the second-largest growing economy in the world. It would help Canadian businesses. Thousands and thousands of Canadian businesses are in China, so I hear.

This is a very good agreement that would help Canadians find jobs. It would help the Canadian economy move forward.

The member stood up and talked about 10,000 Canadians writing to him. Maybe we should tell him that 10,000 Canadians do not write to us, but they go to work. They are working. They are finding jobs.

His party has taken socialism out of its constitution, but socialism exists in his heart and his brain and he is now talking all this socialist nonsense that is on his free trade agenda.

• (1200)

Mr. Peter Julian: Mr. Speaker, I am not really sure what the member was talking about. It just seemed to be a diatribe. He did say fair trade is rubbish. A number of countries around the world, including European Union countries, Australia, and even the United States, that have already incorporated components of fair trade into their trade template would disagree with the member.

The reality is, Canada actually has the most outdated trade template among all industrialized countries. Under the Conservative government, the “Flintstonian” approach to trade policy, which it carries so proudly, has the most outdated tools, trade negotiating, and trade template of any industrialized country.

The member says fair trade is rubbish. Most Canadians actually believe in fair trade and most of the prosperous industrialized countries around the world are pushing a fair trade agenda.

However, there is another issue I wanted to raise while I have the floor. The member is from Calgary. I have been to Calgary about half a dozen times over the past few months talking about the CNOOC takeover of Nexen. I talked to Calgary citizens. They are concerned about the impacts of simply rubber-stamping the CNOOC takeover of Nexen, as the Conservative government did. Nexen plays an important role in the Calgary economy, yet the member and the Conservative government did not stand up for Calgary's interest. It is a shame that Conservatives would not stand up for Calgary when they represent it in the House of Commons.

Mr. Kevin Lamoureux (Winnipeg North, Lib.): Mr. Speaker, it is good to acknowledge there is a difference between the political entities here. We have the Liberal Party, which supports freer trade, where it is practical and where it creates jobs for Canadians.

It is interesting when we contrast the China deal. The Prime Minister goes to China and brings back a couple of panda bears. Under the Chrétien regime, we had the prime minister come back with hundreds of millions in investment.

It is indeed of great concern to Canadians that we have a huge trade deficit. It is not only going out and trying to write up these agreements, there is also an important responsibility for government to bring business to Canada. Would my New Democrat friend comment on the importance of that issue?

The Acting Speaker (Mr. Barry Devolin): The hon. member for Burnaby—New Westminster, with a short answer, please.

Mr. Peter Julian: Mr. Speaker, it is difficult to have a short answer.

That is a very good question from my colleague. We have been saying all along that we need to modernize the trade template and that we need a fair trade template. That is what the NDP has been promoting.

We need much more effective negotiations. Conservatives are awful negotiators, the worst negotiators ever, and even worse than the Liberals, which is saying a lot.

Most importantly, in terms of stimulating our export sales, particularly value-added exports, I have talked to Canadian trade commissioners across the world who do not even have the money to buy a cup of coffee for a potential client of Canadian goods and services. That is how this so-called “pro-trade” government has starved the resources that allow for that actual export breakthrough on value-added products.

Conservatives are awful at trade. Case closed. That is our conclusion.

Ms. Jean Crowder (Nanaimo—Cowichan, NDP): Mr. Speaker, I want to thank the member for Burnaby—New Westminster for sharing his time with me.

I am rising to speak on the NDP motion calling on the government not to ratify the Canada-China foreign investment promotion and protection agreement. I know the member for Vancouver Kingsway has very ably covered a number of areas of concern. I am going to focus on one particular area.

One of the big challenges with this agreement is that it does not acknowledge the Crown's constitutional obligations to first nations. This is outlined in section 35 of the Constitution, which states that the government has a legal obligation to consult aboriginal peoples before undertaking measures that impact on their rights. Of course, this right has been reaffirmed in any number of court decisions.

I only have 10 minutes, so I am going to try to focus on a couple of key arguments. The Assembly of First Nations has conducted a very preliminary analysis on the impacts of this agreement. It is a draft and much more work needs to be done, but part of its analysis includes the statement that the government has a duty to consult on FIPA and, to its knowledge, has not consulted with first nations. It went on to point out that the Hupacasath First Nation is currently challenging FIPA in court, mainly on this basis. I want to turn for a moment to this challenge.

Business of Supply

Hupacasath filed a notice of application against Canada in early January. One of the councillors, Brenda Sayers, stated, “This deal will pave the way for a massive natural resource buyout and allow foreign corporations to sue the Canadian government in secret tribunals, restricting Canadians from making democratic decisions about our economy, environment and energy.”

Steven Tatoosh, the chief councillor, says, “We will argue that the Government of Canada breached its fiduciary duty to consult First Nations on our respective constitutionally enshrined and judicially recognized aboriginal title, rights and treaty rights.”

There are many organizations that are supporting this initiative. I have a quote from Grand Chief Stewart Phillip, president of the Union of B.C. Indian Chiefs, who said, “To recklessly disregard our title, rights and treaty rights is an outrage. Our inherent rights are our fundamental human rights. Canada repeatedly violates our human rights when our inherent rights are totally ignored in agreements such as the Canada-China FIPA.”

Councillor Brenda Sayers went on to say that the court action is intended to put the brakes on the FIPA process until all Canadians have had a chance to study the far-reaching and potentially devastating implications of the agreement.

One of the glaring threats in this agreement is around environmental protection. Sayers pointed out that under a FIPA, the foreign investor is subject to all the environmental regulations of the host country, but only as those regulations were in place at the effective date of the agreement.

Ms. Sayers further stated, “This is not just a First Nations battle. This is a battle for the rights of aboriginal and non-aboriginal Canadians. Both of our constitutional rights are being violated. There are a lot of common threads behind our two communities: the protection of our water, the protection of natural resources and our environment, the protection of our future. Canadians need to realize this is a fight for Canadians as a whole.”

Because I have limited time, I cannot read all of the letters I have received into the record. I have a letter from the Union of B.C. Indian Chiefs, a presentation from the Assembly of Manitoba Chiefs, a detailed brief from the First Nations Summit, a brief from The Council of Canadians with regard to how this agreement threatens indigenous rights, and a brief from the Coastal First Nations Great Bear initiative. There are many more. Those are the ones I was able to grab as I left my office.

I want to return to the Assembly of First Nations' preliminary analysis. It has identified the following:

Several modern treaties contain an express obligation to consult prior to the adoption of new International Legal Obligations (ILOs) which could affect rights under the treaties. We believe that the government is very likely under a duty to consult even those First Nations who do not hold modern treaties, based on the unilateral nature of the conduct of foreign relations and the potential for new [international legal obligations] to impact the exercise of existing or claimed [first nation] rights.

There are numerous in this draft analysis, and I think it would be incumbent upon the government to take a look at the concerns being raised that impact not only first nations, both treaty, non-treaty and self-governing, but also non-indigenous Canadians.

● (1205)

Further on in the brief, it says:

The potential for FN rights claims to be dealt with in investor state arbitrations is especially problematic for modern treaty holders. FNs would have, at best, intervenor status in such arbitrations. Past practice of international investor-state tribunals suggests that the ability to raise FN rights issues or human rights issues would be substantially impaired in such forums. The problem arises because some modern treaties contain language which suggests the exercise of some rights under the Agreements would need to be modified if those exercises conflicted with an ILO (hence, the reason for the consultation clauses). If an investor-state tribunal holds that a particular treaty right is effectively an expropriation, and hence contrary to the ILO of Canada in the FIPA to prevent such expropriations, then it means that future exercises of that right may need to be modified. This could arise with respect to self-government exercises of authority which are deemed expropriatory, and likely harvesting activities.

Further on it cites a claim under NAFTA, and it says:

To give you an idea of the kinds of cases which attract investor state claims, consider the Glamis case under NAFTA. There, a Canadian mining company was subjected to a mining reclamation regulation enacted, in part, to preserve a sacred site of the Quechan Nation. Glamis claimed this environmental regulation (enacted to preserve the Quechan Nation's connection and access to its sacred sites) was expropriatory.

When we are dealing with first nations sacred sites, cultural sites or traditional sites, mechanisms need to be in place in order to protect them and in order to consult appropriately with first nations.

Later on, the brief states:

Quechan intervened, but was unable to participate meaningfully in the case. Indeed, it had to rely on the US DOJ to defend the measures (which, incidentally were promulgated by the state of California). This should concern FNs because unlike the US DOJ, which occasionally acts on behalf of tribal rights as part of its trust responsibility, DOJ Canada typically is adversarial to FN interests.

We have seen that in any number of cases. We see the number of times that first nations have been forced to the courts to defend their rights, with the Department of Justice intervening on behalf of the government to prevent first nations from moving forward. It is very worrisome that we do not have these kinds of protections in Canada.

I want to turn briefly to the UN Declaration on the Rights of Indigenous Peoples, because this should be a fundamental underpinning for any kind of action that the government is going to take in the context of infringing on first nations rights. Article 19 indicates:

States shall consult and cooperate in good faith with the indigenous peoples concerned through their own representative institutions in order to obtain their free, prior and informed consent before adopting and implementing legislative or administrative measures that may affect them.

It is clear from the very brief overview I was able to present that there are grave concerns around the great potential this agreement has to infringe on inherent rights.

Business of Supply

One of the things that often comes up in the context of talking about consultation is not only the duty to consult but the duty to accommodate. There is certainly no mention in this agreement either around the duty to consult or the duty to accommodate, so it is important that the Conservative government pull back from this agreement and undertake its constitutional responsibilities under section 35 to conduct those consultations to ensure that first nations treaty rights and inherent rights will not be abrogated in this context.

I am hopeful, given the very reasoned and rational presentations that are being made in the House of Commons, that the Conservatives will reconsider their position on this matter.

I did not have time to talk about the hundreds of emails and letters I am getting in my own riding expressing grave concerns about this agreement. People are very concerned about how it is going to impact on the environment and on our waters. People really want an opportunity to have their say on this agreement.

In the absence of the government undertaking any meaningful consultation with indigenous and non-indigenous Canadians, I encourage people to write directly to the Prime Minister to ask him to back down on this agreement.

• (1210)

Mr. Gerald Keddy (Parliamentary Secretary to the Minister of International Trade, for the Atlantic Canada Opportunities Agency and for the Atlantic Gateway, CPC): Mr. Speaker, I was following the hon. member's debate, and the question I have is with respect to the FIPA and first nations being before the courts.

The hon. member was speculating that levels of government somehow do not have the ability to regulate in their own right. The hon. member knows that is incorrect. There is nothing in this treaty that would negate treaty rights or aboriginal rights or municipal rights or provincial rights.

I would like the member to rise in the House and admit that those rights are protected and that there is nothing in this treaty that would prevent them from regulating in their own interests.

• (1215)

Ms. Jean Crowder: Mr. Speaker, first nations are raising concerns about whether they are adequately protected under this agreement. Legal analysis indicates that there is cause for concern. I cited a particular case under NAFTA where the mining company was claiming that a first nation's attempt to protect a sacred site was deemed as expropriatory. There are sufficient concerns out there to warrant a serious look at whether there is a section 35 infringement under this agreement.

A Department of Justice lawyer is currently before the court because he has indicated that the government has failed in its duty to review policy and legislation to determine if there is a section 35 infringement. The lawyer has indicated that sometimes, when the advice has been that there is an almost 95% certainty that there is an infringement, the department continues to move ahead.

Given some legal concerns that have been raised, it is incumbent on the government to ensure that section 35 rights are not being infringed.

Mr. Peter Julian (Burnaby—New Westminster, NDP): Mr. Speaker, one of the characteristics of what is such a badly botched series of policy decisions by the government is that legal lawsuits ensue. The agreements that are put forward are badly negotiated and often have huge ramifications. There is no consultation with the public. The government even refuses, with an agreement with this kind of immense ramifications for the whole country and for communities, to bring it to committee.

Does the member fear that we will be looking at even more potential lawsuits over the complete lack of consultation by the government yet again? Also, what are the ramifications for lawsuits if we put in these investor state conditions that allow for secret arbitration, where lawyers basically decide how much money the taxpayers cough up?

Ms. Jean Crowder: Mr. Speaker, it is a sad comment when first nations are forced to the court as their only recourse to have their voices heard.

In this case, Hupacasath has filed an injunction to stop ratification of the FIPA at the Federal Court level. This injunction is being supported by the Union of B.C. Indian Chiefs and the Chiefs of Ontario and the Serpentine River First Nations in Ontario.

In other omnibus legislation that was before the court, one of the first nations had filed an injunction to prevent the government from moving forward on the sections around navigable waters and some other changes that would directly impact on first nations.

In the case I cited earlier, the U.S. Department of Justice worked with first nations from Canada around a mining company's claim, and here we have the federal government continuing to not fulfill the honour of the Crown, its fiduciary responsibility for first nations, forcing first nations into court to stop the moving forward of agreements that could potentially impact on section 35 rights.

Mr. Chungsen Leung (Parliamentary Secretary for Multiculturalism, CPC): Mr. Speaker, what a pleasure it is to stand in the House and speak to international trade. My speech will be broken into two parts. The first part has to do with some of our trade accomplishments. Then the second part will be more specifically addressed to our FIPA with China.

Our government's top priority is creating jobs, growth and long-term prosperity in every region of Canada. That is why we are working hard to open new markets to increase Canadian exports to the world's largest, most dynamic and fastest-growing economies. Since 2006, our government has consistently opposed protectionist measures around the world and has stood up for free and open trade, showing leadership on the world stage in what was, and continues to be, a challenging period for the global economy. Canada has proven resilient through these tough global economic times.

Business of Supply

Today, Canada is further ahead than any other G7 country when it comes to creating jobs and economic growth and further ahead than any other when it comes to our debt to GDP ratio. At the same time, Canada is just one of a handful of nations in the world with a Triple A credit rating. We proudly lay claim to having the safest banking system in the world for five years, according to the World Economic Forum. Overall, Canada boasts the best fiscal position of the G7 countries and the best fiscal prospects in the G20.

It is not without good reasons that *Forbes* magazine has opined that Canada is the best country to do business in the G20, and the Economist Intelligence Unit has declared Canada to be the best place in the world to do business in over the next five years.

Before I delve into our trade and investment relationship with China, I will take a few moments to recap some of our government's accomplishments in promoting the interests of hard-working Canadians internationally over this past year.

Canada joined the Trans-Pacific Partnership and participated in the first full round of negotiations. The TPP is a significant opportunity to not only serve as the central pathway for economic integration in the Asia-Pacific region, but is designed to be expanded to include other countries. In fact, it is hoped that the TPP will act as the catalyst to reinvigorate the Doha round of the WTO. Once completed, the TPP will not only strengthen Canada's effort to broaden and deepen its trade relationships with dynamic and fast-growing Asia-Pacific markets, but it will also reaffirm and invigorate our traditional partnership in the Americas.

We launched the first round of negotiations with Japan for an economic partnership agreement. Japan is the world's third largest economy and a key trade and investment partner for Canada.

Furthermore, we announced exploratory discussions for a bilateral free trade agreement with Thailand and achieved observer status with the Pacific Alliance which is a group of four fast-growing Pacific countries in Latin America.

We saw the entering into force of the Canada-Jordan free trade agreement and royal assent given to the Canada-Panama Economic Growth and Prosperity Act, which came into force on April 1. This builds on other free trade agreements our government has signed in the Americas, including with Peru, Honduras and Colombia, all agreements the New Democrats have opposed. In fact, the NDP trade critic, the member for Vancouver Kingsway, argued against a free trade agreement with Colombia because "the trade unions do not want it".

Our government has also placed an emphasis on the importance of promoting international education. An advisory panel of eminent Canadians provided recommendations to help guide Canada's international education strategy. International students contribute over \$8 billion to the Canadian economy and \$445 million to government tax revenues each year, supporting more than 86,000 jobs.

We completed the fifth year of the five-year global commerce strategy, the launching of a cross-country consultation and the naming of an advisory panel to help shape the next phase of the strategy.

We established a record number of trade missions to advance Canada's commercial interests abroad, including to India, China, Saudi Arabia, Jordan, Thailand, Cambodia, the Philippines, Russia and Libya, and the Minister of International Trade conducted a historic trade mission to Burma just this past spring.

In North America, we signed a two-year extension to the Canada-United States softwood lumber agreement that would secure access to the U.S. market for Canada's softwood lumber until 2015. This means continued predictability for Canadian softwood lumber exporters and the hard-working forestry workers who depend on the industry for their livelihoods.

● (1220)

We continue to make ongoing progress in implementing the Beyond the Border and Regulatory Cooperation Council action plans to improve the flow of people and goods between Canada and the United States and laying the foundation for more jobs and growth in both countries.

While I am discussing our partnership with the United States, I would be remiss if I did not remark upon our celebration of the 25th anniversary of the Canada-U.S. free trade agreement. Since the coming into force of the agreement, Canada's annual GDP has risen by \$1.1 trillion. Nearly 4.6 million jobs have been created in Canada and two-way trade in goods of services with the United States has more than tripled.

Now we all know that the NDP opposed this agreement from day one. Even today, despite the NDP leader's attempt to whitewash his party's socialist history, page 18 of the NDP policy book states, "New Democrats believe in...Renegotiating North American Free Trade Agreement".

Any party that would threaten the economic well-being of Canadians with such a reckless proposal simply cannot be trusted. The fact is that last year our two-way trade in goods and services with the United States exceeded \$742 billion. That is nearly \$2 billion a day or almost \$1.4 million every minute of the day. These numbers are not simply statistics. They represent some 2.4 million Canadian jobs that the NDP would simply throw away. Therefore, the NDP's anti-trade credentials are well established.

Our government's leadership in resisting protectionist measures and continuing to create new opportunities for our exporters has been key to Canada's success. Thanks to our actions, Canada's workers, businesses and exporters, including small and medium-sized enterprises that form the backbone of our economy, now have preferred access to, and a real competitive edge in, more high-growth and emerging markets around the world than any other economy in our history.

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In less than six years, our government has concluded free trade agreements with nine countries: Colombia, Honduras, Jordan, Panama, Peru and the European Free Trade Association member states of Iceland, Liechtenstein, Norway and Switzerland. As I mentioned, Canada is also engaged in negotiating with large, dynamic and fast-growing markets, including the European Union, India, Japan and the countries that comprise the Trans-Pacific Partnership.

I will now focus on one aspect of our trade strategy, and that is our engagement with China, of which I speak with a little experience. I first started doing business in China in 1982. My business experience in China has been exporting mass-transit equipment, engineering services, agriculture and fisheries products to the Chinese businesses.

The simple fact is that our government is providing Canadian businesses with the tools they need to invest with confidence in China. Conversely, China is rapidly expanding its middle class and consumer base. Its population of 1.4 billion offers an enormous market to Canada's exporters. It is soon to be the world's largest economy.

Before I discuss the important part the foreign investment promotion and protection agreement plays in our trade and investment relationship with China, I would like to remark upon the importance of the people-to-people ties between our two countries, which is supported by more than 1.4 million Chinese Canadians residing in Canada. Our continued success in applying trade and investment as the twin engines of economic growth will rest upon these ties. Fundamentally, it is the strong people-to-people links that are helping us take our relationship to the next level.

In my remarks so far, I have emphasized that our Conservative government is committed to creating the right conditions for Canadian businesses to compete globally. Canada's foreign investment promotion and protection agreement with China, the world's second-largest economy, will provide stronger protection for Canadians investing in China and create jobs and economic growth right here at home.

At its core, the agreement establishes a clear set of rules under which investments are made and under which investment disputes are resolved. For Canadian businesses looking to set up in China, they cannot be treated less favourably than any other international company looking to do the same. Once an investment is made, a Canadian business cannot be treated less favourably than any other business.

The agreement also ensures that all investment disputes are resolved under international arbitration. This is an important part of the agreement as it ensures that adjudications are independent and fair. Thanks to this FIPA, Canadian investors in China will no longer have to rely on the Chinese legal system to have their disputes resolved. I also have experience in resolving disputes in China.

• (1225)

It is also crucial to note that ours is the first bilateral investment agreement that China has signed that expressly includes language on transparency of dispute settlement proceedings. Our government has repeatedly made it clear that it is our long-standing policy that all

dispute resolutions should be open to the public and that submissions made by the parties be available to the public.

Let me clear. Under the agreement any decision emanating from the dispute resolution will be made public.

It is unfortunate that for months the NDP and its anti-trade allies have continued to spread myths about this agreement. Let me clear up a few misconceptions. First, Canada retains the ability to regulate and legislate in areas such as the environment, culture, safety, health, and conservation. Furthermore, the agreement maintains Canada's ability to review foreign investments under the Investment Canada Act to ensure they provide a net benefit to Canadians and that our national security is not compromised. There is no doubt Chinese investors in Canada must obey all the laws and regulations of Canada just as any Canadian must.

Nor, as the NDP likes to pretend, is the agreement somehow unusual. Canada-China foreign investment promotion and protection agreement is a reciprocal agreement similar to the 24 other investment treaties Canada has signed with key trade investment partners. Canada is one of several countries, along with such countries as New Zealand, Germany, and the Netherlands which have all signed investment treaties with China, often on terms less favourable than the terms that Canada has negotiated with China.

This investment treaty will help protect the interests of Canadian investors. The primary purpose of the foreign investment promotion and protection agreement is to ensure that Canadian investors can invest in China with greater confidence, thereby spurring increased investment in China and creating jobs and economic growth right here at home. We have been very clear with the Chinese government that Canada wants to continue to expand its commercial relationship with China, but only in a way that produces clear benefits for both sides.

We are seeing these clear benefits to Canadians. Not only is China the world's second-largest economy, but it has recently become Canada's number two export market, second only to the United States.

In fact, Canadian goods exported to China rose 15% last year to over \$19 billion. Not only that, but Canada's exports to China have nearly doubled under our Conservative government. All this being said, it is unfortunate that the NDP and professional anti-trade activists have continued to spread such misconceptions about the importance of trade to the livelihood of Canadians and about this agreement in particular.

Thankfully, Canadian investors and exporters can count on our Conservative government to create conditions for them to compete, and win, in the global economy for decades to come.

• (1230)

Mr. Don Davies (Vancouver Kingsway, NDP): Mr. Speaker, I want to draw my hon. colleague's attention to whether or not this agreement really does achieve reciprocity for Canadian investors. I am going to refer to article 8 of the FIPA, section 2, where it specifically exempts the Most Favoured Nation treatment for Canadian companies operating in China and allows China to retain any existing non-conforming measures maintained within its territory.

Business of Supply

I know the member has some experience and knowledge about China. Would he not agree with me that China has many more non-conforming measures, it being a command economy, and it not having followed a trade liberalization trajectory like Canada has for 25 years? Would he not agree with me that, by allowing China to maintain its current non-conforming measures in the future, that subjects Canadians to far more trade barriers operating in China than Chinese firms operating in Canada, where Canada does not have nearly the same number of non-conforming measures that impact on investment?

Mr. Chungsen Leung: Mr. Speaker, that is absolutely not true. In the eighties when I was first doing business in China, we often had problems dealing with non-tariff barriers, Chinese standards on certain things, and Chinese methods of payment, but in the past 30 years, China has understood and recognized that it has to do business internationally and has to conform to international standards.

This trade agreement has, between nations, put in place the type of contract, the type of language of contract, the type of payment terms whether it is by letter of credit or by documenting its acceptance, the type of international quality control standards, and inspection standards that both parties have adhered to.

At the same time, it allows for mutually agreed upon accounting standards whereby we can work out issues having to do with foreign exchange, accounting standards, and finally it has mechanisms for dispute arbitration whether it be ICC or ICU. It is in total conformity, bringing China into an international standard of doing business.

•(1235)

Hon. Wayne Easter (Malpeque, Lib.): Mr. Speaker, I listened to the remarks of the member for Willowdale.

I know he has done a fair bit of business at a personal level in China, so he certainly has firsthand experience. I think he would realize that there is an imbalance under the FIPA in terms of Canadian investors in China versus Chinese investors in Canada, and the fact that there are a lot of state-owned enterprises in China.

I just cannot understand for the life of me how the member could support the government position that we not hold adequate hearings to find the trouble spots and to hear from businesses like his. Without those adequate hearings, we have one of two choices: to go forward with what is clearly a flawed agreement and has a lot of opposition across Canada, or to go with the NDP motion which would basically turf that agreement out and then we would have nothing. That is really no choice at all.

I would ask the member, on the one hand, why he would not support holding hearings and encourage his own government to do that, and on the other hand, specifically what the implications would be if we went ahead and just tossed the agreement out.

Mr. Chungsen Leung: Mr. Speaker, let me address a few points raised by the hon. member for Malpeque.

First, regarding the SOE, state-owned enterprises, I wish to clarify for you that when I first went to China to do business, and at that time I represented a crown corporation, the question that was asked of me was, “Mr. Leung, is your corporation owned by your province?”

I thought about the implication of that and I decided to answer, “Yes, it was a crown corporation.” You know, the response was—

The Acting Speaker (Mr. Barry Devolin): I would just remind the hon. parliamentary secretary and other members to address their comments to the Chair rather than to their colleagues.

Mr. Chungsen Leung: Mr. Speaker, I will address my comments through you.

The response from the Chinese government was, “I appreciate doing business with a state-owned enterprise because I know you will not run away from us.” That is the security that the Chinese are looking for. It is a different model of doing business.

Second, what I wish to address with the member for Malpeque is whether it would be of interest to his constituency if I could expand a market in China where they can export billions of tons of oysters and clams instead of a very small market. Why would we not open a market internationally that would allow that export, thereby improving the standard of living for his constituents?

Mr. Gerald Keddy (Parliamentary Secretary to the Minister of International Trade, for the Atlantic Canada Opportunities Agency and for the Atlantic Gateway, CPC): Mr. Speaker, I am sure that the member for Malpeque would be more than interested in exporting more oysters, lobster, and seafood to China in particular.

The hon. member, in his career before politics, did a lot of work in Asia, a lot of business in Asia and a lot of work particularly in China. In his earlier answer, he spoke a little about the need for a long-term vision, continuity, and the security of a regulatory regime. That is what the FIPA offers the Chinese.

What is the potential that we can generate from that, not just for business today but for tomorrow and in the future?

Mr. Chungsen Leung: Mr. Speaker, I realize that the member is from the fine Atlantic province of Nova Scotia, from which I also had the pleasure of exporting lots of capelin and lobster to the Far East.

•(1240)

Hon. Wayne Easter: Not as good as P.E.I.'s, though.

Mr. Chungsen Leung: Mr. Speaker, these are national agreements between two states.

If we look at Canada as being corporate Canada, the Conservatives are looking after the best interests of corporate Canada. We are ensuring that we want to do business for the long term to ensure that there is long-term prosperity for Canada as a nation. In order to do that we need to put in place the mechanism for us to resolve disputes, the mechanism for us to pay each other on time, and the mechanism for us to meet the same standards. These are the mechanisms we need to put in so that private businesses can get on with their own business.

When I was working in China in the early 1980s, these mechanisms did not exist. Every deal had to be negotiated individually, including 200 to 300 pages of contracts. Unfortunately, at that time China did not have the mirror image of the legislation.

Business of Supply

What we are putting in place gets both countries to a level playing field.

Mr. Jamie Nicholls (Vaudreuil—Soulanges, NDP): Mr. Speaker, let me get this right. My hon. friend has a problem with the opposition having its roots in democratic socialist and social democratic movements but has no problem with providing investor-safe protections for a communist government to come here and do business. I find that incredible.

When we look at the history of that government and its treatment of the Tibetan people and its weaker minorities, there are serious questions to be asked as to how it will conduct business here.

My question is more about the current government's treatment of its minorities, the first peoples of Canada, the first nations. In Canada we have a duty to consult under article 35 of the Constitution, which is protecting the honour of the Crown. The Supreme Court has ruled that the government must consult aboriginal peoples on actions that affect their rights. The FIPA will give Chinese companies operating on traditional first nations territories important new rights.

Why did the government not fulfill its duty to consult the first nations?

Mr. Chungsen Leung: Mr. Speaker, any company that works on Canadian soil will have to adhere to Canadian rights, regardless of whether they are environmental, labour, tax legislation, or exploration. This is precisely the reason we need to have an agreement whereby we have an understanding of how to do business with each other.

[*Translation*]

Ms. Annick Papillon (Québec, NDP): Mr. Speaker, I will be sharing my time with the hon. member for Surrey North.

As a member of the Standing Committee on International Trade, it is my duty to rise here today to debate an agreement that could have a significant impact on Canadians from coast to coast to coast.

On several occasions—at meetings of the Standing Committee on International Trade, here in the House as well as outside the House—the NDP asked the Conservative government to be transparent and hold a public debate before signing the foreign investment promotion and protection agreement, or FIPA, between Canada and China.

As per usual, however, the Conservative government preferred to do things in secret, under the radar, behind closed doors. The agreement itself has never been debated or examined by a committee. It has never even been voted on. China and Ottawa surreptitiously negotiated this FIPA, an agreement that gives Chinese state-owned enterprises unprecedented rights that are not even offered to Canadian enterprises, an agreement that undermines Canadian sovereignty and the constitutional authority of the provinces. To add insult to injury, the agreement will have a 31-year term and cannot be revoked.

The Canada-China FIPA is the biggest trade agreement since NAFTA. It gives Chinese state-owned enterprises the right to sue Canada for damages when decisions are made at the municipal, provincial or federal level that harm their investments.

Usually, Canada signs FIPAs with countries whose investors do not own major assets in Canada. However, that is not the case with China, and the growing weight of Chinese investments in Canada now has a political price. As a result of the Canada-China foreign investment promotion and protection agreement, Canadian taxpayers will now have to shoulder disproportionate obligations with regard to Chinese companies in exchange for protecting Canadian companies in China.

According to Gus Van Harten, a law professor at York University, the rights that this treaty grants to Chinese state-owned enterprises will affect provincial authority over natural resources, taxation and property rights.

By signing this treaty, Canada is abdicating part of its sovereignty to China and its enterprises, without really getting anything in return for Canadian companies in China. Why? The reason is that the treaty also consolidates the inequality that currently exists with regard to Canadian companies' ability to access the Chinese market. Under the Investment Canada Act, Canada is currently a relatively open and transparent market. However, the existing framework in China, particularly in strategic sectors, lacks transparency, is closed and is described in a very vague manner in the treaty. China will therefore benefit from a favourable environment for its investments in Canada, but the reverse is certainly not guaranteed. That is why we, on this side of the House, are concerned.

The \$15 billion takeover of the Canadian oil and gas company Nexen by Chinese energy giant CNOOC confirms the imbalance with regard to the two countries' respective investments. The consequences of the treaty go well beyond the oil sands. Chinese state-owned enterprises are also active in the mining sector, and they are looking at making investments in Quebec's Plan Nord. A Chinese company has already acquired a nickel mine in northern Quebec, and it will be protected by the treaty, as will all future investments.

Like all Canadian provinces, Quebec's ability to control its natural resources would be limited from this point on; and, yet again, it would happen without consultations between the province and the Conservative government.

We cannot accept the fact that a valid provincial policy—one that addresses a crucial environmental challenge and that is widely supported by the people—is being directly attacked with no real possibility of recourse.

● (1245)

The treaty does not prevent various levels of government from continuing to regulate environmental protection, health and public safety. However, if these regulations are detrimental to Chinese businesses, the companies can sue the governments and receive significant financial compensation—potentially in the billions of dollars.

In that context, it is probable that the provinces, municipalities and the federal government will be more reluctant to pass new regulations because they will want to avoid exposing themselves to costly lawsuits. This treaty will make passing new regulations less palatable.

Business of Supply

For example, we do not see how Canada would be able to regulate greenhouse gas emissions or strengthen oil sand regulations without affecting Chinese investments and possibly subjecting the country to lawsuits.

Setting aside the issue of jurisdiction for the moment, it would be completely fiscally irresponsible of the federal government to negotiate an agreement that requires it to take responsibility for measures taken by a provincial government.

A number of countries have faced catastrophic fines because of these treaties. The amount of money at stake has reached tens of billions of dollars—hundreds of billions, even—to the point where certain countries, such as Australia, have decided to take another look at whether investment protection agreements, which is what this is, are a good idea.

Finally, judging from the experience of other countries, the trade agreement between China and Canada may well undermine the development of Canada's clean energy technology sector.

It is inconceivable for a treaty that could have such a devastating effect on Canadian sovereignty, provincial jurisdictions and public rights to be passed with absolutely no democratic debate in Parliament and across the country. That is why we must stand firm against it. Canadians have not given this government a mandate to sell our sovereignty to China or to the highest bidder.

The NDP believes in the importance of our commitment to China and other emerging markets. We want clear rules that support investor confidence and that protect and promote Canada's interests. We want a trade policy that creates new business opportunities for Canadian companies and that promotes value-added industries, as well as high-quality jobs, while respecting labour law and environmental law.

Unfortunately, on a number of occasions, this government signed agreements based on nothing more than a radical right-wing ideology and a hands-off approach that simply does not work.

We in the NDP feel that Canada should have a robust trade policy, with good partners, in order to reflect Canada's commitment to responsible and environmentally sound economic development that respects all stakeholders.

Let us be clear. We are in favour of trade, but trade that is fair, effective and beneficial for both sides. That is the key.

This is not about signing free trade agreements with anyone, at any time, under any circumstances, time and time again, the way things are being done right now. No, this is about paying attention, taking these agreements very seriously and taking the time to listen to every voice across the country in order to have a clear vision, to think about all the things that could go wrong and to really be predictable. Now, that would be a responsible approach.

To conclude, the Conservatives must be clear with the Government of China and with all Canadians by stating that they will not ratify the agreement being negotiated right now. Canada's trade and investment relationship with China is far too important to make mistakes.

● (1250)

Mr. Jamie Nicholls (Vaudreuil—Soulanges, NDP): Mr. Speaker, a few minutes ago I asked a government member a question about the first nations. I would like to ask my colleague that same question.

Does the member think there are provisions in the FIPA to protect first nations' rights, and does she not find it disturbing that the rights of the first nations are not being protected?

Ms. Annick Papillon: Mr. Speaker, I thank my hon. colleague for his question.

As Canadians now know, the NDP clearly supports the first nations and understands that their rights must be protected. It is very regrettable that we are the only ones.

We think it is clear that an agreement can only happen with the involvement of all levels of government and the first nations. Once again, with this agreement, the government has not listened to people and has not listened to the first nations. That is shameful.

The Conservative government should be ashamed of its attitude. It makes no sense not to listen to anyone when negotiating free trade agreements.

[*English*]

Hon. Wayne Easter (Malpeque, Lib.): Mr. Speaker, I know the member for Quebec is a fairly hard-working member of the trade committee and does good research on the various issues we have to deal with at the trade committee. However, I have to ask her a question. It is part of the debate here and I have been saying this on pretty much every topic, that Parliament is not working. It is not working because members are not allowed to speak up and committees are not allowed to do their work. If a member moves a motion for a hearing, it is shoved to an in camera session by Conservative members. In other words, it is in secret. Then somehow the motion gets voted down—we cannot talk about what happens in secret—and no hearings are done.

Maybe the member could relate to you, Mr. Speaker, her experience on the trade committee when both the NDP and Liberals have tried to have this issue discussed and witnesses brought in on the impact that this Canada-China FIPA might have on them. I wonder if she could relate her thoughts on that matter and how this place is working or not working?

● (1255)

[*Translation*]

Ms. Annick Papillon: Mr. Speaker, I will respond quickly.

I obviously agree with my colleague about the way things are done on the Standing Committee on International Trade. We are not listened to and we are not heard. All of the serious decisions are made in camera. I very much understand what my colleague just said.

Business of Supply

[English]

Mr. Nathan Cullen (Skeena—Bulkley Valley, NDP): Mr. Speaker, I have a question on the public consultation, or utter lack of consultation, over such a fundamental trade relationship. It is an agreement that could have effects right across the Canadian economy and Canadian societies everywhere, among first nations and all across the board.

How can a government that I remember running on the idea of accountability and transparency—after the problems the Liberal governments had with Gomery and what not—put forward such a significant trade deal that could impact Canadian resources, Canadian jobs and Canadian sovereignty, without any public meetings or public consultation whatsoever? How can it expect Canadians to simply blindly agree that this must be good because this particular prime minister says so?

[Translation]

Ms. Annick Papillon: Mr. Speaker, indeed, public consultation is key to democracy. The message the government is sending by not holding consultations is that once elected, it no longer has to listen to a word Canadians have to say or to what experts think even though they know a lot more than we do.

Let us call a spade a spade. There are people in our country with a tremendous amount of expertise, and we are lucky to have them. The least we can do is listen to them when they have something to say, when they ask to be heard. They can contribute ideas about things we have not yet thought of or read about. They are ahead of the curve. They know precisely what the consequences of this will be in 10 or 50 years. They know where we will end up with this and the impact of including such and such a clause in a free trade agreement.

When the government does not consult or listen to experts, it is putting Canadian democracy in jeopardy. I can understand why Canadians are concerned.

[English]

Mr. Jasbir Sandhu (Surrey North, NDP): Mr. Speaker, it is an honour to speak to the Canada-China foreign investment promotion and protection agreement on behalf of my constituents in Surrey North.

As the official opposition, the NDP was very concerned about this agreement, particularly about how it was formed, the silence surrounding the agreement and the potential destruction it could cause to Canadian businesses and Canadians. I support the motion presented in the House by my hon. colleague from Vancouver Kingsway. The government should not ratify the Canada-China FIPA, and it should properly inform the government of the People's Republic of China that it has no intention of doing so.

FIPA is a bilateral agreement with China, a major investor in Canada. It is not a free trade agreement. It was signed on September 9, 2012; however, the deal was kept secret until September 26, when it was tabled in Parliament. The agreement was not debated by Parliament; it was not considered by the committee and the international trade committee, of which I am a member; nor was it voted on in any votes in the House. Although it has been available for ratification since November 1, 2012, the Conservative government has not yet officially committed to this treaty. If the

government believes that the agreement is so strong, why is it taking so long to ratify it? Perhaps it is because the Conservative government also knows how damaging it could be for Canadians, Canadian business and the Canadian economy.

As Canadians, we are proud of our country's rich supply of natural resources. The trade of these resources would benefit our economy enormously, and China is an ideal partner for those resources. China has an expanding economy due to its growing middle class. Consequently, it requires increased imports of oil, lumber, food, technology, agricultural goods and other basic necessities. Canada has the means to meet this demand; therefore Canada and China would be complementary trading partners and we would want to pursue a fair deal with China.

However, the Canada-China FIPA deal, in its current state as signed by the government, has not given Canada a fair share. This is not unprecedented, because we are resource-rich and we are in a position to be a major exporting country, yet time and time again, we see trade deals signed by the government that set us up to be exploited.

Foremost, the Canada-China foreign investment promotion and protection agreement is poorly named. It offers neither promotion nor protection of Canadian trade interests in China. It is biased toward China and Chinese companies. It does not present Canadian companies with the same privileges in the Chinese markets as Chinese companies have in China, nor as they have in Canada. We want to see a growth of Canadian companies in China, but we need a level playing field for our businesses as they expand into global markets. Canadian companies deserve the same promotions and protections that Chinese companies receive in Canada. This is not what the current Canada-China FIPA offers.

Not only does this treaty expose Canadian businesses to risk; it plays with the future of Canadian taxpayers. The Canada-China FIPA includes investor state dispute mechanisms designed to allow Chinese companies to literally sue Canada if they do not agree with our federal regulations. These court processes are located completely outside of legal jurisdiction and rely on Canadian taxpayers funding them. This is not a contingency issue. Canada has already experienced similar problems through NAFTA treaty tribunal bodies; we have been sued numerous times by American companies and we have never won a case. Furthermore, Chinese companies already have a track record of using the investor state mechanism to challenge regulations of trading partners.

I do not understand why the Conservative government would expose Canadians to such risk when there is a clear record of arbitration. Perhaps the government is also ignoring its most important resource: its Canadian citizens.

Business of Supply

•(1300)

As a government that claims to be fiscally accountable and competent in trade, why are the Conservatives trying to undermine Canada's potential? Perhaps they do not understand the worth of our resources and how valuable we are as a trade partner. Perhaps they do not see the potential in Canadian companies. This ignorance does not prove them fiscally capable, and the enormous trade deficit speaks to the lack of credibility in exchange agreements.

In fact, under the current government, Canadians have seen our trade deficit grow over the last number of years. In 2012 alone, Canada had a current account deficit of \$67 billion, which is an \$85 billion drop from an \$18 billion surplus in 2006, the first year the Conservative government came into power. That is the government's record. It has been reckless. It has shown its incompetence when it comes to negotiating trade agreements, and it has shown its incompetence if we look at our trade deficit over the years. Under the current government, we have had the largest trade deficit ever in Canadian history. Yet, the Conservatives call themselves fiscally competent and want to expand trade.

We need trade, a fair trade, where Canadian interests are also put forward by the government. That has not happened under the Conservatives.

In addition to the growing current account deficit, the manufacturing deficit has nearly quadrupled since 2006, to just over \$100 billion. Good paying jobs have disappeared under the current government.

The manufacturing deficit creates a bigger problem because we are importing more finished goods from outside this country, rather than manufacturing those goods in this country; so we can see we are not exporting as many finished goods as we could be, under the Conservative government.

Stacked up against 18 of the most comparable trading nations, including the U.S. and Australia, Canada is at the bottom of the list when it comes to trade performance.

If Canada has resources and ideal trading partners, why is the deficit growing? It is due to mismanagement of trade by the inept government agreeing to deficient treaties such as FIPA with China and Canada.

The government has chosen to undermine democracy through its lack of parliamentary procedures in creating the Canada-China FIPA. It has chosen to benefit Chinese corporations rather than supporting Canadian businesses, and it has chosen to expose Canadian taxpayers to huge liabilities in potential legal arguments through trade tribunals.

The Canada-China trade relationship should be the foundation upon which our future agreements are built. Canada has an opportunity to create a trade deal with China that is mutually beneficial to both nations. We should be establishing an agreement with elements of communication and co-operation between our two countries because trade deals are not just about trade anymore. They present unique opportunities for the collaborative sharing of education and culture, among many other things.

We need to inform China about our intentions because we value that country as a trading partner. We must treat China with courtesy and we must pursue a trade relationship that is respectful both of China and of our own country.

We want bilateral trade agreements like FIPA to be designed to actually serve Canadians and close the embarrassingly large deficit that, under the current government, we have created. We want them to reflect the value we place on Canadian citizens, Canadian businesses and the Canadian economy. FIPA, as it currently stands, is unratifiable, both in spirit and in content.

•(1305)

Mr. Kevin Lamoureux (Winnipeg North, Lib.): Mr. Speaker, it is interesting that, when the Conservative government thinks of trade, surplus versus deficit, it figures the best way to deal with it is to come up with trade agreements.

The NDP members have the sense that trade agreements are a bad thing. Even though the member made reference to trade agreements, if the truth be known, NDP members have never stood in their places and voted in favour of a trade agreement.

The Conservatives need to recognize that trade agreements are good, but they also need to do a little extra beyond just signing an agreement. The example I used earlier was China. The current Prime Minister goes to China and brings back a couple of panda bears.

When former Prime Minister Jean Chrétien went to China, he brought a trade mission with him and literally brought back hundreds of millions of dollars. Trade agreements and active trade missions provide thousands of jobs and opportunities for Canadians and businesses.

Would the member not agree that trade missions are critically important—

The Acting Speaker (Mr. Barry Devolin): The hon. member for Surrey North.

Mr. Jasbir Sandhu: Mr. Speaker, before I answer the question, let me state in this House that I am very disappointed in the Liberal Party. Not only do the Liberals actually campaign on NDP policy, but when they form a government, they do what the Conservatives are doing.

We have an excellent opportunity for the Liberals to stand with the official opposition, to stand for Canadians on this issue, but they will be voting against this motion presented by the member for Vancouver Kingsway. I am very disappointed in the way the Liberals are behaving.

In regard to this question, it is absolutely true. We should be pursuing a fair, equitable trade with China.

Hon. Rob Merrifield (Yellowhead, CPC): Mr. Speaker, I listened intently to my hon. colleague, who is a member of the trade committee, and I listen to him quite often at trade committee. His position on this issue and the position of the NDP is really quite astounding.

Business of Supply

The position of the New Democrats on trade is really quite anti-trade, but when it comes to China, they are prepared to go against an agreement that would actually protect Canada's interests in China and not compromise Canada's interests. How they bend and twist it is really ideological.

When it comes to our colleagues in the Liberal Party, they too have an interesting perspective when it comes to trade. The Liberals seem to want to subsidize China. China can get along very well without subsidies, thanks very much, when it comes to taking them off the list with regard to tariff compromise.

Getting back to the issue at hand, I ask my hon. colleague a question with regard to his comments. When we have signed 24 of these agreements with other countries around the world and when we are actually doing more trade with China than ever before—in fact, 24% more just in forestry alone in the last few years—why is it so wrong to have a deal with China that we have signed with 24 other countries when it is okay with these other 24 countries?

• (1310)

Mr. Jasbir Sandhu: Mr. Speaker, I thank my colleague, the chair of the international trade committee, for his question.

The trade record is very clear. Conservatives will try to twist this around that somehow it is the fault of the official opposition that they have created the largest deficit in our history. It is under their stewardship.

The NDP has always fought for a fair trade deal for Canadians, and we will continue to stand up for Canadians to make sure the trade agreements the government is signing are not only brought into this House, as we are doing with this FIPA, but are available for Canadians to see for themselves.

This is not the same template as we have been using previously. This template is different, and it is under this government that our businesses and Canadian taxpayers are being sold out.

Hon. Ron Cannan (Kelowna—Lake Country, CPC): Mr. Speaker, it is an honour to rise this afternoon to join my colleagues in the House to speak on this very important issue. It is a matter of great importance not only to the constituents of Kelowna—Lake Country but to all Canadians and Canadian businesses, specifically those that are looking to do business or are doing business in China at the present time.

Our government understands the importance of trade to our economy. It represents one in five jobs in Canada and accounts for nearly 65% of our country's annual income. That is why our government is moving forward with the most ambitious pro-trade plan in our country's history. It is a plan that is opening new markets for Canadian exporters, including in the fast-growing Asia-Pacific region. We are committed to expanding commercial relations in the region and deepening and strengthening ties that will create jobs and prosperity for hard-working Canadians here at home from coast to coast.

The opportunities for Canadian exporters in the Asia-Pacific are tremendous. Countries in the region include those with economic growth rates at an impressive two to three times the global average. In the past few years, our government has been aggressively expanding commercial relations with the Asia-Pacific region to

create jobs and economic benefits here at home. Our efforts are yielding results. We are maximizing opportunities for entrepreneurs through innovative trade, investment, air transport, and science and technology agreements.

I would like to take a few moments to review a few of the steps our government has taken to create new opportunities for Canadian exporters in these fast-growing and dynamic markets.

In November of last year, the chair and members of the international trade committee visited Japan. We are advancing free trade negotiations with Japan. It is the world's third-largest economy. We are commencing exploratory discussions towards trade negotiations with Thailand and are adopting the joint declaration on trade and investment with the Association of Southeast Asian Nations to increase Canada's trade and investment ties in the region. We are signing air transport agreements with six Asia-Pacific countries and are joining the Trans-Pacific Partnership negotiations.

If anybody has any doubts, they can check the schedule of the Minister of International Trade. The gentleman is incredibly busy travelling the world and opening doors to help Canadian markets expand and create opportunities for all Canadians, from coast to coast. It is a very exciting time.

These efforts, along with establishing numerous additional trade offices in the region, are generating real results. Our efforts to deepen Canada's trade and investment ties in the fast-growing Asia-Pacific region are further bolstered by our government's strategic investments and partnership in building the Asia-Pacific gateway. These investments are positioning Canada as the gateway of choice between Asia and North America. In fact, Canada's west coast ports are more than two days closer to Asian markets than any other ports in North America.

For those in the House who are not aware, Prince Rupert is booming. I was there several years back when the cranes were installed. It was an incredibly exciting day for the community of Prince Rupert. It has been growing by leaps and bounds.

In November, I participated in a pilot project announcement with the Minister of International Trade and the United States government and border security on both sides. President Obama and Prime Minister Harper are working on the regulatory reform. To help—

• (1315)

The Acting Speaker (Mr. Barry Devolin): I would again remind all hon. members not to reference other members by their names.

Hon. Ron Cannan: Mr. Speaker, the Prime Minister and President Obama worked together on regulatory reform to find ways to move goods and services efficiently across not only our borders but around the world. These investments are positioning Canada as the gateway of choice between Asia and North America. Canada's west coast ports are more than two days closer, so it is helping to expand that market.

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Since 2006, our government has invested \$1.4 billion in Asia-Pacific gateway infrastructure projects, an amount that has been leveraged to almost \$4 billion with the participation of provincial and municipal governments and the private sector. It is a true partnership. A total of almost 50 projects have been supported, creating jobs and economic growth in local communities, while easing the movement of goods, services and people to and from the fast-growing Asia-Pacific economies.

As a result of these strategic investments and partnerships, Canadian exports to the Asia-Pacific region have reached record levels. These investments are also generating new business opportunities, improving the flow of traffic, enhancing the efficiency of the transportation system, attracting investments and contributing to Canada's global competitiveness.

In what remain globally challenging economic times, more must be done to improve the flow of Canada's much sought after commodities, from oil and gas to potash, lumber and coal, through our west coast.

Our government will continue to build on this competitive advantage. These are just a few examples of how our government is promoting the interests of Canada's exporters.

Ultimately, to capture new opportunities in these dynamic markets, our government is creating the right conditions for Canadian businesses and exporters to compete and succeed internationally. The principle is quite simple. Government does not create the business. What it does is set the framework to make it more convenient, efficient and stable for businesses. They like the elements of stability and certainty within the agreements and will move forward and invest. Consequently, an important part of the equation is ensuring that not only two-way trade but also investment between Canada and other countries can take place in a stable and secure manner. That is why Canada has over 24 foreign investment promotion and protection agreements with key trade and investment partners, including China, the world's second-largest economy.

I would be remiss if I did not highlight the fact that not only is China the world's second-largest economy, but it recently became Canada's number two export market, second only to the United States. Canadian goods exports to China rose 15% last year to over \$19 billion. Not only that, but Canada's exports to China have nearly doubled under our Conservative government.

I am not one of the most partisan members of Parliament in this House. I have been on the international trade committee. I have worked together with all colleagues in the House. It is unfortunate that despite all these successes, the NDP continues to fearmonger and spread myths about our trade agreements in general, this foreign investment protection agreement, and trade overall and how important it is for Canadians. This should not be a surprise to many Canadians. After all, it is the same NDP that opposed the Auto Pact and the historic North American Free Trade Agreement, otherwise known as NAFTA, and whose member for the B.C. Southern Interior recently argued that trade agreements "threaten the very existence of our nation". It is the same party that stood in this House to oppose trade agreements with countries as diverse as Panama, Colombia, Israel, Chile, Costa Rica, Norway, Switzerland and even Liechtenstein.

Page 18 of the NDP policy book today states that the "New Democrats believe in...[r]enegotiating the North American Free Trade Agreement".

In my community of Kelowna—Lake Country, NAFTA has been an incredible success for the wine industry in British Columbia as well as in Ontario, Nova Scotia and across Canada. It has been a great success, and the NDP wants to renegotiate it. I just cannot imagine that. Last year, our two-way trade in goods and services with the United States exceeded \$742 billion. That is nearly \$2 billion a day, or almost \$1.4 million every single minute.

The chair of the international trade committee, Senator Andreychuk, and I had the opportunity last week to be in Washington to meet with new members of Congress and to inform them of that importance. Many of them were not aware of the one in five jobs, 20% of the GDP and the \$2 billion a day in trade. It is a great success story, and we need to continue to be proud of it, not go down to the United States and tell them how bad we are here in Canada. We are in this together. It is the best partnership and the two most integrated economies in the world. We want it to continue to grow. These numbers are not simply sterile statistics. They represent some 2.4 million Canadian jobs, jobs that the NDP would jeopardize if it had its way.

• (1320)

The NDP's anti-trade credentials are well established. In particular, I would like to take a moment to dispel the many inaccuracies the NDP and its anti-trade allies have been spreading about Canada's foreign investment promotion and protection agreement with China.

Our Conservative government is committed to creating the right conditions for Canadian businesses to compete globally. Ultimately, Canada's foreign investment promotion and protection agreement, otherwise known as FIPA, with China, the world's second-largest economy, will provide stronger protection for Canadians investing in China and will create jobs and economic growth right here at home. It is an agreement that establishes a clear set of rules under which investments are made and under which investment disputes are resolved. For Canadian businesses looking to set up in China, they cannot be treated less favourably than any other foreign company looking to do the same. Once an investment is made, Canadian businesses cannot be treated less favourably than any other businesses, including Chinese businesses. Importantly, the agreement protects investors from government expropriation, except under strict conditions, and even then only with appropriate compensation. That is only fair. We treat others as we would want to be treated.

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This FIPA would also ensure that all investment disputes are resolved under international arbitration, ensuring that adjudications are independent and fair. It would remove some of the challenges of culture, language, etcetera. Canadian investors in China will no longer have to rely on the Chinese legal system to have their disputes resolved. As David Fung of the Canada China Business Council said, “Without this agreement, Chinese investments in Canada would receive the protection of the well-developed Canadian judicial system but Canadian investments in China would have to live with the uncertainties of a developing Chinese judiciary”. Very simply put, Chinese investors in Canada have the protection of the rule of law. All we are asking now, with this agreement, is that our Canadian investors be given the same benefit in China that investors from China have been experiencing all along. We are leveling the playing field to help Canadian businesses.

I would also like to emphasize that ours is the first such agreement China has signed that specifically includes language on the transparency of dispute settlement proceedings. There has been lots of discussion about that today. This is the most transparent agreement that has been signed between China and any country, and that obviously speaks volumes about the negotiation skills of our senior public trade officials and trade commissions.

This has been said many times in the House, but allow me to repeat it: It is Canada's long-standing policy that all dispute resolution should be open to the public and that submissions made by the parties be available to the public. Under this FIPA, any decisions of a dispute resolution panel will be made public, period. It is that simple.

As I mentioned earlier, the NDP and its special interest allies have gone to great lengths in the past and today in the House to spread misinformation about this agreement. Let me categorically state what the agreement does not do. First, the agreement does not hinder Canada's ability to regulate and legislate in areas such as the environment, culture, safety, health and conservation. On top of that, provisions in the agreement will preserve Canada's current ability to review foreign investments under the Investment Canada Act to ensure that they provide a net benefit to Canadians and that our national security is not compromised. Let there be no doubt that under this treaty, Chinese investors in Canada must obey all the laws and regulations of Canada, just as any Canadian must.

In short, the Canada-China foreign investment promotion and protection agreement is similar to other investment treaties Canada has signed with key trade and investment partners. We join countries such as New Zealand, Germany, the Netherlands and Japan that have all signed investment treaties with China on terms that are similar to, or in many cases less favourable than, the terms Canada has been able to negotiate with China. Once again, I give full marks to our senior public servants and the trade commissions negotiating this very good FIPA.

Ultimately, this investment treaty will help protect the interests of Canadian investors. The key purpose of the foreign investment promotion and protection agreement is to ensure that Canadian investors can invest in China with greater confidence, spurring increased investment in China and creating jobs and economic growth for hard-working Canadians. I do not know how many times I can say it, but we want to have a rules-based system for Canadian

investors in China, just like Chinese investors have had in Canada for a number of years.

This investment agreement is just one example of how our government is promoting the interests of Canadians and is working to create new opportunities for Canadian exporters in China. The potential for increased Canadian investment in China is significant, given that China is expected to become the world's largest economy by 2020. My hon. colleague from Vancouver Kingsway mentioned that earlier in his comments. We will have great opportunities in the years ahead. The Chinese economy can and will benefit greatly from Canadian innovation expertise.

● (1325)

China is home to an expanding middle-class consumer base, and it has a burgeoning science, technology and innovation sector that needs Canadian expertise. Further boosting the Canada-China partnership is the fact that we are joined by the ties of family. More than 1.4 million Chinese Canadians enrich every aspect of our country, including some members of our House. We are looking at all aspects of the country. We are enriching the arts, literature, science, business, politics and philanthropy. This reflects the strong people-to-people links that are helping us to take our relationship to the next level.

Therefore, it is very unfortunate that, in addition to pursuing their archaic anti-trade ideology, the New Democrats do not see the value in strengthening our relationship with China. For our part, the Government of Canada is working very hard to deepen relationships with dynamic, high-growth markets around the world. As I mentioned, the Minister of International Trade is working tirelessly to grow the markets around the world, but quite obviously China is not at the top of the list of the NDP.

We have been very clear with the Chinese government that Canada wants to continue to expand its commercial relationship with China, but only in a way that produces clear benefits for both sides, a win-win situation. By establishing this clear set of investment rules that provides greater protection against discriminatory and arbitrary practices, this agreement will give Canadians greater confidence as they consider whether to invest in China. As I mentioned, the stability and predictability are what members of the business community cry out for, and this is what we are providing with this agreement.

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In summary, the principle of the foreign investment promotion and protection agreement, or the Canada-China foreign investment protection agreement, or FIPA, is to ensure that Canadian investments in China are protected and that there is reciprocity so that Chinese investments in Canada are protected. As well, this is about giving Canadian companies investing in China the same rights and privileges as a Chinese company would have. This is about protecting Canadian foreign direct investment in China. We cannot do that without allowing those same rights and privileges to the Chinese. It is called “reciprocity”. It is called “fairness”. It is called “reasonable rules-based trading”. Rules-based trading is reasonable, in my mind, and it is fair, and I believe that all Canadians support fairness.

To alleviate some of the fearmongering from our NDP friends across the way, this treaty in no way impedes Canada's ability to regulate and legislate in such areas as the environment, culture, safety, health and conservation, which is another thing that needs to be clarified. I am concerned about the environment just as much as anybody in the House. I have three daughters and two grandsons, a one-year-old and a six-year-old, and I care about their future. I care about jobs and the opportunities they will have. This agreement provides that certainty for businesses.

Because of the diverse composition of the exports to China, this agreement affects people from all regions of Canada. We all need to pay attention and support this agreement because overall it is a good opportunity to provide jobs for Canadian workers. It is a good agreement for all Canadians from coast to coast to coast.

Mr. Don Davies (Vancouver Kingsway, NDP): Mr. Speaker, my hon. colleague is entitled to his own opinions, but he is not entitled to his own facts. The truth is that article 33 of this FIPA does provide a compromised and weak provision in Canada's ability to protect the environment.

However, what is very interesting about this is that my hon. colleague keeps talking about reciprocity. We have just entered into an agreement with China, a country that has a judicial system that is so unreliable and weak that he uses that fact as a justification for having an investor state dispute mechanism. In other words, Canadian companies cannot trust the Chinese judicial system well enough with the law suits to enforce their rights in China. Yet, my hon. colleague then says that the Chinese will treat Canadian companies just like it treats its own. I have some news for my hon. colleague. China is a communist command economy. It does not have the same system or record in terms of treating businesses the same way Canada treats businesses in our country. It is not reciprocal when businesses go to China and can expect only the treatment given to other Chinese companies.

Could the member tell Canadian business people why the Conservatives have failed to achieve true reciprocity for Canadian businesses operating in China, whereas we have given Chinese companies much better treatment in our country?

• (1330)

Hon. Ron Cannan: Mr. Speaker, I enjoy working with my hon. colleague on the committee. We grew up in the same city of Edmonton and I know that he has a law degree and is very familiar with these contracts and knows the importance of working together.

There have been about 18 years of negotiating going back and forth, so this agreement did not happen overnight. The rules and disciplines established by the FIPA are reciprocal and they apply equally to both parties. That is a fact, that at the present time and likely in the future Chinese investment in Canada is and will continue to be greater than Canadian investment in China. Therefore, it is important that the treaty establishes, as I said, the stable predictable investment environment in China for Canadians.

The bigger question is this. My hon. colleague has been talking about supporting the fact of helping out China. I do not understand. Is he saying that it is better for Canada to continue to expect taxpayers to fund foreign aid to China, the second-largest economy in the world?

Hon. Wayne Easter (Malpeque, Lib.): Mr. Speaker, I agree with the member for Kelowna—Lake Country on one point, and that is throwing out the FIPA is not the answer but we should fix the flaws.

The member said “our government” a number of times, so I think he would know the answer to the question I am about to ask.

One of the member's favourite witnesses, Mr. Van Harten, has indicated that Canada is responsible for any obligations under the international treaty. In other words, Canadian taxpayers would be responsible for decisions made at a provincial level that may be in violation of this agreement. Has the federal government given any undertakings to provinces, municipalities and first nations that it will in fact cover all financial liabilities arising from an arbitration or award that is triggered by a provincial, municipal or first nation decision? That is a serious issue.

We need to know that. We need to know the flaws and we need to know solutions to them. If a first nation, municipality or province makes a decision that is in violation and causes a liability to a business, is the Canadian government responsible for that? Has the member's government notified those jurisdictions of such?

Hon. Ron Cannan: Mr. Speaker, I thank my hon. colleague for his great work on the committee and working together on Canada-U.S. as well in the House.

That is why this foreign investment promotion and protection agreement is so important. It levels the playing field. It sets the certainty. If a provincial government makes a decision to change legislation, it has to ensure it is not negative toward a foreign investment. All Canadian investors are to be treated the same as foreign investors. If a NDP government decided to legislate a carbon tax that would affect all Canadians, which would be a bad decision, all businesses, whether foreign or Canadian, would be affected in the same way.

We have consulted with provinces along the way.

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Hon. Rob Merrifield (Yellowhead, CPC): Mr. Speaker, I listened to my hon. colleague and I listened to the comments of my colleagues across the way with regard to this FIPA, which really does protect and level the playing field between China and Canada.

It is interesting. When we were in Japan as a committee, and the last two colleagues who spoke were there, we asked Japan if it had a FIPA with China. Japan is China's largest trading partner, much larger than Canada, much larger than America. It said that it did not. We asked if it would sign a FIPA and it said it would love to, which would level the playing field and give protection for the Japanese in China and for Japanese investment. Has Japan been compromised with some of the investments in China? Yes, it has but it continues to work. Japan would love to have a FIPA that would allow it that protection that China has offered through this FIPA with Canada.

My hon. colleague was on the trip with us to Japan. Would he see this as a good thing not only for Canada but also for Japan?

• (1335)

Hon. Ron Cannan: Mr. Speaker, to answer the question from the hard-working chair of the trade committee, being in Japan was definitely a great learning experience. It was a second trip. Our sister city to Kelowna is Kasugai, so I have been there before. Seeing the great opportunities that Canadians will have because of this agreement, it would be easy to say that the Japanese are almost salivating over the fact that Canada has this agreement in place.

It is a great opportunity for the certainty and predictability for Canadian businesses. Jayson Myers, Canadian Manufacturers & Exporters executive director said:

These agreements strengthen Canada's position as a strategic partner for China, advance our commercial interests within the second largest market in the world, and promise to deliver enhanced access to China's market for Canadian exporters.

The Canadian Council of Chief Executives stated, "The Foreign Investment Promotion and Protection agreement (FIPA) will allow Canadian business leaders to invest with greater confidence".

Consequently, our negotiators, with Mr. Ian Burney, assistant deputy minister, are taking the lead on this. The fact is that we have a stronghold over other countries because we have this agreement in place. It is a great asset for all Canadians.

[Translation]

Mr. Marc-André Morin (Laurentides—Labelle, NDP): Mr. Speaker, I find it somewhat cynical of my colleague to use Chinese Canadians as an example.

Every Chinese Canadian I know loves their adopted country and their homeland. I would point out to my colleague that those people fled a corrupt totalitarian communist regime whose economy is controlled to the nth degree. They came to Canada because it made sense.

Now they see that China could end up exerting the same type of control over our Canadian economy through protectionist measures that do not work.

[English]

Hon. Ron Cannan: Mr. Speaker, unfortunately my colleague from across the way does not understand what rules-based trading provides.

I do not condone the actions of a communist government, but we need to realize that it is the second largest economy in the world and it is growing exponentially. Therefore, we need to have rules in place so there is fairness.

The fact that we have an international arbitration process in place will help Canadian businesses rather than have every Canadian business hire a lawyer and have an agreement set up for every situation. This is in place for all Canadians. I mentioned Jayson Myers of the Canadian Manufacturers & Exporters, a variety of the Canadian chambers of commerce and business associations across Canada that are looking to expand business. We also welcome that certainty for Chinese investment in Canada to help to develop our resources to create jobs.

Therefore, it is a win-win situation with this certainty and predictability.

[Translation]

Ms. Christine Moore (Abitibi—Témiscamingue, NDP): Mr. Speaker, I wish to inform the House that I will be sharing my time with the hon. member for Rimouski-Neigette—Témiscouata—Les Basques.

Today I really want to speak to my constituents and discuss a very important issue. It has to do with the motion put forward by my hon. colleague from Vancouver Kingsway.

That, in the opinion of this House, the government should inform the Government of the People's Republic of China, that it will not ratify the Canada-China Foreign Investment Promotion and Protection Agreement.

I would like to revisit the process that has led to this motion. The negotiation process leading up to the agreement was truly clandestine and undemocratic. The negotiations were conducted completely in secret. We were not able to have our say as the negotiations were progressing. They were not even open to parliamentarians. The negotiations took place in a tiny bubble.

Then, in October 2012, the Conservatives tabled the agreement, without consulting the provinces or first nations. There was no committee review or any consultation with Canadians. Despite all our efforts and requests, the agreement has never been debated or examined by a committee, nor has it ever been voted on.

I would first like to point out that this agreement affects a first nations right. In fact, the aboriginal peoples of Canada have a constitutional right to be consulted if the government adopts any measures that will have an impact on their rights. This right has been upheld repeatedly by the Supreme Court. We already knew that this government thought it was above the law, and apparently, nothing has changed.

The Hupacasath First Nation has filed an injunction with the Federal Court to stop the ratification of the FIPA. Brenda Sayers of the Hupacasath First Nation said:

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● (1340)

[*English*]

First Nations were not consulted on the Canada China FIPPA. As First Nations with our Aboriginal Title, Rights and Treaty Rights, it is our duty to intervene for the sake of our children's futures...if ratified, FIPPA will immediately affect our Title and Rights by limiting our ability to exercise [our] jurisdiction in land use planning and regulation of our territory...

[*Translation*]

In my view, it is particularly disturbing to see that the government reached an agreement without even consulting with first nations, even though the agreement will have a direct impact on their rights.

In my region, there are six aboriginal communities. When we talk about natural resource development, the forestry and mining industries are often located on their ancestral land.

A company trying to set up a project is sitting down with first nations and is taking the time to consult with them. It is trying to develop a rare earth project. Rare earth materials are used in a lot of high-tech devices, especially batteries. Because of China's technology boom, those materials are highly sought after. If there is presumably one deposit in the region, there may be others.

Under this agreement, Chinese companies may appropriate or attempt to appropriate some of the rare earths. This would be done with no consultation of first nations, with no one even sitting down with first nations communities. We have to be very careful.

From the outset, this type of agreement indicates that Chinese investors are probably more interested in Canada's natural resources or natural resource industries. We must be very careful. The Idle No More movement came out of protests against a number of legislative measures in the budget that had been put in place without any consultation with first nations.

We must be extremely careful before we bring in an agreement that would once again fly in the face of Canada's Constitution. We have already done enough harm to first nations communities. We have imposed enough things on them without any consultation. Right off the bat I have a lot of concerns about this measure.

The government did not consult the provinces either, even though many legal experts are saying that this agreement will interfere in the provinces' exclusive jurisdictions. It did not consult Alberta, whose oil sands industry could be attractive to Chinese investors. It did not talk to Ontario or Quebec about the forestry and mining industries. It simply did not talk to the provinces. I find this very worrisome because this agreement directly affects them. I will come back to this.

Lastly, the government has not conducted any studies in this House or in committee. Trade agreements are generally subject to study in Parliament and then to a vote. Why is this agreement the exception to the rule? I have no idea.

When the text of the agreement was finally made public, the NDP called for a study in committee, but the Conservatives refused. We then asked for an emergency debate. Once again, the Conservatives refused. We have asked the government questions during question period and we have not even gotten an answer.

More than 80,000 Canadians sent messages to the government to ask it to conduct a study on the Canada-China FIPA. The trade agreement with Panama was examined, as was the agreement with Jordan. This agreement with China is much more complicated and restrictive for Canada, but the government is refusing to allow Parliament to study it. That is completely irresponsible and shameful.

This agreement will bind the two countries for the next 30 years. The public has a right to know what kind of disaster to expect with the current agreement. Right now I am 29 years old. This agreement would bind Canada and China until I am 59. That is more than twice my age right now, and during that time we will be stuck with an agreement that could present a lot of problems.

In addition to the fact that the process leaves much to be desired, the treaty itself is extremely problematic. We will not have the right to withdraw from this agreement for 30 years. No matter what happens, there is no way out of this agreement whatsoever. The treaty is written in such a way that the dispute settlement mechanism between an investor and the state allows foreign companies to sue for damages in foreign courts outside the Canadian justice system.

That means, for example, that if a Chinese company investing in Canada finds a new Canadian regulation to be too bothersome, that company can file a complaint in courts outside Canada's jurisdiction and seek damages from Canadian taxpayers.

To make matters worse, foreign investors will be able to sue the federal government over laws that are not even federal. A provincial government could implement a law and foreign investors would still be able to take the federal government to court. We could therefore be sued over laws that do not even fall directly under our jurisdiction.

Before I close, I would like to point out that, so far, every time Canada has taken other countries to court under similar agreements, it has lost. We are 0 for 17. Every time, we have lost. On the other hand, any time China or the United States has been taken to court, it has won its case.

Therefore, from the outset, this is a very risky undertaking. The government has refused to consult the public and is not respecting the rights of first nations. What is more, we must remember that this agreement directly targets natural resources. This is a big investment, and these resources belong to all Canadians.

● (1345)

I think we need to be careful. Right now, this agreement does not contain the legal provisions needed for Canadians to really support it. If it did, I would have supported it, but that is not the case right now. That is why I wanted to share my concerns about this agreement.

Mr. Tarik Brahmi (Saint-Jean, NDP): Mr. Speaker, I would like to thank the member for her passionate and very relevant speech. She identified some very pertinent points, such as the lack of consultation with first nations and the problem of interfering in provincial areas of jurisdiction.

Business of Supply

She represents the riding of Abitibi—Témiscamingue, which has its share of natural resources. In the context of natural resource development, how does she think the locals feel about these types of agreements and compromises? I am not just talking about aboriginal communities, but also the Canadian public in general.

• (1350)

Ms. Christine Moore: Mr. Speaker, I would like to thank the member for his question, because this is an extremely important topic.

We need to understand that the people are greatly affected by these companies that are developing natural resources. There is concern about losing control over development. There is support for this type of development and people want industries, but they want to see these companies develop the resources in an environmentally responsible and sustainable manner and by investing locally. People have already seen enough disasters; they do not want any more. In my region, when a mine shuts down, an entire town shuts down. Some towns no longer even exist in my riding.

We need to be very cautious about these investments. People want to be consulted and want to be part of the process. Right now, parliamentarians are not even allowed to be part of the process.

The community will have basically no role in this, and there will be a great deal of legal fallout. Thirty years is a long time. As I said, that is twice my current age and then some. In my riding, mines—which have a lifespan of 15 to 20 years—may be subject to this agreement for the entire time they are in operation. That is huge.

[English]

Mr. Kevin Lamoureux (Winnipeg North, Lib.): Mr. Speaker, it is very clear that Canada is a trading nation. Hundreds of thousands of jobs across our great land, from coast to coast to coast, depend on trade. It is very important for us to recognize the value of trade agreements.

I can appreciate the NDP members have never stood in their place and voted in favour of a trade agreement in the House of Commons, but my question to the member is, does she believe that there is any value whatsoever in trade agreements?

[Translation]

Ms. Christine Moore: Mr. Speaker, I would like to clarify that those types of agreements are indeed very valuable and they are of paramount importance. However, they are binding agreements, so we have to negotiate carefully. Canada is actually on the losing end of this particular agreement.

Generally speaking, in negotiations, both parties must gain something and the benefits must be comparable. However, in this case, too many measures are actually placing Canadian investors and Canadian industry at a disadvantage. We run the risk of clandestine legal action. The lawsuits could be secret. Canadian taxpayers will pay a bill without even knowing that the Canadian government has been sued.

From a legal standpoint, this agreement is not well structured. If the agreement had been good and negotiated properly, I would have been happy to support it. I recognize that the Chinese government's investments are important for our country. However, this agreement

is really not good and we cannot support it, because such a binding agreement with so many flaws is really dangerous for the future of our country.

[English]

Mr. James Bezan (Selkirk—Interlake, CPC): Mr. Speaker, the FIPA with China is about providing a level playing field between Chinese investors in Canada and Canadian investors in China, allowing them to have the same type of protection on their property and investments that they are putting in place in each other's countries.

Right now, Chinese companies have full value and full protection under Canadian law. That is something that is not reciprocated in China for Canadian investors over there. Does she believe that Canadian investors and Canadian businesses, that are doing all sorts of investing and activities within the Chinese economy, deserve the same type of protection that we give to Chinese investors here in Canada?

[Translation]

Ms. Christine Moore: Mr. Speaker, yes, we do need to have the same protection. The problem is with the other flaws.

A government could challenge a new environmental law, and that could prevent us from moving forward. Under this agreement, if we wanted to move forward with the same environmental protections, and there was no possibility of legal action, even if not everything was done properly, that might be possible. However, this is not the case right now.

That is why I cannot support this agreement.

• (1355)

Mr. Guy Caron (Rimouski-Neigette—Témiscouata—Les Basques, NDP): Mr. Speaker, I rise in the House to speak to the foreign investment promotion and protection agreement. This is a very important issue. I am quite pleased that my colleague, the international trade critic for the official opposition, moved this motion calling on this House not to support the agreement that has been entered into, but not yet ratified by Canada.

I have only 10 minutes; five minutes before question period and five after. I would like to go over four key aspects of the agreement and certain parameters surrounding it. If I had more time, I would talk more about the problems with this agreement, but the four points I am raising are, in my mind, the biggest problems with this agreement. These points are the reason that I, as the member for Rimouski-Neigette—Témiscouata—Les Basques, agree to the motion and therefore reject the premise of the agreement proposed by the Conservative government.

The first point is the Conservative government's claim that the foreign investment promotion and protection agreement will protect foreign investment and encourage more investment. One very clear item in the agreement leads us to believe that the agreement will actually discourage investment, Canadian investment in China in particular. Investment might not be discouraged, but it is not being encouraged either.

*Statements by Members***STATEMENTS BY MEMBERS***[English]***CANADA ISRAEL HOCKEY SCHOOL**

Let us compare two articles in particular. One is about the most favoured nation. In short, it ensures that the party the government is signing the agreement with is given the same general or minimum protection that the government gives to other countries with which it already has agreements. I want to compare this article with the one on national treatment, which specifies that businesses protected in our territory must receive the same treatment as businesses from here. I will read both articles.

The article on most-favoured-nation treatment states that:

Each Contracting Party shall accord to investors of the other Contracting Party treatment no less favourable than that it accords, in like circumstances, to investors of a non-Contracting Party with respect to the establishment, acquisition, expansion, management, conduct, operation and sale or other disposition of investments in its territory.

In contrast, the article on national treatment states that:

Each Contracting Party shall accord to investors of the other Contracting Party treatment no less favourable than that it accords, in like circumstances, to its own investors with respect to the expansion, management, conduct, operation and sale or other disposition of investments in its territory.

There is a fundamental difference between these two articles, which I admit are very technical. With regard to national treatment, the agreement does not give the same rights to investors who are getting established or acquiring new companies and therefore making new investments.

That means that, under the terms and conditions of the agreement before us, companies that want to invest in China will not have as much protection as companies that already have investments in China. Clearly, the opposite is also true. Chinese companies that are already investing in Canada have the same rights as a Canadian company. However, Chinese companies that will invest in Canada in the future will not have the same rights as Chinese companies that are already investing in Canada.

As a result, the agreement will protect the \$5 billion in investments that we currently have in China, but it will not provide as much protection for future investments that Canadian investors want to make in China. The problem is that Canadian businesses in China are not getting nearly as much protection as Chinese companies and investors that are currently in Canada.

In 2011, we had only about \$5 billion worth of investments in China, whereas China had over \$22 billion worth of investments in Canada in 2012. From the outset, the agreement is not providing equal protection. This demonstrates a lack of reciprocity and is a blatant problem with the agreement before us today.

I would like to address another aspect that the hon. member for Vancouver Kingsway and the official opposition critic for international trade spoke about, and that is the changes being made to non-conforming measures in trade agreements in general.

●(1400)

This agreement allows countries, including China, to keep these measures that do not conform to international treaties.

I will come back to this after question period.

The Acting Speaker (Mr. Barry Devolin): The hon. member for Rimouski-Neigette—Témiscouata—Les Basques will have five minutes after question period.

Ms. Joyce Bateman (Winnipeg South Centre, CPC): Mr. Speaker, last month, in Winnipeg, 17 children aged 11 to 14 came to visit us from the Canada Israel Hockey School. They faced off with the Winnipeg South Centre-based Corydon Comets. Five of these children were Arab, 12 of these children were Jewish. The teams met not only to improve their hockey skills, but also to just get to know each other.

This hockey initiative was organized by the Jewish Federation of Winnipeg, in conjunction with the Canadian Friends of the Hebrew University and the Canada Israel Hockey School, which is most generously funded by Sidney Greenberg. I had the opportunity to meet with Michael Mazeika, a Canadian who is the head coach of the Canada Israel Hockey School in Metula, Israel. His efforts have helped the youth improve their hockey skills on the ice and their cultural acceptance of one another off the ice.

I would like to commend the organizers of this event and also to let my colleagues know that CIJA will be taking a group of students from Norway House Cree Nation to the Canada Israel Hockey School in Metula next month.

Long may this cultural collaboration continue.

* * *

SOUTH ASIA COMMUNITY IN PIERREFONDS-DOLLARD

Ms. Lysane Blanchette-Lamothe (Pierrefonds—Dollard, NDP): Mr. Speaker, today, I want to shed light on the solidarity and vivacity of the South Asian community of Pierrefonds—Dollard. Here are just a few examples of events that occurred in the span of one month:

The India Canada Organization and the Himalaya Seniors had their first International Women's Day event.

Holi, the festival of colours, was celebrated at the Hindu Mandir Temple in DDO, which just celebrated its 16th anniversary.

Murugan Temple in DDO hosted festivities for the Tamil New Year and the Sikh community-organized Vaisakhi celebrations at the DDO gurdwara.

SAWID, Montreal's South Asian business directory, just launched its new edition last week.

Also, the Himalaya Seniors will be celebrating Eid Milad ul-Nabi, the birth of the Muslim prophet, this week.

I am proud to be part of a community that is rich in its diversity, a community where people work to be united and build bridges. Without the South Asian community, the West Island would not be the West Island.

*Statements by Members***ST. JOHN AMBULANCE**

Mr. Ed Holder (London West, CPC): Mr. Speaker, next Tuesday, April 23, St. John Ambulance is hosting its first ever Day on the Hill. I would like to thank the member for Ottawa—Vanier and the member for St. John's East for helping make this day a success.

All parliamentarians are invited to attend one of several meetings to be held that day, to learn about the importance of first aid training and the valuable work done by St. John Ambulance. Members are also invited to a reception that evening, hosted by speakers of both the House and the Senate, where we will honour several people who have done the incredible act of saving a life.

Later this spring, St. John Ambulance will provide free CPR and free AED training to all parliamentarians so that we too will know how to save a life.

Since founding Canada's first St. John Ambulance Brigade in London, Ontario, Canada's tenth-largest city, St. John Ambulance has always had a close relationship with the constituents in my riding and I am proud to support it.

As my Cape Breton mother used to say, “community service is the price you pay to live somewhere”. When the price to pay is learning the skills to save a life, we should all be willing to pay that price. I look forward to working with all of my fellow parliamentarians in making a difference in our communities.

* * *

COPTIC CHRISTIAN COMMUNITY

Hon. Jim Karygiannis (Scarborough—Agincourt, Lib.): Mr. Speaker, Coptic Christians are one of the oldest Christian communities in the Middle East. While they have integrated into the larger Egyptian nation, the Copts have survived as a distinct religious community, forming around 10% of the population.

Coptic Christians have faced increasing marginalization since the 1952 *coup d'état* led by Mr. Nasser. The Coptic community has been targeted by hate crimes and physical assaults. Their churches, homes, and businesses have been looted and burned. They have faced a growing number of personal attacks, which have left uncounted numbers injured and several hundred dead, and the death toll is rising.

Earlier this month, six Coptic Christians were killed in an attack in Saint Mark's Coptic Orthodox Cathedral, in Cairo. They were attending the funeral of four Coptic Christians who had been gunned down two days earlier.

It has been estimated that in 2011 alone, 100,000 Coptic Christians fled Egypt. There are no figures yet for 2012. However, for most of Egypt's Coptic Christians, some six million to eight million, flight is not an option. They are too poor. The Canadian Coptic community is—

•(1405)

The Speaker: The hon. member for Elgin—Middlesex—London.

SCOUTS CANADA

Mr. Joe Preston (Elgin—Middlesex—London, CPC): Mr. Speaker, I would like to take the opportunity to recognize Scouts Canada's Good Turn Week, which is taking place this week, from April 13 to April 21.

Giving back and helping others has always been the core value of Scouts Canada, and Good Turn Week is an initiative that was spearheaded by the Scouts Canada National Youth Network. This fantastic initiative follows the principles of scouting which teach youth to always do unto others as they would do unto us, and it is from this that Good Turn Week was born. This campaign encourages everyone across the country to share Scouts Canada's passion by generating a cycle of kindness from coast to coast to coast. Just witness the unlimited potential that Canadian youth have on building a happier, stronger community.

I ask my colleagues in the House to join me in wishing Scouts Canada a successful Good Turn Week and to join the movement by doing a good turn, as each good turn has the power to help shape and change the world.

* * *

[Translation]

CANADIAN YOUTH

Ms. Éline Michaud (Portneuf—Jacques-Cartier, NDP): Mr. Speaker, today I am pleased to welcome to Ottawa seven youth from youth centres in Pont-Rouge, Portneuf, Saint-Basile and Neuville.

Driven by an interest in public affairs as well as an impressive social conscience, these young people are here to learn more about the work of MPs in Ottawa and our parliamentary system.

These youth from my riding of Portneuf—Jacques-Cartier are a shining example of the drive and extraordinary potential of Canadian youth.

Their presence on the Hill is proof positive that they are already actively involved. They are also a reminder of the importance of ensuring that all young Canadians have a real voice here in the House and that this government provides them with all the support they require.

Whether it is through funding for youth-specific programs, such as youth service co-operatives, or the creation of initiatives that encourage youth to actively participate in our democracy, it is time to take action.

As elected members, we have a responsibility to carve out a place for youth in our debates and in the policies we create. They are far too often forgotten by this government.

* * *

[English]

BATHURST-FINCH COMMUNITY HUB

Mr. Mark Adler (York Centre, CPC): Mr. Speaker, early this month, I attended the grand opening of the Bathurst-Finch Community Hub in my riding of York Centre.

Statements by Members

[Translation]

This centre will have a real impact on the day-to-day lives of the people of York Centre, in particular families, new Canadians and job seekers.

[English]

At the hub, service providers will offer classes, career counselling and training to clients in an accessible and modern setting.

[Translation]

I am proud that our federal government has invested \$11 million in this centre.

[English]

This investment follows through on our government's economic action plan commitment to fund infrastructure, help connect Canadians with meaningful and stable employment and work to improve the accessibility of social services.

[Translation]

On behalf of the people of York Centre, I would like to thank the Prime Minister for his dedication to making Canada a better place.

* * *

[English]

TRIBUTE TO BOSTON BOMBING VICTIMS

Mr. John Weston (West Vancouver—Sunshine Coast—Sea to Sky Country, CPC): Mr. Speaker, I invite all members of the House to join a throng of people who will assemble at the eternal flame at 1 p.m. on Monday. We will march to the U.S. Embassy. We will march in freedom, unity and peace to remember those who were lost last Monday in Boston at the hands of people who would impose hatred where others seek love, people who shed blood among those who had gathered as friends.

People in Ottawa will, on behalf of all peace-loving Canadians, stand with those who were killed, injured or bereaved in Boston.

In 1963 a great Bostonian, the late U.S. president John F. Kennedy, stood in Berlin. He stood in unity with all people who crave freedom and democracy. He stood to say that those who believe in freedom would not be intimidated, not by guns and not by tanks.

Brave Bostonians will not be intimidated by bombs. On Monday and always, we will stand with them for freedom. In Berlin, President Kennedy said, "I am a Berliner". I ask my colleagues in the House to stand with me now as I say, for today, Monday and always, "I am a Bostonian".

* * *

● (1410)

[Translation]

FRANCOPHONE COMMUNITY IN NORTHERN ONTARIO

Mr. Claude Gravelle (Nickel Belt, NDP): Mr. Speaker, our party leader recently visited Sudbury and the Nickel Belt, where he had the opportunity to meet representatives from our vibrant Franco-Ontarian community.

The Nickel Belt riding proudly boasts the second-largest French-speaking population in Ontario.

We met with the Regroupement des organismes culturels de Sudbury, an association of French-language organizations that includes the Carrefour francophone de Sudbury; the Centre franco-ontarien de folklore; 5-Penny New Music Concerts; Concerts La Nuit sur l'étang; the Prise de parole publishing house; the Galerie du Nouvel-Ontario; the Salon du livre du Grand Sudbury; and the Théâtre du Nouvel-Ontario.

The Nickel Belt area has three French-language newspapers: *Le Voyageur*, *La Tribune* in Sturgeon Falls, and *La Vision* in French River.

We also have a French-language radio station, Le Loup.

West Nipissing is a model of bilingualism in Canada. La Francophonie in northern Ontario is an amazing and dynamic community. Congratulations and keep up the good work.

* * *

[English]

INTERNATIONAL TRADE

Mr. Chris Warkentin (Peace River, CPC): Mr. Speaker, today's NDP motion to advocate against the interests of Canadian investors and against Canadian jobs should come as no surprise from the socialist party. After all, the NDP leader travelled to Washington to attack Canadian jobs and our national interests in secret meetings with American politicians.

The NDP leader stood, front and centre, as he and his party opposed every trade agreement brought forward by our government, including recently voting against a free trade agreement with Panama. The NDP even opposed the Auto Pact.

While the NDP leader's opposition to free trade is well known, their opposition to an agreement to give Canadian investors in China the same protections as Chinese investors enjoy here in Canada is simply ludicrous. This treaty will create jobs and growth by protecting Canadians who want to do business in China.

While the NDP leader and his party are fighting for special deals for Chinese companies and against protections for Canadians investing in China, our Conservative government will continue to open new markets and to build Canadian jobs and economic development here in Canada.

* * *

[Translation]

CHARLESBOURG

Mrs. Anne-Marie Day (Charlesbourg—Haute-Saint-Charles, NDP): Mr. Speaker, in 2015, the borough of Charlesbourg will celebrate its 350th anniversary. On this historic date we will commemorate the founding of the first inland village in New France.

A few weeks ago, our community set up an organizing committee that will oversee the many activities to commemorate this historic event.

Statements by Members

Some very talented individuals have been recruited, and well-known organizations from the community will get to work to make these celebrations a success. The Société d'histoire de Charlesbourg, the cross-country ski centre, the Maison des jeunes la Marginale, the Corporation des loisirs Notre-Dame-des-Laurentides and business people will all be involved. I want to offer my support and best wishes.

Charlesbourg is steeped in history, and there is much to see and do. I urge the entire community to participate in our 350th anniversary celebrations, which will shine the spotlight on one of the oldest boroughs in Canada.

* * *

[English]

ABORIGINAL AFFAIRS

Mrs. Joy Smith (Kildonan—St. Paul, CPC): Mr. Speaker, for decades, aboriginal women on reserves have been without the legal protections they need in situations of family violence. Women have been victimized and children and families have been deeply affected.

For 13 years, the Liberals did nothing. Aboriginal women, international organizations and even the Manitoba NDP have called for this change. We have responded with matrimonial property rights legislation to protect aboriginal women and give them the same rights as all other women in Canada. This bill would allow judges to enforce emergency protection orders for the safety of the women and children, yet shockingly, last night, the Liberals and the NDP voted against giving aboriginal women and children these protections.

This is shameful. Whether it is on reserve or anywhere in Canada, I am proud to say that our Conservative government continues to stand up for the protection of women, children and families.

* * *

DUKE OF EDINBURGH AWARD

Ms. Judy Foote (Random—Burin—St. George's, Lib.): Mr. Speaker, I rise today to recognize Sarah Erikson-Gaudon, a young woman from Lourdes in the riding of Random—Burin—St. George's.

After completing a rigorous program which included community service, skills development, physical fitness, a residential component and a strenuous four-day expedition to the Rocky Mountains, Sarah was awarded the prestigious gold Duke of Edinburgh Award, the highest achievement in the program. Sarah's activities as an army cadet and high school athlete helped her complete much of her program. She volunteered in the community, participated in provincial marksmanship competitions and served as senior drill commander of her corps and as a senior member of the Honour Guard at Camp Argonaut in New Brunswick.

Sarah is a fourth-year psychology student at Grenfell College, Memorial University. She credits the Duke of Edinburgh program with developing her academic and leadership skills and deepening her passion for helping others.

I ask all members of the House to join me in recognizing Sarah-Erikson Gaudon, a remarkable young woman who is a shining example of our exceptional youth.

● (1415)

BOSTON MARATHON BOMBINGS

Mrs. Shelly Glover (Saint Boniface, CPC): Mr. Speaker, the attacks in Boston that targeted innocent civilians are a tragedy. Our thoughts and prayers are with the victims, their families, Boston and all Americans. The law enforcement officers who are now investigating this heinous attack are working around the clock, and we hope that they will soon be able to bring the person or persons responsible for this attack to justice.

While the Liberal leader wants to talk about the root cause behind why the perpetrator launched this attack, we know that what is really important is getting this person or persons off the street so that they do not kill or injure any more innocent people. Regardless of the motives behind this attack, there is simply no root cause that can justify the killing and maiming of innocent civilians. This behaviour must be condemned unequivocally wherever it occurs. We will always stand with the victims and against this kind of senseless, violent attack.

* * *

PRIME MINISTER'S OFFICE

Mr. Peter Julian (Burnaby—New Westminster, NDP): Mr. Speaker, once again there is trouble in the Conservative caucus. This time, the member for Edmonton—St. Albert is blowing the whistle on the PMO.

During an interview with Global News, the member offered Canadians something they rarely see from Conservatives: the truth. When asked if he would be repeating the carbon farce lies of Conservatives in the House of Commons, he responded, "I will absolutely guarantee you that I won't be talking about the carbon tax", because he does not like these untrue statements.

The member went on to give a first-hand account of the tyranny rained down on backbenchers from the "kids that work over in Langevin Block". The member even recalled pressure put on him by PMO staffers to censor his blog on his MP website.

Fortunately, Canadians will have a clear choice in 2015. New Democrats will offer honesty, openness and strong MPs who truly stand for their constituents.

* * *

CARBON TAX

Mr. Wladyslaw Lizon (Mississauga East—Cooksville, CPC): Mr. Speaker, Canadians know that our Conservative government is focused on their priorities: jobs, growth and long-term prosperity.

Meanwhile, the leader of the NDP has made promises that will cost over \$56 billion. He does not want to tell Canadians where he will get the money to pay for these new spending promises, but a bit of research found that he will raise the money by imposing a new \$20 billion job-killing carbon tax.

This NDP carbon tax plan is found in the party's last election platform and even in the NDP leader's personal policy documents.

The NDP leader's job-killing carbon tax would raise the price of everything, including gas, groceries and electricity.

Our government will stand up against the NDP leader's job-killing carbon tax and against his party's now hidden socialist spending promises.

ORAL QUESTIONS

[*Translation*]

ABORIGINAL AFFAIRS

Ms. Megan Leslie (Halifax, NDP): Mr. Speaker, yesterday, provincial and territorial ministers and representatives of aboriginal affairs called for a public inquiry into missing and murdered aboriginal women.

The families of 600 aboriginal women have been calling for such an inquiry for far too long.

Will the Minister of Aboriginal Affairs finally listen to families, provinces, territories and civil society groups and launch a public inquiry so that justice can be served?

Hon. James Moore (Minister of Canadian Heritage and Official Languages, CPC): Mr. Speaker, this is a very serious issue, and we take our obligation to protect the interests of all Canadians very seriously.

That is why our government, the Prime Minister and the minister himself are doing everything they can to stand up for the rights of all women across Canada and protect them from these types of attacks.

An investigation has already been launched in British Columbia. We are putting in place the investments, policies and approaches necessary to ensure the safety of all Canadians and the aboriginal women affected by these tragedies.

• (1420)

[*English*]

Ms. Megan Leslie (Halifax, NDP): Mr. Speaker, civil society gets it, the provinces get it and Canadians get it, and the families of the victims need it, so why do the Conservatives not get it? Why do they not understand that they need to call this inquiry now?

We are talking about the tragic deaths and disappearances of more than 600 aboriginal women and girls. Yesterday, the provinces joined their voices together to call for an inquiry.

Will the minister now do the right thing? Will he provide justice and peace for the families of the victims by immediately calling a public inquiry?

Hon. James Moore (Minister of Canadian Heritage and Official Languages, CPC): Mr. Speaker, I agree with the sentiment of the need for justice and peace, and I think what all Canadians are looking for is action.

Our government has indeed taken action. The minister has spoken to that, as has the Prime Minister, and not only has our government

Oral Questions

taken action on the file of missing and murdered aboriginal women, which is an issue that touched my home province of British Columbia very deeply and indeed the entire country, but this House took action last night in extending equal rights to aboriginal women on matrimonial property rights as well.

Our government is proud of our track record of standing up and defending the interests of all Canadians, of all aboriginal Canadians and, indeed, aboriginal women, to ensure not only that they have protection but that they have equal rights in Canada.

* * *

[*Translation*]

INTERNATIONAL TRADE

Ms. Megan Leslie (Halifax, NDP): Mr. Speaker, aboriginal women deserve more respect from this government. They deserve justice. They deserve a national public inquiry.

On another matter, it has now been 222 days since the Conservatives signed their investment agreement with China. However, the agreement has still not been ratified.

Why not?

Hon. James Moore (Minister of Canadian Heritage and Official Languages, CPC): Mr. Speaker, my colleague is referring to the Canada-China FIPA, which is designed to protect the interests of Canadians who want to make investments in China.

The purpose of this agreement is to protect Canadians and their interests. That is what we are doing.

[*English*]

The NDP does not seem to understand what these agreements do, which is protect the interests of Canadians who are doing business in China.

New Democrats made the exact same criticisms about FTA and NAFTA, and chapter 11 of NAFTA. They were wrong. That protected the interests of Canadians doing business in the United States.

What the Canada-China FIPA agreement does is protect the interests of Canadians doing business in China. This is about protecting Canada. The hon. member should stand up for it.

[*Translation*]

Mr. Nathan Cullen (Skeena—Bulkley Valley, NDP): Mr. Speaker, this agreement has been sitting on the Prime Minister's desk for seven months. There must be a problem.

It may be because the agreement gives Chinese state-owned companies the same rights as Canadian companies, or it may be because it gives the Chinese government the right to buy new oil leases and to take unlimited control of our natural resources without any assessments or debate.

This agreement does not benefit Canada.

Will the Conservatives still go ahead with ratifying it?

*Oral Questions**[English]*

Mr. Gerald Keddy (Parliamentary Secretary to the Minister of International Trade, for the Atlantic Canada Opportunities Agency and for the Atlantic Gateway, CPC): Mr. Speaker, it is ironic that the NDP leader and the New Democratic Party are asking for a special break for Chinese exporters, for Chinese exports coming into Canada.

At the same time, they are asking that Canadian companies working in China should not be protected at all.

Mr. Nathan Cullen (Skeena—Bulkley Valley, NDP): Mr. Speaker, the hon. member picked up the wrong talking point, so let us try again.

It seems Conservatives fail to even understand their own agreement. Thirty-one years ago, Alberta Premier Peter Lougheed negotiated a historic deal to give provinces control over natural resources as part of the repatriation of our constitution, but today, these Conservatives sign a deal with China and throw that legacy away.

FIPA essentially guts provincial control over our natural resources. Is this really what Conservative MPs from western Canada came here to do, sell out Canada's and Alberta's natural resources to the Communist government of China?

Mr. Gerald Keddy (Parliamentary Secretary to the Minister of International Trade, for the Atlantic Canada Opportunities Agency and for the Atlantic Gateway, CPC): Mr. Speaker, that is clear, patent nonsense. The hon. member himself knows he is incorrect when he is making those statements in the House of Commons. What this agreement does is give Canadian investors in China the same protection that Chinese investors will have in Canada. There are equal rules for both parties; it is as simple as that.

* * *

TAXATION

Mr. Marc Garneau (Westmount—Ville-Marie, Lib.): Mr. Speaker, last fall the Minister of Finance went into a bicycle shop to announce and promote measures related to his omnibus budget bill. However, this spring in his budget he announced increases to the bicycle import taxes that would affect that very same shop owner. The Conservatives say this is not a tax, but yesterday the shop owner said this is going to hurt his business.

Does the government accuse this hard-working shop owner of lying?

• (1425)

Hon. James Moore (Minister of Canadian Heritage and Official Languages, CPC): Mr. Speaker, I know in the last couple of days the new Liberal leader has expressed an interest in getting to the root causes of things. The member opposite used the word "lying". Well what is clearly not true is any attempt to suggest that this government has done anything other than lower taxes time and again for Canadians. We have lowered taxes on investment; we have lowered taxes on small business. We have raised the personal exemption for even paying taxes, taking thousands of low-income Canadians and seniors on fixed incomes off the tax rolls altogether. In every single one of our budgets, time and again, we have defended the interests of lowering taxes for Canadians.

[Translation]

Mr. Marc Garneau (Westmount—Ville-Marie, Lib.): Mr. Speaker, the Conservatives just increased taxes on Canadians by over \$300 million a year. Let us be clear. The exporting countries will not be the ones paying these taxes. This money will come out of Canadians' pockets. For example, the cost of shampoo, dishwasher detergent and even deodorant will go up by 3.5%.

When will the government cancel these tax increases?

Hon. James Moore (Minister of Canadian Heritage and Official Languages, CPC): Mr. Speaker, as I just said, our government is lowering taxes for Canadians. That is what we are doing. We have lowered the GST, the tax on small and medium-sized businesses and the taxes on seniors. In every single one of our budgets there are tax cuts. Even budget 2013 has lower taxes, which means more money in Canadians' pockets so they can decide how to live their lives.

[English]

Mr. Marc Garneau (Westmount—Ville-Marie, Lib.): Mr. Speaker, the Conservative tax on baby cribs, tricycles, blankets and everything is affecting almost 1,300 household items that most Canadians need. Now, at a time of record debt level, high unemployment and stagnant wages, the worst possible thing one can do is increase taxes. When is the government going to realize it, and when is it going to cancel those tax increases on hard-working Canadians?

Hon. James Moore (Minister of Canadian Heritage and Official Languages, CPC): Mr. Speaker, the Liberals have never stood with us in lowering taxes on Canadians. They have never stood with us on every one of our budgets where we have lowered taxes, time and again. The average family in Canada pays \$3,200 less in taxes because the Conservatives are in government in this country.

Again, the hypocrisy of the Liberals is really quite something. They come to this House and say we need to do something to support Canadian manufacturing, and then they beg the government to put in place a special deal for China to dump goods into this country. It is outrageous.

* * *

*[Translation]***INTERNATIONAL TRADE**

Mr. Guy Caron (Rimouski-Neigette—Témiscouata—Les Basques, NDP): Mr. Speaker, from the beginning, the Conservatives have been mishandling the negotiations for the foreign investment promotion and protection agreement with China.

Not only does it lack reciprocity, but it protects the few existing Canadian investments in China while not providing the same protection to new investors. It says that Chinese enterprises have the right to be treated fairly and equitably, but does not define what that means. It gives China the right to sue the Canadian government before secret administrative tribunals.

Will the Conservatives finally admit their mistake and tell China that Canada will not ratify the agreement in its current form?

[English]

Mr. Gerald Keddy (Parliamentary Secretary to the Minister of International Trade, for the Atlantic Canada Opportunities Agency and for the Atlantic Gateway, CPC): Mr. Speaker, what this investment treaty does is give equal rights to Chinese investors in Canada and to Canadian investors in China, no more and no less. The members opposite can try to spread whatever rumours they want. They need to back that up with facts. They do not have the facts.

Mr. Don Davies (Vancouver Kingsway, NDP): Mr. Speaker, Conservative incompetence on this file is breeding uncertainty and chaos in the foreign investment community. Today we have another report detailing how the Conservatives' failure to spell out clear rules on foreign takeovers is scaring off investment. Also, with the FIPA, Conservatives want to lock Canadians into a 31-year deal with China without even understanding its provisions.

Here is some news. FIPA is not just about protecting Canadians in China; it is about protecting Canadians in Canada.

Will Conservatives take the first step to restoring investor confidence and fix the serious deficiencies in FIPA before it is too late?

• (1430)

Mr. Gerald Keddy (Parliamentary Secretary to the Minister of International Trade, for the Atlantic Canada Opportunities Agency and for the Atlantic Gateway, CPC): Mr. Speaker, number one, the hon. member knows that Canadians are protected in Canada. Number two, he also knows that Canadian exporters and Canadian investors in China need protection. That is what this FIPA does. That is why we are supporting it.

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GOVERNMENT APPOINTMENTS

Mr. Mathieu Ravignat (Pontiac, NDP): Mr. Speaker, today's integrity commissioner's report on the former head of the Canadian Human Rights Tribunal is nothing short of shocking. The report states that Shirish Chotalia's behaviour as the former head constituted harassment and an abuse of her authority, that she mismanaged through intimidation and that she ordered employees of what should be an arm's-length organization to carry out government policy. It also stated that virtually no vetting occurred before the appointment of Ms. Chotalia.

Who on that side will take responsibility for this patronage debacle?

Hon. Rob Nicholson (Minister of Justice and Attorney General of Canada, CPC): Mr. Speaker, the individual no longer works for the Canadian Human Rights Tribunal, which is an arm's-

Oral Questions

length agency operating independently from the government, and the tribunal has now addressed this matter.

[Translation]

Mr. Mathieu Ravignat (Pontiac, NDP): Mr. Speaker, that perfectly illustrates this government's "laissez-faire, I don't care" attitude. The Conservatives are fully and completely responsible for the fiasco that resulted from that appointment.

In his report, Mario Dion said that proper procedures for verifying candidacies were not followed when Shirish Chotalia was appointed to chair the tribunal. This was their candidate, a candidate who "repeatedly harassed employees at all levels".

When will the Conservatives apologize?

[English]

Hon. Rob Nicholson (Minister of Justice and Attorney General of Canada, CPC): Mr. Speaker, the NDP always wants us to get involved and interfere with arm's-length organizations. That is exactly what the Canadian Human Rights Tribunal is. It operates independently from the government. As he can see, the tribunal has now addressed this issue.

* * *

[Translation]

EMPLOYMENT INSURANCE

Mrs. Anne-Marie Day (Charlesbourg—Haute-Saint-Charles, NDP): Mr. Speaker, with the Conservatives, it is one failure after another.

There has been a significant drop in the number of EI recipients in Sherbrooke, Quebec City and Vancouver. This drop is not the result of an increase in jobs. On the contrary, last month, Canada experienced the most significant loss of jobs in four years. There is only one job available per seven unemployed workers. Meanwhile, more and more people are being forced to repay employment insurance benefits.

Is the minister aware that her reform encourages economic instability?

Hon. Diane Finley (Minister of Human Resources and Skills Development, CPC): Mr. Speaker, our government's primary objective is economic growth and job creation.

To achieve this, the labour force must have the required skills. That is why we have changed the EI system. It helps people acquire skills and find new jobs in their area of expertise in their region. If there are no jobs available in their region, employment insurance will continue to be there for them.

[English]

Ms. Chris Charlton (Hamilton Mountain, NDP): Mr. Speaker, the fact is there are six and a half job seekers for every one vacancy, and EI is no longer there for those who need it. The minister has nothing to brag about.

Oral Questions

The labour force survey shows that unemployment is on the rise at the same time that a Statistics Canada report shows that fewer Canadians are receiving EI benefits. Taken together, the two reports prove that the Conservatives' changes to EI mean fewer Canadians are getting the benefits they paid for.

When will the minister finally wake up to the problem and fix the mess she created?

Hon. Diane Finley (Minister of Human Resources and Skills Development, CPC): Mr. Speaker, that is exactly our government's number one priority, job creation and economic growth, because with more jobs there will be fewer people out of work. That is better for them and it is better for their families.

We will continue on the progress we have already made in helping create more than 900,000 net new jobs across this country. That is our priority. It is time the NDP supported that effort.

* * *

EMPLOYMENT

Ms. Jinny Jogindera Sims (Newton—North Delta, NDP): Mr. Speaker, while nearly 1.4 million Canadians are out of work, the Conservative government has persisted in bringing in more temporary foreign workers than any government before. Even Canadian pilots are not safe from losing their jobs to imported labour.

From September to October last year, HRSDC issued 119 positive labour market opinions, which led to the hiring of pilots from abroad, all while Canadian pilots had to go overseas to find work. How could the minister allow this to happen?

• (1435)

Hon. Diane Finley (Minister of Human Resources and Skills Development, CPC): Mr. Speaker, our goal is to ensure that Canadians always get first crack at every job. We are working with airline pilots and the airlines to ensure there are training opportunities so Canadians can get these jobs. In fact, the Air Line Pilots Association said:

ALPA has been working with your departments on several aspects of this issue as it relates to pilots. We are pleased with the progress that has been made.

Mr. Alexandre Boulerice (Rosemont—La Petite-Patrie, NDP): Mr. Speaker, pilots want results and they do not have them.

[*Translation*]

The hypocrisy in this matter lies in the discrepancy between what the Conservatives say and what they do, or rather what they do not do.

They have managed this program so poorly that qualified professionals such as pilots are losing their jobs, while dozens of foreign pilots are being brought here to fly their planes.

How can they justify foreign pilots being hired by Canadian airlines while our pilots are forced to go abroad to find work?

[*English*]

Hon. Diane Finley (Minister of Human Resources and Skills Development, CPC): As I indicated, Mr. Speaker, the airline pilots and the airlines are working with us to ensure that there are Canadians who have the skills for those jobs, but we are going

beyond that. In budget 2013, we have introduced the Canada job grant that will help industry, the provinces and the federal government work together to ensure that Canadians get the skills for the jobs that employers need filled. I would expect that the NDP would support that effort. Unfortunately, it is not.

Mr. Dan Harris (Scarborough Southwest, NDP): Mr. Speaker, I do not know how the Conservatives expect the program to work considering they never consulted with the provinces before implementing it.

We are trying to defend Canadian jobs against this attack of bringing in foreign temporary workers when Canadians are out of work. Conservative mismanagement is encouraging more of this. When the Conservatives first weakened those rules in 2006, the then minister said, "When it starts to affect our ability to go to Tim Hortons and get a double-double, it's a serious issue".

When will the minister finally step up and take responsibility for the mess the Conservatives created?

Hon. Diane Finley (Minister of Human Resources and Skills Development, CPC): Mr. Speaker, we are trying to create jobs for Canadians, give Canadians first crack at those jobs and provide them with the training skills they need for those jobs. The NDP is voting against that. It is not supporting helping Canadians get new jobs.

Also, the hon. member talks about protecting Canadians and their jobs, except that several of his colleagues are in fact making special requests to this government to help them bring in foreign workers to fill those jobs that should be filled by Canadians. What is it: what they talk or what they do?

* * *

TAXATION

Hon. Judy Sgro (York West, Lib.): Mr. Speaker, the government's attack on the middle class continues to expand. First, there was shampoo, deodorants and dishwasher detergents. Now it is blankets, toothbrushes, hairbrushes and even pillows. These are things that families use every day and the government just cannot keep its hands out of the pockets of Canadian families. The government has mismanaged the economy, we all know that, and now it wants to balance the books on the backs of families that are struggling to make ends meet.

When are the Conservatives going to cancel this nothing short of a tax hike on middle-class families?

Oral Questions

Hon. Ted Menzies (Minister of State (Finance), CPC): Mr. Speaker, every time we bring forward a tax reduction for Canadians, the Liberals vote against it. It is rather odd that they stand in the House and argue for special breaks for Chinese companies and companies from India that are providing products to Canada that Canadian companies could actually be manufacturing. It is unbelievable that the NDP and the Liberals would be fighting for jobs offshore instead of fighting for jobs in Canada.

Ms. Judy Foote (Random—Burin—St. George's, Lib.): Mr. Speaker, the government is levelling hundreds of millions of dollars in taxes on everyday items used by Canadian families. The reality is that middle-class families cannot afford to pay more for necessities, such as playpens, carriages, bicycles, tricycles, school supplies, and the list goes on, just because of a Conservative tax.

When will the Conservatives cancel this new tax on Canadian families?

• (1440)

Hon. Ted Menzies (Minister of State (Finance), CPC): Mr. Speaker, once again, it is unbelievable that the Liberals and the NDP are actually fighting for, as they say, offshore jobs.

Chinese products are coming into our country at a discount and we are going to change that. We need to remember that the Chinese do not need special breaks for products coming into Canada.

I wish the opposition would stand up for Canadian jobs.

Hon. Ralph Goodale (Wascana, Lib.): Mr. Speaker, Canadians are obviously weary of being used as props in deceitful Conservative publicity stunts. Just ask that bicycle shop owner.

Tariffs are taxes. The government is raising taxes by \$333 million every year, and do not blame China. The Chinese did not impose the taxes and the Chinese will not have pay them.

This is a self-inflicted Canadian tax grab on the Canadian middle class, draining Canadian disposable incomes, driving Canadian businesses and consumers across the border.

Why does the government not just cancel the tax increase?

Hon. Ted Menzies (Minister of State (Finance), CPC): Mr. Speaker, we do continue on our low-tax plan. That is what we have run all of our campaigns on. All of our budgets have ensured that we make taxes affordable for Canadians and that the programs we put in place actually reduce costs for consumers and for taxpayers.

Actually 150 different times we have reduced taxes for Canadians and the Liberals and the NDP voted against it every time.

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ETHICS

Mr. Charlie Angus (Timmins—James Bay, NDP): Mr. Speaker, it is now 1 month and 27 days since Mike Duffy offered to pay back the taxpayer.

However, last night we saw Prince Edward Island's most famous summer tourist once again ducking and weaving from accountability. He gets asked a simple question by a reporter, "Have you paid back the money?" and he runs away.

How long will the government allow this ripoff of the taxpayer? What will it do to get our money back? Will it at least send a collection agency to the red chamber down the hall? What about it?

Hon. Peter Van Loan (Leader of the Government in the House of Commons, CPC): Mr. Speaker, as we have said, we want to see that the expenses incurred by senators are appropriate and that all the rules are followed. That is what the Senate review has been seeking to do.

The more important question is we also want to see fundamental change to the Senate. This week, taking his seat is one more elected senator actually chosen by the voters of his province, Scott Tannas. We are pleased to see he is there.

What Canadians want to know is why is the NDP is standing in the way of having real democracy and having all senators selected by the people of Canada?

Mr. Charlie Angus (Timmins—James Bay, NDP): Mr. Speaker, Canadians want to know why the Conservatives promised reform and gave us Patrick Brazeau.

The Conservatives promised to clean up the Senate. Instead they are defending their entitlements in the worst political spending scandal in memory. They refuse to tell us how many are being investigated. They refuse to tell us how much money is being paid back and why the senators are allowed to police themselves when they pay out their expenses based on a pinkie swear. That is not accountability.

Will the government demand that its Conservative-dominated Senate hand over the audits and come clean with Canadians so we know how much taxpayers are being ripped off? That is accountability.

Hon. Peter Van Loan (Leader of the Government in the House of Commons, CPC): Mr. Speaker, we have made it clear throughout that we want to see respect for Canadians' tax dollars.

Canadians work too hard to have their tax dollars taken by excessive and irresponsible government spending. We want to see the Senate apply the rules. Canadians do not want to see the tax-and-spend approach by the NDP.

What Canadians do want is a chance for them to actually be treated with respect by political parties. They want to see an opposition NDP, instead of saying Canadians do not have the maturity to select their own representatives in the House, actually support real democracy and support our legislation to give Canadians a say in who actually represents them in the Senate. That is what Canadians want to see.

Oral Questions

[Translation]

DEMOCRATIC REFORM

Ms. Alexandrine Latendresse (Louis-Saint-Laurent, NDP): Mr. Speaker, the example of Mike Duffy, who is feigning remorse, only goes to show that there is one rule for the Conservatives and another rule for everyone else.

The delay in tabling reforms of the Canada Elections Act raises some troubling questions. We are wondering why the Conservative caucus blocked the introduction of the new bill. We know that the Conservatives refused to provide the powers that the Chief Electoral Officer was asking for. We know that their lawyer dragged out the investigation into the fraudulent calls for months and that the minister dragged his feet for over a year to avoid changing the legislation as promised.

What is behind these tactics? When will there finally be changes to the Canada Elections Act?

[English]

Hon. Tim Uppal (Minister of State (Democratic Reform), CPC): Mr. Speaker, we have some serious concerns over what the Supreme Court of Canada has called the Liberals' attempt to disenfranchise entitled voters and undermine public confidence in the electoral process and the fact that the NDP has accepted hundreds of thousands of dollars in illegal union donations.

We are going to make changes to Canada's election laws and we are going to take the time to get it right.

• (1445)

Mr. Craig Scott (Toronto—Danforth, NDP): Mr. Speaker, we have gone from “in due course” to “in the near future” to “we will take the time to get it right”. The fact is, Conservatives have dragged their heels on giving Elections Canada the tools it needs to combat election fraud, just as their lawyer ran interference for months to prevent interviews of Conservatives by Elections Canada investigators.

On Tuesday the democratic reform minister said he would introduce legislation “on Thursday”. Today is Thursday, so could the minister please tell Canadians which Thursday he was talking about?

Hon. Tim Uppal (Minister of State (Democratic Reform), CPC): Mr. Speaker, we are making changes to Canada's election laws and we will take the time to get it right. We are concerned about what the Supreme Court of Canada said about the Liberals' attempt to disenfranchise entitled voters and undermine the public confidence in the electoral process and the fact that the NDP accepted hundreds of thousands of dollars in illegal union donations.

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JUSTICE

Mr. Scott Armstrong (Cumberland—Colchester—Musquodoboit Valley, CPC): Mr. Speaker, Canadians are concerned about crime, which is why our government has passed over 30 measures cracking down on violent crime and—

Some hon. members: Oh, oh!

The Speaker: Order, please. The hon. member for Cumberland—Colchester—Musquodoboit Valley has the floor.

Mr. Scott Armstrong: Mr. Speaker, our government is cracking down on crime by passing over 30 measures that stand up for the rights of victims. My constituents are particularly concerned with the case of Herbert John Hawkins, a convicted murderer who was recently granted escorted leave. He was convicted of murdering beloved Cape Breton musician Mr. Sheldon Boutilier.

Could the Minister of Justice please inform the House of our government's reaction to this decision by the independent parole board?

Hon. Rob Nicholson (Minister of Justice and Attorney General of Canada, CPC): Mr. Speaker, I do not comment on specific cases, but we are concerned. If violent criminals are released in the community, we believe that to keep our streets and communities safe, dangerous criminals must be kept behind bars.

My colleague, the Minister of Public Safety, is currently reviewing the laws with respect to escorted leave and our government will soon bring forward legislation to ensure that victims' rights are respected and that their voices are heard at parole hearings.

I hope for once that all opposition members will support our efforts to stand up for victims of crime.

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TAXATION

Mr. Andrew Cash (Davenport, NDP): Mr. Speaker, the GTA is already one of the most expensive places to live in Canada and Conservative GTA MPs are just not getting the job done. They just sit here quietly, while unemployment goes up. Youth unemployment in the GTA is over 15%.

Now Conservatives are raising taxes on over 1,200 everyday items, from brooms to bikes to iPods. Why are Conservatives delivering less and less for cities, while taking more and more money out of the pockets of already squeezed urban Canadians?

Hon. Ted Menzies (Minister of State (Finance), CPC): Mr. Speaker, the only thing the NDP would deliver is a \$21 billion carbon tax. I do not think that is what Canadians want.

The NDP continues to fight for special breaks for companies from China and India. We will stand up for Canadian jobs. It is about time the NDP did.

Oral Questions

[Translation]

Ms. Annick Papillon (Québec, NDP): Mr. Speaker, if they were truly standing up for Canadians, they would not have created the conditions to allow Canadian workers to be fired and replaced by temporary foreign workers. Many people living in large Canadian cities are already deep in debt and can barely make ends meet. They will have to work even harder to pay for the Conservatives' tax hikes on all manner of everyday consumer goods such as bicycles, coffee makers, umbrellas and so forth.

The Conservatives promised not to raise taxes. Why did they break their promise?

[English]

Hon. Ted Menzies (Minister of State (Finance), CPC): Mr. Speaker, I might remind the hon. member that Canadian taxes are at the lowest they have been in 50 years. That is no thanks to the NDP. Every time we put forward a tax credit for Canadians, or lower their taxes, the NDP votes against that. It is time NDP members started recognizing that Canadians drive this economy. They should stop beating up on Canadians.

[Translation]

Ms. Christine Moore (Abitibi—Témiscamingue, NDP): Mr. Speaker, outside of large urban centres, many people enjoy fishing for sport. I, myself, have been known to fish for walleye, northern pike and yellow perch in the many lakes and rivers that are no longer protected in my beautiful riding.

However, with the tariff increases, the price of fishing rods, reels and lines will also go up.

Why do the Conservatives want to go after the sport fishing industry by taxing it?

● (1450)

[English]

Hon. Ted Menzies (Minister of State (Finance), CPC): Mr. Speaker, that is a good question to a fly fisherman, but let me talk about what the NDP have actually voted about.

We are talking about reductions in taxes for Canadians. The NDP voted against reducing the GST twice. The NDP voted against the universal child care benefit. It voted against the children's arts tax credit. It voted against the children's fitness tax credit. It voted against the family caregiver credit and the textbook tax credit. I can go on and on.

Mr. John Rafferty (Thunder Bay—Rainy River, NDP): Mr. Speaker, Canada's fishermen do not deserve another tax. It is wrong.

Budget 2013 will make life more expensive for fishermen and outfitters in Thunder Bay, Rainy River and right across Canada. The Conservatives are quietly increasing tariffs on \$50 million worth of fishing gear, including rods, reels and fishing line. "Look, Dad. Look what I caught. It's a Conservative bass tax."

Why did no one on the government side raise the concerns of fishermen and outfitters about raising taxes on the equipment they count on? Why are the Conservatives casting out fishermen hook, line and sinker?

Hon. Ted Menzies (Minister of State (Finance), CPC): Mr. Speaker, the real truth is he has it bass-ackwards because actually we are reducing taxes to Canadians.

Let me continue with where I was going in the last answer.

The NDP also voted against the Canada employment credit. It has voted against the public tax credit. The NDP voted against the volunteer firefighters tax credit. Let the member sell that one back home.

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SUICIDE PREVENTION

Hon. Carolyn Bennett (St. Paul's, Lib.): Mr. Speaker, in the wake of the second suicide in a week, the Neskantaga First Nation has declared a state of emergency. This community of 421 persons has tragically had four suicides this year and 20 attempts. They are not alone. This community, like far too many communities, is in crisis and needs urgent help.

A year and a half ago the Conservatives voted for the Liberal motion to create a national suicide prevention strategy. Where is it?

Hon. Leona Aglukkaq (Minister of Health, Minister of the Canadian Northern Economic Development Agency and Minister for the Arctic Council, CPC): Mr. Speaker, we welcome the leadership of the Chief of Neskantaga First Nation at this very difficult time.

Health Canada has sent additional nurses as well as counselling staff to assist the community members during this very difficult time.

Our government takes the situation seriously, which is why we provided funding for drug and alcohol abuse programs in the community. It is also why the community received funding to prevent and combat youth solvent abuse.

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PENSIONS

Hon. Gerry Byrne (Humber—St. Barbe—Baie Verte, Lib.): Mr. Speaker, when the courts ordered Revenue Canada to refund taxes that were inappropriately garnished from commercial fishermen participating in the fisheries licence buyback program, no one told them the impact this decision would have on their future pension eligibility. Service Canada has ruled that the interest on these tax refunds will result in their GIS being denied to these retirees as of July 1 of this year.

Will the minister assure this group of retired fishermen that they will not have their GIS benefits cut in 2013 and 2014? Will she allow the pensioners the ability to option that particular lump sum payment and keep their GIS, yes or no?

Mrs. Cathy McLeod (Parliamentary Secretary to the Minister of National Revenue, CPC): Mr. Speaker, this is a situation involving decisions made under the former Liberal government.

I am happy to report that all the fishermen involved in the initial court case have received their due payments, and our expectation is that reassessments and cheques will continue to be issued going forward.

Oral Questions

Each situation is unique. However, our government's absolute expectation is that the CRA administers the Income Tax Act in a manner that is fair and equitable to these fishermen.

* * *

• (1455)

[*Translation*]

FOREIGN AFFAIRS

Ms. Hélène Laverdière (Laurier-Sainte-Marie, NDP): Mr. Speaker, I have had the honour of working with many members of Canada's diplomatic corps, true professionals who defend Canada's interests around the globe with great dignity.

Unfortunately, the Conservatives are about to damage the reputation of Canada's diplomatic corps with a questionable appointment. The head of the Prime Minister's security detail, Bruno Saccomani, does not really seem to have the qualifications required of an ambassador to Jordan, no less.

Why did the Conservatives not entrust this important position to a career diplomat?

[*English*]

Mr. Deepak Obhrai (Parliamentary Secretary to the Minister of Foreign Affairs, CPC): Mr. Speaker, we will not comment on speculation. Bruno Saccomani is a distinguished individual with a strong record as a professional public servant. Our government, this House and all Canadians can be proud of the work he has done and continues to do.

Mr. Paul Dewar (Ottawa Centre, NDP): Mr. Speaker, as the commercial says, "This is about judgment".

The minister is well aware that the ambassador's position in Jordan is critical, given the key role this country plays in the Middle East. Canadians are simply left scratching their heads at this appointment. This should be a well-considered appointment to a very sensitive region.

My question is to the minister: is this just another Conservative patronage appointment?

Mr. Deepak Obhrai (Parliamentary Secretary to the Minister of Foreign Affairs, CPC): Mr. Speaker, I just said this is pure speculation at this time.

Mr. Saccomani is a very distinguished individual with a strong record as a professional public servant. Our government, this House and all Canadians can be proud of the work he has done and continues to do.

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ABORIGINAL AFFAIRS

Mrs. Cheryl Gallant (Renfrew—Nipissing—Pembroke, CPC): Mr. Speaker, for over 25 years women and children living on reserves have been without the legal protection they need. Women and children have been victimized and their families deeply affected. Yet for 13 years the Liberals did nothing and the NDP will not even listen to aboriginal women or their Manitoba NDP counterparts.

Will the Minister for Status of Women please update the House on what our government is doing to protect aboriginal women?

Hon. Rona Ambrose (Minister of Public Works and Government Services and Minister for Status of Women, CPC): Mr. Speaker, we have introduced a bill that could protect thousands of aboriginal women and children from violence. The bill responds to calls from victims, from the United Nations and from Amnesty International. It even responds to the Manitoba NDP government, whose legislation unanimously supports the bill, yet last night the Liberals and the NDP shamefully voted against giving aboriginal women rights that are afforded to all other Canadian women.

How can the Liberal and the NDP leader explain this unbelievable paternalism?

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[*Translation*]

REGIONAL ECONOMIC DEVELOPMENT

Ms. Lise St-Denis (Saint-Maurice—Champlain, Lib.): Mr. Speaker, this week, it was confirmed that Pâtisserie Chevalier, a subsidiary of Canada Bread, will be shutting down. Seventy employees in Shawinigan will be let go. This closure reflects the economic difficulties in the Mauricie region, which needs the federal government's support in finding the investment needed to re-open this type of factory.

Since the minister responsible for Quebec is so concerned about skills training, is he focusing on the regions and the disappearance of this type of—

The Speaker: Order. The hon. Minister of Transport, Infrastructure and Communities.

Hon. Denis Lebel (Minister of Transport, Infrastructure and Communities, Minister of the Economic Development Agency of Canada for the Regions of Quebec, Minister of Intergovernmental Affairs and President of the Queen's Privy Council for Canada, CPC): Mr. Speaker, families are affected every time a company decides to shut down. That is a given. If these companies decide to shut down, it is because, unfortunately, they can no longer afford to be in business. We respect the private sector. We support each and every region, but we will not manage each individual company.

That said, I have had the honour of making a number of announcements in Mauricie, and there are more to come. Take, for example, Premier Aviation in Trois-Rivières, which is doing an exceptional job in aircraft maintenance. Then there is Delastek in Louiseville, which is another success story. We will continue to work with the people in the region and support the economies of all of the regions in Quebec.

* * *

• (1500)

[*English*]

ABORIGINAL AFFAIRS

Mrs. Carol Hughes (Algoma—Manitoulin—Kapusksing, NDP): Mr. Speaker, when OxyContin was pulled from the shelves last March, the Minister of Health claimed the federal response for first nation communities struggling with addiction was adequate and attacked anyone who disagreed.

Now the Neskantaga first nation is in a state of emergency after a cluster of suicides while rampant addiction to prescription drugs is still a problem.

Will the minister stop playing political games and start working with aboriginal communities? These willing partners need long-term solutions, not Band-Aids.

Hon. Leona Aglukkaq (Minister of Health, Minister of the Canadian Northern Economic Development Agency and Minister for the Arctic Council, CPC): Mr. Speaker, our hearts go out to those individuals who have lost loved ones to suicide. Health Canada will work closely with the community and send both additional nurses and counselling staff to assist the community during this time.

We have renewed funding for, and work very closely with, the national aboriginal organizations to develop the framework for the national aboriginal youth suicide prevention strategy. We also continue to fund a number of community-based programs and services for mental health promotions, counselling, addiction prevention treatments and aftercare for first nations. Suicide prevention is also a pillar of the pathways to aboriginal health equity program we announced last year.

* * *

CANADIAN HERITAGE

Hon. Laurie Hawn (Edmonton Centre, CPC): Mr. Speaker, today Rush, one of the most influential rock bands in Canadian history, is being inducted into the Rock and Roll Hall of Fame. The trio, composed of leader singer and bassist Geddy Lee, guitar player Alex Lifeson and drummer Neil Peart, has sold more than 40 million records worldwide. Their album sales place them third behind The Beatles and the Rolling Stones for the most consecutive gold or platinum studio albums sold by a rock band.

Rush followed *Tom Sawyer*, *Roll the Bones* and rode their *Red Barchetta* into the *Limelight* of *YYZ*, a *Subdivisions* for the *Working Man*, and their *Freewill* is now being rewarded.

Could the Minister of Canadian Heritage please expand on how this influential band has impacted and shaped the music scene in Canada?

Hon. James Moore (Minister of Canadian Heritage and Official Languages, CPC): Mr. Speaker, formed in 1968 in Toronto and still selling out concerts to this very day, Rush has become one of the most influential bands in Canada's history. Songs like *Freewill*, *Tom Sawyer* and *Closer to the Heart* are known and loved by all Canadians. The band's fame extends well beyond Canada. Rush's international popularity will have indeed been recognized and will be formally recognized today as Rush is inducted in the Rock and Roll Hall of Fame.

On behalf of all Canadians and I think all members of the House, we want to wish Rush all the best and congratulations on their success and their recognition today.

* * *

EMPLOYMENT

Ms. Irene Mathysen (London—Fanshawe, NDP): Mr. Speaker, in January the jobless rate in London was 8.5%. In February, it was 9.1%. By March, it hit 9.6%.

Oral Questions

London has long been a manufacturing centre with good value-added jobs. In 2011, the Prime Minister was happy to have a photo op at Electro-Motive Diesel, but when it closed its doors, there was not a Conservative in sight. Their so-called action plan has failed my community.

We need a job plan that brings value-added jobs back to London. Where is it?

Hon. Gary Goodyear (Minister of State (Science and Technology) (Federal Economic Development Agency for Southern Ontario), CPC): Mr. Speaker, I am proud to announce that just through one program, the Federal Economic Development Agency for Southern Ontario, we have assisted London in many ways, including putting tens of millions of dollars into its academic community, into the airports and into the colleges.

However, that member voted no. Not only did she vote against that funding, but she showed up when the cheques were delivered and smiled for the cameras.

Some hon. members: Oh, oh!

The Speaker: Order, please.

The hon. member for Thunder Bay—Superior North.

* * *

TELECOMMUNICATIONS INDUSTRY

Mr. Bruce Hyer (Thunder Bay—Superior North, Ind.): Mr. Speaker, the government's feeble wireless policies are headed for failure—

Some hon. members: Oh, oh!

The Speaker: Order. The hon. member for Thunder Bay—Superior North now has the floor.

Mr. Bruce Hyer: Mr. Speaker, the government's feeble wireless policies are headed for failure. All three of Canada's small wireless companies are up for sale, owing to an unlevel playing field. Unchecked, Canada's three big telecoms will grab the last 9% of the market, guaranteeing higher prices and worse service.

Will the minister protect consumers and block such a sale? Will he limit the auction of new spectrum to only new players?

● (1505)

Hon. Christian Paradis (Minister of Industry and Minister of State (Agriculture), CPC): Mr. Speaker, of course we are standing up for consumers. We want to enhance competition and investment in this country, and this is why we adopted this policy back in 2008 for the AWS spectrum.

Business of the House

Let me say that the price went down by an average of 11% since then, and we will continue this way with the 700 megahertz spectrum. We launched consultation with the industry to make sure that we enhance competition and provide better choice and better rates for our consumers.

* * *

PRESENCE IN GALLERY

The Speaker: I would like to draw to the attention of hon. members the present in the gallery of Her Excellency Dr. Maia Panjikidze, Minister of Foreign Affairs of the Republic of Georgia.

Some hon. members: Hear, hear!

The Speaker: I know we have the normal Thursday question, but there is a point of order arising out of question period, I believe, from the hon. Parliamentary Secretary to the Minister of Finance.

* * *

POINTS OF ORDER

ORAL QUESTIONS

Mrs. Shelly Glover (Parliamentary Secretary to the Minister of Finance, CPC): Mr. Speaker, I do not often rise on points of order, but I just cannot remain seated after hearing what the member for St. Paul's screamed out in one of her uncontrolled outbursts, which we hear time and time again in question period.

When the Minister for Status of Women was speaking, the member for St. Paul's was disrespectful in the words she used to try to indicate that aboriginal women who do not have the same rights as other Canadian women ought to go and find shelters as opposed to getting the same rights as all the women here have.

I would suggest, Mr. Speaker, because of the out-of-control outburst by that member every single day, that you might consider putting a camera that way so that when we make points of order, you can actually discipline her for once.

Hon. Carolyn Bennett (St. Paul's, Lib.): Mr. Speaker, I apologize for the outburst, but I believe that it should be on record that the Conservative government has refused to fund shelters on reserves at the levels of other shelters and that—

Some hon. members: Oh, oh!

The Speaker: I believe the hon. member for Skeena—Bulkley Valley has the Thursday question.

* * *

[*Translation*]**BUSINESS OF THE HOUSE**

Mr. Nathan Cullen (Skeena—Bulkley Valley, NDP): Mr. Speaker, I have the honour to rise to ask the Leader of the Government in the House of Commons the usual Thursday question about what is on the agenda for the rest of this week and for next week.

[*English*]

This week's calendar has once again shown the utter lack of a plan from the government. Of the five days the House was sitting, four have been assigned as opposition days.

Yesterday, the one day the Conservatives actually chose to debate government legislation, they demonstrated once again their total lack of respect and fundamental disregard for Parliament and democracy by shutting down debate after only a few hours.

This was, in fact, the 31st time, in this Parliament alone, the government has used the guillotine of shutting down debate, setting the all-time record for any government in Canadian history, in only two years.

The pace the Conservatives are on right now is that once every seven days, the government moves a motion to shut down debate on some bill or another.

[*Translation*]

Perhaps we will have a chance to discuss the new bill announced earlier this week. This bill has to do with the NDP motion presented on a previous opposition day calling on the government to amend the Canada Elections Act to prohibit tactics like the ones used in Guelph in 2011 aimed at suppressing votes.

[*English*]

As soon as the Conservatives announced that this new electoral reform act was coming, they had to immediately announce that they had to scrap that same plan, as they discovered so many flaws in their own legislation.

This may be reminiscent for Canadians, because they had to change fundamental mistakes in their own immigration bill, Bill C-31. They never even got to Bill C-30, the Internet snooping bill. It never saw the light of day. The Conservatives had to wait until its omnibus crime bill got to the Senate before they could fix the fundamental flaws, because they so rushed it through this place with closure.

The government is totally out of ideas and out of gas. I beg the hon. House leader across the way to give us something, anything, that shows us that the Conservatives are doing something for hard-working families and Canadians in our economy.

● (1510)

Hon. Peter Van Loan (Leader of the Government in the House of Commons, CPC): Mr. Speaker, the opposition House leader expressed concern that the scheduling of several opposition days, on which the opposition gets to determine the subject matter of debate in the House of Commons, showed a complete absence of a plan and a complete absence of any ideas for policy innovation. Having heard the debate and the resolutions coming from the opposition for debate on those days, I am inclined to agree with him.

Sadly, they have shown that when the opposition has the agenda, there are no new ideas and there is nothing of value spoken. However, the Standing Orders do require us to have those opposition days scheduled as part of our procedure, and that is what we are doing.

Points of Order

I would like, however, to respond a little bit to his comments on the time allocation on the bill yesterday. Yesterday's bill was Bill S-2, a bill to give aboriginal women and their children on reserve the same matrimonial rights that other people have. It is a bill that has been in Parliament for five years, through a series of Parliaments, in fact, and it has not yet come to a vote. To paraphrase the President of the United States in the recent State of the Union address, the aboriginal women and children of Canada deserve the right to a vote. That is why we did what we had to do, after five years of obstruction from the opposition preventing the bill from coming forward.

The bill would provide the protection they have been denied for decades. It is truly shameful that, starting with the Leader of the Opposition, every single opposition member stood up against this bill at second reading. They voted against the principle of protecting aboriginal women and children and providing them with rights equal to those of all Canadian women off reserve. They voted against giving them protection from violence in the situation of a domestic family breakdown and giving them the same rights to matrimonial homes that other women have had for decades in this country.

It is another example of how the NDP approaches things. It claims that it is for women's rights and aboriginal rights, but when it comes time to actually take action, it does not. It is "do as I say, not as I do".

[*Translation*]

This afternoon we will continue the New Democrats' opposition day. Tomorrow is the fourth allotted day, when the New Democrats will again propose our topic for debate. Monday shall be the fifth allotted day, which will see a Liberal motion debated. Tuesday shall be the sixth allotted day, with a further New Democratic motion being considered.

[*English*]

Next week is victims week in Canada, so on Wednesday, the House will continue the second reading debate on Bill C-54, the not criminally responsible reform act, which aims to put the protection of society and of victims front and centre.

On Thursday morning we will consider Bill C-48, the technical tax amendments act, 2012, at report stage. After question period on Thursday, we will start report stage for Bill C-52, the fair rail freight service act, which was reported back from the transport committee this morning.

Finally, next Friday, Bill C-15, the strengthening military justice in the defence of Canada act, will be again considered at report stage.

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POINTS OF ORDER

ORAL QUESTIONS

Mr. Rodger Cuzner (Cape Breton—Canso, Lib.): Mr. Speaker, during question period on Tuesday, in response to a question I posed to the Minister of Human Resources and Skills Development, the minister made reference to a letter I had sent in support of the temporary foreign worker program. We have had an opportunity in the office to go back through all records and saw no such correspondence.

In an attempt to try to put some truth to this issue, I ask the minister to table that letter.

Mr. Speaker, does the member have to respond to the request to table such a document?

Hon. Peter Van Loan (Leader of the Government in the House of Commons, CPC): Mr. Speaker, the hon. member is a member of some standing in the House. He raised the subject earlier in the week. The member is aware of the rules. It is quite clear that if one quotes or reads from a document, there may be a requirement for tabling. However, simply indicating that one has a document in one's possession and that it exists does not give rise to an obligation to table. That being said, the minister certainly has the right to table it at some point if she sees fit.

● (1515)

Mr. Kevin Lamoureux (Winnipeg North, Lib.): Mr. Speaker, just as a courtesy, when a member stands in his or her place and waves a document around implying that it is a letter, and a member of Parliament is not 100% sure and questions whether the letter was sent, there is some obligation for a minister or member to at least demonstrate that he or she is not just throwing a name or a piece of paper around.

There has to be some sort of accountability. Otherwise, any member could stand up and say that he or she has a letter from so and so. I am sure that the government House leader will look into the matter, and if there was, in fact, a letter, the member will provide some assurance that it exists. That would be the proper thing to do.

Hon. Peter Van Loan: Mr. Speaker, it would be quite easy for the hon. member to go through his records and find any letter he might have sent to the minister asking for additional foreign workers for his riding. Perhaps the mistake is that the member has so many letters he has written requesting them that he does not know which one the minister is talking about. I do not know if that is where the problem arises. However, if it is a question of his having written only one letter, it should be fairly easy for him to find it. I can only presume, from the hon. member's remarks, that there must have been several letters, and he just wants to know which one the minister was waving about.

Hon. Ralph Goodale (Wascana, Lib.): Mr. Speaker, this discussion is getting out of hand.

The member for Cape Breton—Canso made it very clear in his first intervention to you, Mr. Speaker, that he searched his records and found no indication of the existence of any such document. The government House leader is now more than trying to make a joke of it; he is trying to leave a very false impression of what the member for Cape Breton—Canso in fact said.

In fairness, the record has to be clear. The member searched his records. He found no evidence of any such document, and the latest gratuitous remark by the government House leader is complete horse feathers and ought to be withdrawn.

The Speaker: I will allow the hon. government House leader one more intervention, and then I think we can bring this to a conclusion.

Hon. Peter Van Loan: Mr. Speaker, I will speak with the minister involved. I am quite sure that she will be able to find this letter that he has not been able to find fairly quickly. Perhaps we can have a discussion and solve the matter after that.

Privilege

The Speaker: I thank the hon. government House leader for that assurance, and I am sure that the House will look forward to whatever comes out of that.

* * *

[Translation]

PRIVILEGE

ELECTORAL REFORM BILL—SPEAKER'S RULING

The Speaker: Yesterday, the members for Ottawa—Vanier and Toronto—Danforth both rose on a question of privilege regarding the possible premature disclosure of the contents of a government bill prior to its introduction in the House.

[English]

Both members referenced an article that appeared in the *Globe and Mail* newspaper that suggested that during the weekly Conservative Party caucus meeting, some Conservative members had expressed concerns about how specific sections of the bill were drafted and had asked that they be rewritten. The members for Ottawa—Vanier and Toronto—Danforth suggested that this demonstrated that the Conservative members may have been provided with the actual text of the draft bill in question. Both members emphasized the seriousness of the premature disclosure of bills and asked the Chair to investigate this matter.

[Translation]

In response, the Leader of the Government in the House assured the House that at the caucus meeting held by the Conservative Party that day, no draft copies of the bill or sections of it were circulated or displayed, nor were excerpts provided.

[English]

As members know, it is a well-established practice that the contents of a bill are kept confidential until introduced in Parliament, thus making their premature disclosure a serious matter. However, in this case, a careful reading of the arguments presented to the Chair about what transpired reveals that the concerns expressed appear to be based more on conjecture and supposition than on actual evidence.

Furthermore, the government House leader has stated categorically to the House that no copies, sections or excerpts of said bill were in any way made available to those who were in attendance at the caucus meeting. In other words, he challenges the supposition being made, and he insists that there was no breach of confidentiality regarding the bill.

In light of the lack of evidence and the minister's categorical assurances, the Chair considers the matter closed.

[Translation]

I thank members for their attention.

[English]

S. O. 31

Mr. LaVar Payne (Medicine Hat, CPC): Mr. Speaker, it is with great honour to rise today in this place as the democratically elected member of Parliament for Medicine Hat. I rise to speak on the question of privilege raised by my colleague, the hon. member for

Langley. Our Westminster parliamentary system is without a doubt the best in the world, as we all know. It is not perfect, but if we look at all of the other democratic systems, ours is the best.

Obviously, here in Canada, our system has evolved over time. Starting in the early 1980s, it became the responsibility of the party whips to submit lists to the Speaker of those who would ask questions before each member is able to make an S. O. 31 statement before question period. That seemed to make sense at the time because Parliament was growing and the Speaker was getting busier. That is completely sensible. I do not think we could find any member who would disagree with that, and I am certainly not either.

What is unfortunate is that some members are denied the ability to speak if what they are going to say is unacceptable to the powers that be. I was elected by the people of my constituency to represent them in Ottawa. When the majority of my constituents feel strongly on one particular issue, I feel it is my duty to speak freely in the House about that issue. In fact, our handbook, *House of Commons Procedure and Practice*, second edition, 2009, clearly stipulates what my rights are as a duly elected member of the House.

Allow me to quote from O'Brien and Bosc, 2009, which states:

By far, the most important right accorded to Members of the House is the exercise of freedom of speech in parliamentary proceedings.

Therefore, we know that freedom of speech in this place is key to us being able to carry out our task of being good representatives of the people who elected us.

It goes on to state:

Freedom of speech permits Members to speak freely in the Chamber during a sitting or in committees during meetings while enjoying complete immunity from prosecution or civil liability for any comment they might make. This freedom is essential for the effective working of the House.

Mr. Speaker, it is for you to decide whether the privileges of the member for Langley had been breached. O'Brien and Bosc further states:

A Member may also be obstructed or interfered with in the performance of his or her parliamentary functions by non-physical means. In ruling on such matters, the Speaker examines the effect the incident or event had on the Member's ability to fulfil his or her parliamentary responsibilities.

I realize that some have tried to make out of this issue more than what it is. I can assure the House and, indeed, all Canadians that there is nothing antagonistic or rebellious about these interventions. It is a question of the rights of members, like the member for Langley, who wish to speak out on issues that are important to his or her constituents. Is that not what the role of a member of Parliament is? His or her role is, indeed, to be their voice here. To suggest that voice should be muted because an issue is considered too controversial is bizarre, to say the least.

This is the Parliament of Canada. I do not believe there are issues here that are too controversial for members to debate. That is why we are here. If we do not do it as democratically elected officials, then who will? That is why I stand here today to lend my voice and wholehearted support not only to the member for Langley but other members of Parliament who have stood to speak out on this issue. The member for Langley should be allowed to speak. I believe he was dropped from the speaking order because the powers that be decided that what he was going to say was just too controversial for them and that goes against the point of our system.

What started as a way to make it easier for the Speaker to manage who stood up to speak has now become a way to control the message. I believe it has gone too far and that is why I stand here today to lend my support to my colleague from Langley, as well as all others who have risen to speak on what they feel is an injustice.

As one of my colleagues pointed out previously, we need not look outside the Westminster parliamentary system for clues on how we can do things better. Let us go directly to the source that we inherited the system from. In the United Kingdom, government backbenchers rise from time to time to ask very tough questions of their own government.

Mr. Speaker, I conclude by asking you to look into this matter at your earliest convenience and thank you for giving me this opportunity to make my case.

• (1520)

The Speaker: I thank the hon. member for Medicine Hat for his further comments on the question of privilege currently before the Chair. Of course, I will be getting back to the House in due course with a decision.

GOVERNMENT ORDERS

• (1525)

[Translation]

BUSINESS OF SUPPLY

OPPOSITION MOTION—CANADA-CHINA FOREIGN INVESTMENT
PROMOTION AND PROTECTION AGREEMENT

The House resumed consideration of the motion.

The Speaker: The hon. member for Rimouski-Neigette—Témiscouata—Les Basques has five minutes.

Mr. Guy Caron (Rimouski-Neigette—Témiscouata—Les Basques, NDP): Mr. Speaker, I would like to discuss four issues, that is, four specific problems raised by the Canada-China foreign investment promotion and protection agreement. I probably will not have enough time to address all four problems, but I should have enough time to discuss the three main ones.

I have already talked about the fact that the agreement uses different language in articles about most-favoured-nation treatment and national treatment, meaning that current Canadian investors in China, which is a very small number, will be protected. However, future investors will not be protected, which poses a serious problem.

Business of Supply

The second point I want to discuss was also raised by my hon. colleague from Vancouver Kingsway, the official opposition critic for international trade. It has to do with the fact that both countries can keep all existing measures that do not conform with trade liberalization. This measure can help them locally. For instance, in China, provisions currently exist, and China will have the right to keep them after the agreement is signed, that is, after it is ratified.

These provisions require Canadian businesses to hire local workers or to have a certain number of local administrators, for example. There has been a lot of liberalization in Canada over the past 30 years, and we have eliminated all the measures that were not consistent with the spirit of freer trade. If each country can retain measures that are not consistent, we are giving an unfair advantage to our Chinese trading partner. That is what explains the lack of reciprocity I referred to earlier in my speech.

The third thing I want to talk about is the mechanisms for resolving conflicts between investors and the state. We have a lot of concerns about such provisions, which are in this agreement and in the previous ones. Unlike the existing agreements or the existing provisions between investors and the state, what is in this proposed agreement with China goes much further. It would allow either of the countries to go ahead with conflict resolution before an administrative tribunal that is not a judicial tribunal. These are not people chosen by the state, but private arbitrators who could, at the request of one of the countries, deal with these issues behind closed doors if one of the countries deemed it was not of public concern. They do not have to justify why it is not of public concern; they simply have to say so.

These three specific reasons—the different treatment of current and future investors, the maintenance of non-conforming measures and a different mechanism for settling disputes between investors and the state—make us wonder where the comments that the Parliamentary Secretary to the Minister of International Trade and the Minister of Canadian Heritage made in question period are coming from. They are telling us that the sole reason for the agreement is to protect investors, and that the agreement gives Canadian investors in China the same rights as Chinese investors in Canada.

Yet, there are enormous differences in how the two are treated, partly because of the non-conforming measures, which are much more prevalent in China than they are here. Chinese investors in Canada benefit from the same protection as Canadians who are currently investing in China. In 2011, Canadian investors had about \$5 billion worth of investments in China. These investments will be protected. In 2012, Chinese investors had \$22 billion worth of investments in Canada—that is five times more. These investments will be protected.

We can therefore already see the imbalance. The fact that the agreement will not protect investors with regard to national treatment and the establishment or acquisition of various investments means that new markets will not be opened to Canada, as the Conservatives have promised. The Conservatives think that the opposition should vote in favour of this agreement because of these markets.

Business of Supply

I am trying to understand the logic behind that argument. This agreement has been on the negotiating table for about 30 years or more. However, a solution has still not been found.

The softwood lumber agreement was signed quickly after the Conservative government came to power in 2006. This agreement was very bad for Canada, but producers accepted it because they were absolutely desperate.

• (1530)

At that time, the Conservative government wanted to win a quick victory. Right now, they want to achieve a victory, even if it harms Canada's interests and those of future investors in China. That is why we cannot support this agreement. We therefore support the motion moved by my colleague.

[English]

Mrs. Cathy McLeod (Parliamentary Secretary to the Minister of National Revenue, CPC): Mr. Speaker, I listened to my colleague with interest, but I think he is missing the main intent and purpose of this agreement. I would like to give him an example. There is a very successful business person in British Columbia who has been doing business in British Columbia for many years and has just recently set up his business in China. He is very pleased to know that we have protection agreements in place.

Why does the hon. member believe that this businessman, who has taken the great initiative to move into China to try to create additional success, should not actually have the same protection? Why would the member deny that protection for Canadians who are looking to do business in China?

[Translation]

Mr. Guy Caron: Mr. Speaker, I do not think the Parliamentary Secretary quite understood what I was saying.

The investor she is referring to, the one who has just set up shop in China, will be protected under the agreement, because he set up his business in China before the agreement was ratified. However, if the same person wants to invest after the agreement is signed, he will not be protected in the same way he is right now.

Contrary to what the member is claiming, it is not true that the agreement will protect future investments and increase trade opportunities that will protect Canadian investors. That is simply not the case.

[English]

The Acting Speaker (Mr. Bruce Stanton): I see that there is lots of interest in questions and comments, so during these five-minute periods for questions and comments I will be asking members to keep their interventions brief.

Mr. Kevin Lamoureux (Winnipeg North, Lib.): Mr. Speaker, I posed this question earlier to one of the member's colleagues. I was emphasizing the importance of world trade. Canada is very much a trading nation. We need to have trade. It creates hundreds of thousands of jobs and provides the quality of life that we have.

The question I had posed was, does the NDP support trade deals? I have seen NDP members stand up and talk against trade deals. I have never witnessed them vote in favour of a trade agreement. Can the member indicate, in the last 30 years, when the NDP members

stood in their place and actually voted in favour of a trade agreement?

[Translation]

Mr. Guy Caron: Mr. Speaker, the same myth is still floating around.

First, we have supported the Canada-Jordan free trade agreement in the past. Second, to give the hon. member a direct answer, we do in fact support trade agreements.

Having a document labelled "trade agreement" is not the same thing as examining the content of trade agreements. If some provisions in trade agreements are not in Canada's best interests and shortchange Canadians, it is our duty to stand up and point it out.

In this case, I have pointed out a number of issues, including the issue of whether both countries will be able to keep their non-conforming measures. China may keep a myriad of non-conforming measures, measures that Canada no longer has because they were eliminated. Actually, this lack of reciprocity is extremely problematic.

I would therefore ask the hon. member to review the trade agreements that he wants to support before he brings in his agreement.

[English]

Ms. Elizabeth May (Saanich—Gulf Islands, GP): Mr. Speaker, over and over again today we have been told by Conservative members that this is a standard FIPA and that they are all the same.

This language is from the current investment treaty with Benin. It will take me a minute to read it:

....except in rare circumstances, such as when a measure or a series of measures is so severe in the light of its purpose that it cannot be reasonably viewed as having been adopted and applied in good faith, a...measure...designed...to protect... public welfare objectives, such as health, safety and the environment, does not constitute indirect expropriation.

That is not bad language. The language in the China investment treaty requires that a country like Canada prove that any measure is "necessary" to protect "human, animal or plant life or health". We are way less protected under the Canada-China investment treaty than Benin is in dealing with Canada.

Does my friend have any comments?

• (1535)

[Translation]

Mr. Guy Caron: Mr. Speaker, my colleague is absolutely correct, and that is why I am perplexed by the comments from the Parliamentary Secretary to the Minister of International Trade. This morning, in his first question to our critic, he said that this agreement is no different from previous foreign investment protection agreements. On the contrary, there are some very different and extremely worrisome provisions in this agreement.

Business of Supply

Hypothetically, we may have to face a secret administrative tribunal at the request of one of the two partners. That measure does not currently exist in any treaty or accord. The protection given to current investors is different from that given to future investors—those who will invest after this treaty is ratified—and that is one element that differs from past measures. We do not agree with those measures.

[English]

Ms. Wai Young (Vancouver South, CPC): Mr. Speaker, I will be splitting my time with the member for Richmond Hill.

Our Conservative government is committed to protecting and strengthening the long-term financial security of hard-working Canadians. Canada's prosperity is directly linked to reaching beyond our borders for economic opportunities that serve to grow Canada's trade and investment.

Trade has long been a powerful engine for Canada's economy. It is even more important in the current global economic climate. Jobs and economic growth for the benefit of Canadian businesses, workers and their families continue to be our focus.

Our government understands the importance of trade to our economy. Export-related industries represent one out of every five jobs in Canada and account for nearly two-thirds of our country's annual income. Our Conservative government clearly understands that our standard of living and Canadians' future prosperity will be generated by deepening and broadening our trade relationships.

No government in Canada's history has been more committed to helping create jobs and prosperity for Canadian businesses, workers and their families. Deepening Canada's trading relationships in dynamic and high-growth markets around the world is key to these efforts. Whereas during their 13 years in government, the Liberals completed only three trade deals, in less than six years under this Prime Minister's leadership, Canada has become partner in nine new free trade agreements, with Colombia, Jordan, Panama, Peru, Honduras and the European Free Trade Association, which includes Iceland, Liechtenstein, Norway and Switzerland. Sadly, the ideologically driven NDP has generally opposed these agreements.

Our government recognizes that protectionist restrictions stifle our exporters and undermine Canada's competitiveness. Thanks to these actions and our government's free trade leadership, Canadian workers and businesses now have preferred access and a real competitive edge in more markets around the world than at any other time in our history.

However one cannot talk about dynamic and fast-growing markets without touching upon Canada's successes in promoting the interests of Canadian exporters in the Asia-Pacific.

In the past few years, our government has been aggressively expanding commercial relations with the Asia-Pacific region to create jobs and economic benefits here at home. The opportunities in this region are great. Asia-Pacific countries represent huge markets with economic growth rates two to three times the global average, and our efforts are yielding results.

For example, last year Canada joined the trans-Pacific partnership, a significant opportunity that serves as a key pathway for economic

integration in the Asia-Pacific region. Once complete, the TPP will strengthen Canada's efforts to broaden and deepen its trading relationships with dynamic and fast-growing Asia-Pacific markets.

We launched negotiations with Japan toward an economic partnership agreement and announced exploratory discussions toward a bilateral free trade agreement with Thailand. Canada also achieved observer status with the Pacific alliance, a grouping of four fast-growing Pacific countries in Latin America.

In addition to all this, an important part of Canada's efforts in the Asia-Pacific pertains, of course, to our engagement with China. I would be remiss if I did not highlight that not only is China the world's second-largest economy but it has recently become Canada's number two export market, second only to the United States.

In fact, Canadian exports to China rose 15% last year to over \$19 billion. This means that Canada's exports to China have nearly doubled under our Conservative government.

However, investment is also an important part of the Canada-China relationship, and so I would like to take a moment to refute some of these myths being repeated by the anti-trade NDP.

Fundamentally, the foreign investment protection agreement, or FIPA, is about protecting the interests of Canadians abroad. With this treaty, Canadian businesses wanting to invest in China cannot be treated less favourably than any other foreign company looking to do the same. The FIPA also ensures that all investment disputes are resolved under international arbitration, ensuring that adjudications are independent. Canadian investors in China will have an independent, international legal system where their disputes can be fairly resolved.

● (1540)

Ultimately, this agreement would give Canadian investors in China the same types of protection that foreign investors have long had in Canada. This begs the question of why any member opposite would deny Canadian investors the same benefits internationally that foreign investors have here.

Finally, I would emphasize that ours is the first bilateral investment agreement that China has signed that expressly includes language on transparency of dispute settlement proceedings. Let me be clear. It is Canada's long-standing policy that all dispute resolutions should be open to the public and that the submissions made by the parties are available to the public, period.

As our government has said time and time again, this agreement does not impair Canada's ability to regulate and legislate in areas such as the environment, culture and health, nor does it impair the ability of the provinces to do so.

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Furthermore, restrictions in the agreement will preserve Canada's current ability to review foreign investments under the Investment Canada Act.

It is unfortunate that the NDP and its fellow anti-trade activists have continued to spread a great deal of misinformation about this agreement. Canadians should not be surprised at the anti-trade agenda of the NDP. After all, this is the same party whose leader travelled to Washington recently to argue against Canadian jobs, nor was that an isolated occurrence. In November 2011, the NDP dispatched its deputy leader to Washington with the same anti-Canadian message.

This is the same party that also opposed NAFTA and the same leader who called Canada's natural resources sector a disease. The NDP continues to oppose NAFTA, an agreement that sparked the creation of millions of Canadian jobs. To this day, the NDP platform commits its party to renegotiating NAFTA, if it ever has the opportunity.

This is the same party whose member for Dartmouth—Cole Harbour, called free trade agreements “job destroying”, and whose natural resources critic argued that free trade has cost Canadians dearly.

The NDP member for B.C. Southern Interior summarized the NDP's archaic views on trade when he argued that trade agreements “threaten the very existence of our nation”.

Thankfully, Canadian exporters know that our government, unlike the NDP, continues to stand up for trade, jobs and our economy.

Mr. Don Davies (Vancouver Kingsway, NDP): Mr. Speaker, the hon. member claims that the current Conservative government has made trade a key component of its economic policy. If that is the case, it is a miserable failure.

When the Conservatives took power in 2006, the current account situation was that it inherited a surplus of \$17 billion. Under their watch, they have now run us into the ground with a \$67 billion deficit. We have a record \$100 billion deficit in merchandise items.

If my hon. colleague thinks trade is so important, can she explain to Canadians why the policies of her government are running our Canadian exporters into the ground and creating the highest record current account deficits in Canadian history?

• (1545)

Ms. Wai Young: Canadians need to ask why the NDP wants to kill jobs and kill the Canadian economy, and why its leader went to Washington to argue against trading with Canada. That is truly what Canadians need to ask.

Mr. Ted Hsu (Kingston and the Islands, Lib.): Mr. Speaker, I want to thank my colleague from the NDP for mentioning the large budget surplus that the Conservative government inherited from the last Liberal government. I am a bit disappointed at the partisan response, because we are debating a treaty, which has important economic consequences.

I do want to correct the speaker who seemed to be claiming, again in a rather partisan way, that the Liberal Party did not work for trade. The Liberal Party supports trade. I would remind the member that the talks that led to the treaty we are debating today actually began in

the years when the Liberals formed government, just a year or two before the Conservatives won the election in 2006.

Ms. Wai Young: Mr. Speaker, I would like to remind the hon. member that during the 13 years of his party's rule, it only brought home three trade agreements, at a time when the global economy was very stable and very open.

We have actually been able to bring home nine free trade agreements under this leadership and government, along with membership in the trans-Pacific partnership and various other trade agreement associations, which will be helpful to our economy and our future.

Hon. Rob Merrifield (Yellowhead, CPC): Mr. Speaker, I certainly appreciate my hon. colleague's position about Canada's interests in investment in China. It is well thought out.

I find it a little rich when my hon. colleagues from across, particularly the NDP members, look at trade surpluses or deficits in the sense of whether we bring in more imports than we export. We are in a global world. He has heard witness after witness, at committee, testifying as to how integrated we all are. Just because we, for a certain period of time, bring more in than we export, that does not necessarily mean that is bad for Canada. In fact, that is actually a good sign, because we have to bring products in to manufacture them and create them to have greater exports.

I really find it a little rich when the opposition, actually both parties, take the position that it is a really negative thing. It is actually a very good thing, and we will continue to promote trade, as a government.

I want my hon. colleague to answer the question with regard to the position we take on trade, as a government, compared with the opposition, because I think that needs a little more explanation, obviously.

Ms. Wai Young: Mr. Speaker, no government in Canada's history has been more committed to creating jobs and prosperity. We lead the G7 countries in creating more than 900,000 jobs in Canada during a fragile economic time. That is because we have taken a strong stand and a proactive stand on negotiating trade agreements with nine different countries.

Deepening Canada's trade relationships in dynamic and high-growth markets, such as the Asia-Pacific, is also critical to the future of Canada. I think the members opposite know that. I would like to strongly encourage them to support this trade agreement and to vote for the Canadian economy and for Canadian jobs, not against them.

The Acting Speaker (Mr. Bruce Stanton): We are resuming debate.

I would just like to compliment hon. members for keeping their interventions to less a minute, as more members are able to participate in these times for questions and comments.

Resuming debate, the hon. member for Richmond Hill.

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Mr. Costas Menegakis (Richmond Hill, CPC): Mr. Speaker, I am delighted to rise today to speak in favour of the Canada-China foreign investment promotion and protection agreement on behalf of the great constituents of Canada's largest town, Richmond Hill, Ontario. Richmond Hill is a diverse community, thriving in the heart of the greater Toronto area. I have the honour and privilege and am humbled to be here to represent them.

No government, as my colleague has just stated, in Canada's history has been more committed to creating jobs and prosperity for Canadian businesses, workers and their families. A key driver of prosperity is free and open trade. That is why our government has adopted the most ambitious pro-trade plan in Canadian history.

Our government recognizes that protectionist restrictions stifle our exporters and undermine Canada's competitiveness.

While we are opening new markets for our exporters in dynamic, fast-growing markets around the world, we are also ensuring that Canadian investors have the predictable business climates, environments they need to invest with confidence. That is why we pursue foreign investment promotion and protection agreements to provide the predictability investors need when investing in foreign markets.

These bilateral trade and investment treaties are essential to bringing continued prosperity to Canadian families. In fact, since the launch of the global commerce strategy, Canada has concluded 16 new or updated foreign investment promotion and protection agreements.

By improving access to foreign markets for Canadian businesses, our government's ambitious pro-trade plan is supporting economic growth and the creation of new opportunities for Canadian exporters and investors.

We are putting in place the conditions necessary to create jobs for Canadians and to capitalize on our strengths as a country. Foreign investment promotion and protection agreements provide greater predictability and protection for investors from both countries that are parties to the agreement.

These treaties support Canadian business efforts to explore the growing investment opportunities in a variety of sectors. Once in force, they provide more stability for Canadian firms investing in the foreign country. The foreign investment promotion and protection agreement is a high standard agreement and is comprehensive in its scope and coverage.

Despite the many naysayers who have said it is important to note that all obligations of the agreement apply reciprocally to both parties to the agreement, it will also grant investors access to the international arbitration to resolve disputes.

The dispute settlement provisions in this treaty ensure greater protection for investors against discriminatory and arbitrary practices and they provide a way for Canadian investors to pursue adequate and prompt compensation in the event of an expropriation.

I would also emphasize that it is, and continues to be, Canada's policy to open all hearings to the public whenever the Government of Canada is challenged under these dispute settlement procedures. This also applies to the relevant documents in an arbitration.

Canada always makes these documents public, subject to the protection of confidential information. What is more, the results of arbitrations will always be made publicly available. It is also important for me to note that in any foreign investment promotion and protection agreement, we take steps to ensure that we maintain full policy flexibility in key areas.

Parties at all levels of government maintain their ability to regulate and legislate in areas such as the environment, culture, safety, health and conservation. All investors and their investments, whether domestic or foreign, will face the same requirements with respect to existing local laws and regulations.

• (1550)

A foreign investor and their investments in Canada must respect existing Canadian laws and regulations just like any Canadian must. This includes laws aimed at protecting the environment and those ensuring the highest labour, health, building and safety standards.

As such, and as is the case with all proposed foreign investments of significance in Canada, we will continue to use the Investment Canada Act to ensure that investments from any foreign country, including China, bring concrete benefits to Canadians. Our FIPA with China will not in any way impede our ability to do so. This means helping to create more jobs, foster innovation and increase Canada's competitiveness and productivity. These are elements that we include in all 24 of our foreign investment promotion and protection agreements that are currently in force.

Our foreign investment promotion and protection agreements allow investors to invest with confidence and confident investors contribute to the growth and investment both inbound and outbound, and growth in investment always benefits the Canadian economy. In fact, two-way investment is an absolutely critical driving force in today's global economy. Investment links our businesses to global value chains and to the technology and expertise they need to forge a wide-range of commercial links with our partners around the globe.

However, the risk of investing in a foreign country can be high. That is why our government negotiates FIPAs to ensure that Canadian investors abroad have access to a predictable, secure investment climate. It is designed first and foremost to protect Canadian investments abroad through legally binding provisions.

By ensuring greater protection against discriminatory and arbitrary practices and enhancing the predictability of a policy framework in markets abroad, a FIPA allows businesses to invest with greater confidence. As such, these agreements provide a more transparent and predictable climate for Canadian investors abroad.

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Investment with our partners, inward and outward, is enormously important and so is promoting and protecting these investments through tools such as a foreign investment promotion and protection agreement. If Canada can establish a strong rules-based bilateral investment relationship with a country before some of our closest competitors, it will give our companies an advantage in doing business in that market and it will serve to benefit our own industries right here at home.

It is a shame that the NDP members and their anti-trade allies continue to propagate myths about these agreements. Their archaic anti-trade ideology would stifle the Canadian economy and slam the door on opportunities for Canadian exporters around the world. The NDP has shown its true colours on trade ever since NAFTA, which it opposed 25 years ago, and astonishingly enough still opposes to this day.

Let me be clear. Our government will not stand by and let Canadian companies operate in an uneven playing field. We will work to ensure that businesses have what they need to flourish domestically and compete abroad. This is why, on behalf of my constituents of the great town of Richmond Hill, I am happy to support this agreement.

• (1555)

[Translation]

Mrs. Anne-Marie Day (Charlesbourg—Haute-Saint-Charles, NDP): Mr. Speaker, the member knows full well that pursuant to section 35 of the Constitution, Canada has an obligation to consult aboriginal peoples before taking measures that affect their rights.

The Hupacasath nation has filed an injunction with the Federal Court to stop ratification of the FIPA.

How can the member justify that to the House? Why have the Conservatives failed to consult with aboriginal peoples?

[English]

Mr. Costas Menegakis: Mr. Speaker, this is a very open and public process. We are here debating in the House of Commons an agreement. Parliamentarians, representing Canadians from coast to coast, have an opportunity to rise in their place and ask questions and focus on the Canada-China FIPA agreement.

The NDP's position on trade agreements is very well known. No matter what we put in the agreement, no matter to whom we speak, the New Democrats will stand in their place and vote against it. For some reason, they just do not believe that Canadian companies should have an opportunity to play on an equal playing field when they are investing abroad.

• (1600)

Mr. Kevin Lamoureux (Winnipeg North, Lib.): Mr. Speaker, I am inclined to agree with the member's comments with respect to the NDP, but there is a difference in terms of the way in which the Liberals have approached free trade. At the end of the day, we recognize the importance of having trade agreements.

In fact, we saw that under the Jean Chrétien administration, but we also saw a different approach of trying to get more exports and imports. For example, team China went over and brought in literally

hundreds of millions of dollars of trade between the two countries. I believe that is also important.

The member's government does not seem to recognize that value. When the Prime Minister went over, he brought back a couple of panda bears.

Why does the member suspect the trade surplus that the Conservative government inherited through the Paul Martin government was reduced to being into the billions of dollars of a trade deficit? What happened? What did the Conservatives do wrong?

Mr. Costas Menegakis: Mr. Speaker, I would like to correct the record as obviously the member is not well-informed about what happened in the Prime Minister's visit, and that second historic visit that took place in February of last year. The member referred to the panda bears and we are certainly very happy they are in Canada.

I was part of that delegation. I witnessed 23 Canadian companies' representatives sign agreements with their counterparts in China that added \$3 billion to Canada's GDP, to the Canadian economy. Perhaps the hon. member would like to read the record of the visit so he will be much better informed when asking his questions.

Mr. Chris Alexander (Parliamentary Secretary to the Minister of National Defence, CPC): Mr. Speaker, what the opposition does not want Canadians to know is that under the Liberal government, yes there were all those missions and expenses and travel here and there abroad, but the trade results did not follow. Under this government, we have achieved something like \$40 billion of exports a year, but for the first time in Canadian history, a quarter of that is to countries other than the United States. Of course there has been softness in the United States. It is coming back. However, with today's motion, we hear the NDP and the Liberals from time to time endorsing the idea of walking away from a FIPA.

What would that do to Canada's exports? What would that do to our ability to export and to the growth Canadians have experienced as investors abroad in the past seven years? Could the hon. member comment on the dire implications of today's motion if it were ever to pass?

Mr. Costas Menegakis: Mr. Speaker, as the hon. member states, the implications would be dire. We have set a very strong agenda on increasing our trade relationships with partners around the world. We are building on the Canadian economy. We are still living very much in a fragile economic market worldwide, and Canada, under the leadership of our right hon. Prime Minister, is leading the way in forging relationships in markets that will be open to Canadian businesses and, at the end of the day, benefit each and every Canadian family.

Mr. Bruce Hyer (Thunder Bay—Superior North, Ind.): Mr. Speaker, this is a bad deal for Canada in terms of Canadian strategic resources, especially energy resources. We already have a bad deal with the United States where it gets a 30% discount, while eastern Canada buys expensive oil from Venezuela and Arabia. I would request the member to please encourage the government to rethink this wrong-headed move.

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Mr. Costas Menegakis: Mr. Speaker, it is no surprise that the hon. member would be against an agreement with a former party he was with. He was well ensconced in that ideology, and I see that he is continuing it.

I would ask that he reconsider his position and that he vote in favour of the agreement. It is good for the constituents in his riding. It is good for all Canadians.

[Translation]

Ms. Hélène LeBlanc (LaSalle—Émard, NDP): Mr. Speaker, I will be sharing my time with the hon. member for Abitibi—Baie-James—Nunavik—Eeyou.

It is with determination that I rise in the House to defend the official opposition motion on the foreign investment promotion and protection agreement between Canada and China. Let me say from the outset that I realize that Canada has always benefited from trade agreements and I recognize the growing significance of emerging countries in these trade relations.

That being said, I will comment on the fact that Canadians' confidence in this government has been breached when it comes to negotiating agreements that have their best interests at heart, namely transparency, reciprocity, equality, and protecting jobs, the environment and communities.

I will draw a parallel between the Prime Minister's recent decision to support the acquisition of two Canadian companies by foreign state-owned corporations—the acquisition of Nexen by CNOOC and Progress Energy by Petronas—and the confusion that was created within the investment community as to this government's intentions with regard to foreign investment in Canada.

Throughout the evaluation process of these acquisitions, and according to the Investment Canada Act, the Conservatives turned a deaf ear to Canadians' concerns and refused to consult them. The Prime Minister made his decision behind closed doors, as he did for the foreign investment promotion and protection agreement between Canada and China. No parliamentary committee will conduct a comprehensive study, despite the NDP's repeated pleas.

In its recent report entitled *Foreign Direct Investment and the National Interest: A Way Forward*, the Institute for Research on Public Policy condemns the fact that the current government did not reassess the country's investment policies and, what is more, created confusion by introducing the concept of “exceptional circumstances”. The report also outlines Canadians' priorities.

● (1605)

[English]

[The net benefit test] should explicitly include references to the effect of the foreign investment on opportunities for Canadian management; benefits and compatibility to trade, fiscal and environmental policies; its potential contribution to advancing Canadian international trade and investment objectives (such as reciprocity); and, for completeness, its possible effect on national security. In addition, the description of some of the existing benefits should be clarified.

Again and again the government has refused to have a profound review of the Investment Canada Act. It is the same with this agreement.

I state here that the foreign investment promotion and protection agreement, FIPA, is a bad deal for Canada. Frankly, the whole thing

exposes the Conservatives' rigid tunnel vision ideology when it comes to economic growth. We have to understand that not every trade deal is a good deal. This deal would tie the hands of Canadian provincial governments. It would expose taxpayers to major liabilities, and ultimately, it would not help Canadian investors break into China's market.

We can do better. We must do better.

Let us examine FIPA a bit more closely. In the explanatory note, we see that the agreement remains in force for a period of 15 years. After this period, either party may at any time terminate it, but for investments made prior to that date, the provisions of the agreement remain in force for a further 15 years.

Let us look also at article 6, on national treatment:

Each Contracting Party shall accord to investors of the other Contracting Party treatment no less favourable than that it accords, in like circumstances, to its own investors with respect to expansion, management, conduct, operation and sale or other disposition of investment in its territory.

This means that it must be allowed to expand its operations as if it were a Canadian company.

Let us examine some of the barriers to foreign investment in China, and I will refer again to the IRPP study. When Canadian investors want to invest in China, they have to go through laws and regulations, and this states some of the names of the laws and regulations in China:

Laws and regulations governing foreign investment include the “Circular of the General Office of the State Council on Establishment of Security Review System Regarding Merger and Acquisition of Domestic Enterprises by Foreign Investors” and “Provisions of the Ministry of Commerce for the Implementation of the Security Review System”.

This report says,

Chinese authorities enjoy broad discretionary power to reject transactions, particularly on national security grounds.

As we see, there are a lot of hurdles for Canadian investors investing in China.

● (1610)

[Translation]

Let us briefly compare China and Canada. In 2011, Canada invested \$4.5 billion in China. In contrast, China invested \$11 billion, that is to say more than twice as much as Canada. That can be explained by a difference in market size.

This figure more than doubled in 2012, when investors from the People's Republic of China invested over \$22.9 billion in order to take over, merge with or enter into joint ventures with Canadian companies. Clearly, Canadian investment in China is not in the same league as Chinese investment in Canada.

Let us continue our comparison. Canada is a market economy and China is not. Canada is part of the Organisation for Economic Co-operation and Development, the OECD, and China is not. In addition, despite inherent differences between the two governments, Canada has strengthened its diplomatic and trade relations with China over the years, which is important.

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However, we must understand that these are two very different economies and governments. It is sort of like having a hockey team play against a soccer team, each with its own set of rules and differences. As a result, there was a need for negotiations to be able to create a level playing field.

As I said in the beginning, Canadians have lost trust in the government when it comes to negotiating in a transparent and honest fashion in the best interests of Canadians. The Conservative government has not shown that it can negotiate agreements that are in the best interests of Canadians. Every time, it lacked transparency, it created confusion by refusing to have clear and transparent rules and it refused to hold consultations and to assess the short- and long-term implications of the ratification of agreements or transactions that will have an impact on our institutions and economy.

For all those reasons, the government should inform the Government of the People's Republic of China that it will not ratify the Canada-China foreign investment promotion and protection agreement.

•(1615)

[*English*]

Ms. Elizabeth May (Saanich—Gulf Islands, GP): Mr. Speaker, I would like to actually address this question to all members of this House.

The Canada-China investment treaty is significantly flawed. It does not protect the environment even as much as the agreement Canada just negotiated with Benin. The whole concept of investor state agreements has been brought into question by cost-benefit analyses, such as those done by the government of Australia, which despite having large investments from China, and vice versa reciprocally, has looked at the issue and has decided that it does not want to enter into any more investor state agreements. They are not in the interests of the country. They still have been able to have all the investments from China they have sought, because China has not pushed them for such a treaty.

This treaty is far too important to go down to defeat based on the Liberals not being able to agree to vote with the NDP and the NDP not being prepared to take the Liberals' amendment. Individual Conservative members, I am sure, will be struggling with their consciences if this comes to a vote Tuesday night on a reasonable amendment to send it to committee.

My plea to all members of this place is that we find a way to compromise between the parties so that we can do what the people of Canada want and subject this treaty to a proper and thorough review in committee.

[*Translation*]

Ms. Hélène LeBlanc: Mr. Speaker, the hon. member did not really ask a question. However, I will repeat what I already said in my speech.

It is very important to fully review this treaty. We have asked that it be examined in a parliamentary committee so that experts can testify, because it raises some serious concerns for us.

[*English*]

Mr. Robert Chisholm (Dartmouth—Cole Harbour, NDP): Mr. Speaker, I appreciate the intervention from my colleague on this important topic.

It is interesting, and I would like her comment on this, listening to government members talk about what a great opportunity this is to debate the bill. Yet it was the official opposition that gave them an opportunity to debate the bill, an agreement that took 18 years to negotiate.

They say that not passing the agreement will have dire consequences. Yet they will not let it see the light of day. They will not bring Canadians into the secret and let us find out what it is they want us to sign. They say to trust them on a deal that would bind our hands for 33 years.

I want to ask my colleague if she would comment on that, and also on the fact that the executive council has had the opportunity to give the bill royal assent since November. Yet it has failed to do that, with no explanation.

[*Translation*]

Ms. Hélène LeBlanc: Mr. Speaker, I thank the hon. member for reiterating the importance of further debating this agreement that will bind us to China for a number of years.

Holding a debate to finally shed some light on this issue is an NDP initiative.

It is important to poll Canadians, as well as Canadian investors in China, on the agreement to see if there truly is reciprocity.

Again, I thank the hon. member for reiterating what I said about Canadians losing trust in the government's ability to negotiate in the public interest.

[*English*]

Mr. Kevin Lamoureux (Winnipeg North, Lib.): Mr. Speaker, the member just said that she wants Canadians to be part of the process. She implied that she wants to see a review take place.

The Liberal Party proposed an amendment that would have done just that. It would have allowed the House to go to Canadians and allow them to have input on this process before it is ratified. Why would the NDP not support Canadians being engaged in this process? Why did NDP members not support the Liberal amendment?

•(1620)

[*Translation*]

Ms. Hélène LeBlanc: Mr. Speaker, it is very important that Canadians have their say on this agreement and that, as the NDP requested, the parliamentary committee undertake an in-depth study of the agreement before it is ratified. It is important to consider the experience of other countries that are negotiating with China in order to have a broader perspective of the issue.

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Mr. Romeo Saganash (Abitibi—Baie-James—Nunavik—Eeyou, NDP): Mr. Speaker, I am pleased to speak during our opposition day to the motion moved by the member for Vancouver Kingsway. I would like to thank him for the excellent work he does and for giving us the opportunity to debate this important topic. As we have all come to realize, the Conservative government has done everything it can to keep us from talking about this.

Canada has always been a trading nation, and the NDP believes that trade, when done correctly, is beneficial for the entire country. However, when trade is governed by ill-conceived policies and even more ill-conceived treaties, the entire country suffers the consequences.

The NDP is in favour of free trade. We have said it time and time again. However, these agreements need to contain minimum environmental and labour standards, and these agreements need to be in the interest of all Canadians. That is important.

Yet, as usual, the Conservative approach is to sign an agreement no matter what the cost, simply to be able to boast about it. They are just signing agreements for the sake of signing them. That approach is unacceptable to those of us on this side of the House.

[*English*]

We are seeing the same approach from the government with respect to the Canada-China FIPA that we are speaking to today, the bilateral agreement intended to protect and promote foreign investment. As was the case with the majority of free trade agreements signed by the government, the government has kept Canadians in the dark throughout and has not consulted with anyone.

I know that my colleagues in the official opposition, led by the very able member for Vancouver Kingsway, will point out many issues that we have with this agreement. Therefore, I would like to use my time to speak to an aspect of our trade policy, the effect of trade agreements and FIPAs on aboriginal rights, interests and land titles.

To understand this properly, we need to take a step back to the very beginning of this nation. The first peoples of North America were trading nations, travelling great distances to exchange goods with one another. Our ancestors had lived this way since time immemorial and continued to do so after the first arrival of people from Europe. Trade even helped create a whole new indigenous nation, the Métis. Through all that time, trade was done respectfully and to the benefit of all sides involved.

That takes us to 1763, when King George III of England issued the royal proclamation that recognized aboriginal title to these lands. He recognized that the aboriginal peoples of this continent had rights and had to be negotiated with. At that time, this was such a revolutionary idea that the proclamation was actually one of the "Intolerable Acts" that eventually led to the American Revolution. That in itself tells a story about how Canada and the United States developed. While in British North America it became practice to negotiate various kinds of treaties from that time forward in most parts of what is now Canada, the Americans went to open war with the indigenous nations.

[*Translation*]

At first glance, it would seem that Canada's approach of signing treaties with the country's aboriginal peoples was the better one. These treaties helped create a framework for equality, peace and stability in order to build the country.

● (1625)

However, this method only works if it is adopted in good faith and if everyone keeps their word. A number of treaties have been negotiated to date—but honouring and implementing them is a whole other issue. I will spare the House the details of this part of our well-known history.

When we look at trade and investment agreements that Canada has reached with other nations, it is clear that many provisions of those agreements have a direct impact on the rights, interests and titles of our aboriginal peoples.

And yet aboriginal peoples are never represented during the negotiations for those agreements, nor are their interests defended. This is also true in the case of the agreement currently before us. Canada negotiated with China, while completely excluding first nations, Métis and Inuit from the whole process.

[*English*]

This FIPA includes investor arbitration rights that would allow Chinese enterprises to sue Canada "...in cases where the host country attempts to impose new or updated regulations that may interfere with the investor's bottom line".

A provision like this is in direct contradiction to section 35 of the Constitution and rulings made the Supreme Court of Canada, which state that the government has a duty to consult and accommodate aboriginal peoples in this country.

An agreement like this FIPA would trump all of that and would be a direct threat to the ability of aboriginal peoples to protect our rights and our traditional way of life. The government does not have the right to unilaterally sign away those rights, yet this is precisely what they are doing in this case.

In response to this threat, in January the Hupacasath First Nation asked the Federal Court to stop Canada from ratifying this treaty until it and other first nations have been consulted. The Union of British Columbia Indian Chiefs, the Chiefs of Ontario, and the Serpent River First Nation in Ontario are also supporting this injunction.

What is the Conservative response to all this? Silence. Total silence. A stunning level of silence.

I find it quite sad that again we are seeing another indigenous nation in Canada having to go to court to force the Conservatives to simply respect their rights.

This is far from the exception, as Conservative and Liberal governments going back decades have wasted hundreds of millions of dollars every year fighting aboriginal rights in the courts instead of sitting down, accepting what has been law for 250 years, and working toward a resolution with the indigenous peoples of this land.

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This case in particular is even sadder, given that indigenous nations of Canada are trading nations, but unlike the Conservatives and the Liberals, we do not believe in trade and investment at any cost. We would never put our health, our culture or our communities at grave risk just to be able to say “I have a deal.”

We would never allow our families to starve nor would we destroy our homes just to be able to say “We improved our standing with another nation.”

We believe in fair trade, in trade that benefits all involved, and that is something that has not changed today.

The government has a constitutional duty. If we are going to truly rebuild this floundering relationship, the government needs to start bringing the aboriginal nations of Canada to the table as full partners. In our trade and foreign investment policies, given our histories on this topic, it would be the most natural thing to do to start with.

[*Translation*]

Canada cannot reach its full potential without respecting the rights of first nations. It is high time that the Conservatives stopped ignoring this fact. We can do better and we can expect more from the Government of Canada. That is why we oppose this agreement and why we want something better.

If the Conservatives refuse to get on with the task of negotiating better agreements for Canada with our global partners, I would ask them to simply step away from the file and let us take care of it, for that is exactly what we will do in 2015.

• (1630)

[*English*]

Mr. Kevin Lamoureux (Winnipeg North, Lib.): Mr. Speaker, there are a number of things the member said that I take some exception to. When one makes reference to Liberal governments of the past or to Conservative governments, I do not think the NDP can be excused from the issue of not treating our aboriginal peoples with the greatest of respect. In Manitoba, aboriginal or first nations people took the NDP to court on several occasions.

That said, we are talking about the FIPA agreement. This afternoon the Liberal Party took a look at the motion that the NDP is proposing and put forward an amendment. That amendment would have allowed cross-country hearings to be conducted so that Canadians, first nations people, and so forth would have had a venue to come to the table and express the concerns first-hand that they have on the issue.

My question to the member is this: why did the NDP not support the amendment to its motion, which would have allowed for the type of—

The Acting Speaker (Mr. Bruce Stanton): The hon. member for Abitibi—Baie-James—Nunavik—Eeyou.

[*Translation*]

Mr. Romeo Saganash: Mr. Speaker, one of the reasons we are concerned is this government's approach to negotiating and the record trade deficit it has racked up.

I do not think that Canadians, certainly not aboriginals, trust this government with this type of negotiation. That is why the first

nations asked to be at the table when these issues are negotiated. It is important.

The government is disregarding Canadians' opinions at its own risk. However, when it comes to aboriginals, it has a constitutional obligation, confirmed by the Supreme Court, the highest court in the land, to consult them and address the concerns they express during those consultations.

Mr. Jean-François Larose (Repentigny, NDP): Mr. Speaker, before becoming an MP, I had the opportunity to meet a number of people in the business community through my involvement in a business venture. I heard about a new strategy increasingly being used by entrepreneurs, which involves having a middleman in China in order to do business there. I would often hear that China was an unusual country, where it is extremely difficult to exercise one's rights. When it comes to the agreement before us today, I wonder why Canada is putting itself in a position that benefits China even more. I get the feeling that Canada is prostituting itself to a growing nation that is trampling on the rights of nations around the world more and more.

How can the government tolerate that? Why did it not hold consultations with our people in Canada to find out how they felt and what they want? We certainly do not want the treaty before us.

Mr. Romeo Saganash: Mr. Speaker, I want to thank my colleague for his very pertinent question.

It is interesting to see that this government, the one that labels the NDP and progressives as extremists, is signing treaties in secret with a totalitarian government that violates human rights. In my speech I talked about the importance of our consultation obligation. Aboriginals have a long tradition of negotiations that in most cases ended in agreements that benefit everyone. This government has a mandate to negotiate agreements that benefit all Canadians, not just its friends.

• (1635)

The Acting Speaker (Mr. Bruce Stanton): Before we resume debate, it is my duty, pursuant to Standing Order 38, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Random—Burin—St. George's, Ethics; and the hon. member for Burnaby—Douglas, Science and Technology.

[*English*]

Hon. Geoff Regan (Halifax West, Lib.): Mr. Speaker, I want to begin my comments on this debate on the opposition day motion concerning the foreign investment protection agreement between Canada and China by saying that I noted that the comments made earlier today by my hon. colleague and friend, the member for Malpeque, were sound, logical and showed an understanding of the importance of trade and investment for Canadian families and communities.

I think most of us understand that those communities are built on having a strong economy and job creation. Having a good standard of living for Canadians depends upon those things, a strong economy and job creation. That is why the issue of foreign investment is so important for us.

Business of Supply

Unfortunately, I have to say that my colleagues and friends in the NDP have again focused on their misguided ideology, which is opposed to trade and foreign investment agreements. As we have seen repeatedly in the past, this is the pattern. In the motion today, the NDP is saying we should not ratify the Canada-China foreign investment promotion and protection agreement.

In fact, in my view, a better motion from the NDP would have toned down the anti-foreign investment and anti-trade rhetoric and would have highlighted the areas that require improvement. For example, our party believes that foreign investment protection and promotion agreements, FIPAs, are important for Canadians investing abroad as well as businesses here at home, but only if we get them right.

Let us think for a moment about those businesses and who the owners are of those businesses in Canada that invest in China and elsewhere. Very often they are groups like pension funds. They are the companies that are in people's RRSPs. They are in index funds, mutual funds, the teachers' pension funds and others. Many of the Canadian companies, the kinds that are big enough to invest in China, are widely held by thousands of shareholders all across this country. It is important to them that these companies have returns and that the investments they have in other countries have reasonable protections.

[Translation]

Although the Canada-China FIPA has a number of shortcomings that must be examined, completely abandoning the treaty is an anti-trade, knee-jerk reaction worthy of the early 20th century. The NDP can try to deny that they are against trade and foreign investments, but their position is well known. That is why Canadians do not have confidence in them, even if they did remove the references to their socialist faith from their constitution. They can erase words, but it is difficult to erase ideas.

[English]

The Liberal Party recognizes that this agreement has flaws, just like so many of the failed fiscal and economic policies of the Conservative government. These are policies that have hurt middle-class families, that have led to hikes in payroll taxes, that have increased taxes on wigs for cancer patients, on kids' clothing and, yes, even on little red wagons.

We have seen the Conservatives' flawed fiscal management. We know that they inherited a \$13 billion surplus, the best fiscal situation that any new government ever inherited in this country's history. However, they squandered it and put this country into deficit by April of 2008, months before the recession began. Of course, since then, they have had record deficits and have added over \$150 billion to Canada's national debt. That is some fiscal management.

Now on this deal with China, we see other flaws. We see a flawed approach from a government that has repeatedly demonstrated a growing record of economic mismanagement. The Liberal Party has real concerns about provisions in the China-Canada investment agreement, particularly on the issues of transparency during arbitration, termination of the agreement and the length of time the agreement is enforced.

In fact, this is similar to what I heard from my constituents in a public meeting I held on foreign investment issues in November of last year. They were concerned that Canada would be locked in for 30 years. As one constituent pointed out, the North American Free Trade Agreement has to be reviewed more often and it has mechanisms for signatories to pull out of the agreement with a notice period.

• (1640)

They also felt it was important to see greater protection for Canadian companies and individuals when dealing with China. They felt that arbitration should not be held behind closed doors.

Our party has called for a public debate on this FIPA so we can look at the facts of the situation, instead of having a debate littered with misinformation and fearmongering. Unfortunately, our colleagues across the way, my friends in the Conservative Party, did not bring this deal forward for debate and have refused to recognize the obvious flaws that should be corrected to protect our interests as Canadians.

Let us look at the context of this. Just yesterday, in fact, it was reported that Europe is now the world's largest recipient of foreign investment by Chinese firms. Europe received \$12.6 billion of investment in 2012. That is a 20% increase from the previous year.

Who would have thought, 30 or 40 years ago, that we would be hearing about the huge investments from China in Europe or anywhere else? It is amazing how things have changed and how the economy of China has developed and, as they have sold so many goods to the rest of the world, how they have developed the kind of funds to do that kind of investing.

However, this NDP motion to completely abandon the Canada-China FIPA would not only keep significant Chinese investment from entering Canada and creating jobs for Canadian workers; it would also ensure this money continues to flow to our competitor countries, like those in Europe that are welcoming that kind of investment, that see it creates the kinds of jobs that maintain and create a good, and a better, standard of living for Canadian families.

The Liberal Party understands the need for foreign investment to grow our economy and create jobs. However, there is a big difference between saying that we are open for business in Canada and that Canada is for sale.

[Translation]

The Prime Minister's government made a complete mess of the foreign investment file.

The government refused to honour the promise the Prime Minister made in 2010 to review the Investment Canada Act in order to clarify the rules regarding "net benefit" and to make the review process more transparent.

The Conservatives' bad management has led to ill-advised decisions that Canadians oppose because the government does not provide all the facts about investments, the commitments made or how they will be enforced.

Business of Supply

[English]

Meanwhile, investors around the globe are becoming more and more frustrated and perplexed as they look at Canada and say, “What the heck is going on there? What are the rules?”

In fact, the report released today by the Institute for Research on Public Policy says so. It calls upon the government to rewrite its foreign investment rules. It says that up to now, the government has created an impression that Canada does not actually welcome foreign investment. The reports says the government's actions have, “magnified the uncertainty among potential investors”.

Canadians are worried that we are losing out on billions of dollars in foreign investment and thousands of jobs.

In fact, the report to which I have referred talks about the benefits of foreign direct investment in areas like renewable energy, which needs investment.

Let me tell members what else it says in this area about the importance of foreign direct investment. It says foreign direct investment:

...continues to be beneficial to the Canadian economy in other ways. It increases the pool, and competitively decreases the cost, of capital available to Canadian business to develop Canadian resources and create employment and training opportunities. It attracts top management talent to Canada and disseminates management training and expertise into the Canadian labour force. It facilitates technology transfer into the Canadian economy from foreign jurisdictions. And it further integrates Canada into international markets with concomitant reciprocal trade and investment accessibility for Canadian businesses.

I hope my socialist friends down the way were listening to that.

Canada is rich in natural resources, and it needs to ensure they are developed not only in a way that is environmentally sustainable, but also in a way that benefits Canadians, first and foremost.

● (1645)

That is why, despite years of Conservative inaction, we in the Liberal Party will continue to press the government to keep the promise made in 2010 by the Prime Minister to clearly define the net benefit test in the Investment Canada Act and to strengthen its foreign investment policy.

The Liberal Party believes that Canadians should know exactly what is on the table, so they can judge whether this FIPA or other deals involving foreign investment are good deals for Canada. In our view this deal with China should be reviewed by a parliamentary committee.

My hon. friends in the NDP earlier today refused to allow an amendment to their motion, but they are entitled to a second chance. I propose to move that the motion be amended by replacing all of the words after “China that” with the following: “prior to any decision on the ratification of the Canada-China foreign investment promotion and protection agreement, the said agreement should be referred to the Standing Committee on International Trade to conduct hearings across Canada and report back its findings and any recommendations to amend the agreement to the House”.

I ask for my hon. NDP colleague to consent to this amendment.

The Acting Speaker (Mr. Bruce Stanton): It is my duty to inform hon. members that an amendment to an opposition motion

may only be moved with the consent of the sponsor of the motion, which in this case is the official opposition. Does the House give its unanimous consent to propose and move the motion?

Some hon. members: Agreed.

Some hon. members: No.

Mr. Robert Chisholm (Dartmouth—Cole Harbour, NDP): Mr. Speaker, I enjoyed the intervention by my colleague from Halifax West. He has been around this place a few years and makes an important contribution on behalf of Nova Scotians.

I want to assure the member and his colleagues that the motion in no way precludes any public meetings or any opportunities through committee to engage in discussions with Canadians. In fact, we have been arguing for that from the beginning. We moved a motion at committee to make sure this agreement comes to committee for study but that has not happened. Play their games as they will, the point is that the motion is meant to make a clear indication to the government that we will not agree to FIPA the way it is and that we need to examine it much more closely.

Perhaps that member with his experience and knowledge could explain to us why it is that the government has been so hesitant to have any public discussions about the bill. The government has had since November to enact this agreement, but it has failed to do so. Canadians would be curious to know whether or not the government is hesitating because it is concerned there is fairly significant weakness.

● (1650)

Hon. Geoff Regan: Mr. Speaker, on the one hand we have just heard a refusal to allow us to move an amendment that would provide for public hearings across the country, and on the other hand my colleague has just said how much his party is in favour of having public hearings across the country. The member may not see a contradiction in that, but I do. However, each of us can draw our own conclusions. I will let the public draw its own conclusions.

As to why the government would not want to have hearings on this, that is the point I was making largely in my speech. I find it baffling that the government would not want to have hearings, even a debate here in the House of Commons on this topic. The government's answer in the House of Commons was that we could have done it on one of our opposition days. It is the government that brought this treaty forward. It is the government's responsibility to bring these things before Canadians and have them examined and allow for debate.

Mr. Kevin Lamoureux (Winnipeg North, Lib.): Mr. Speaker, I applaud the member for bringing forward yet again a very important amendment. What it would have done is allow Canadians from across the land, first nations and others, to be able to add to the debate before it could actually pass.

Business of Supply

I do not understand why the NDP members oppose it. It makes no sense whatsoever. Some say that they are not fit to govern. I would suggest that this is a classic example as to why they are not fit to govern. They really do not understand why it is important to be able to do the right thing on important issues.

My question to the member is does he believe—

Some hon. members: Oh, oh!

Mr. Kevin Lamoureux: Mr. Speaker, it is a little hard for me to hear myself. The member is a little upset. I can appreciate that.

The question is very simple. Does he believe that maybe it is because the NDP has a predisposition to dislike free trade agreements of any sort?

Hon. Geoff Regan: Mr. Speaker, the hon. member asks the question: What is behind this? Is it the ideology of the party? Is it the idea that it does not want to have foreign investment and that it wants maximum government intervention so that people cannot trade freely? That is what we are talking about here. It is very much a socialist point of view.

We can erase the word from the constitution, but apparently it takes much longer to erase the concepts behind these things and the underlying thinking about trade, what actually creates jobs and produces the kinds of benefits that give people a good standard of living and good lives.

[*Translation*]

Ms. Ève Pécelet (La Pointe-de-l'Île, NDP): Mr. Speaker, I apologize for bothering my colleague. Now, I would like to show Canadians just how hypocritical the Liberals are and how they are playing politics at Canadians' expense.

Today, the Liberals should not be going after the NDP; rather, they should be going after the Conservatives, who refuse to listen to first nations and Canadians. I would like to say this to my Liberal colleagues: Shame on you guys for attacking the official opposition when we are trying to defend Canadians. You should attack the government for not listening to Canadians.

[*English*]

The Acting Speaker (Mr. Bruce Stanton): Order, please. I would like to remind hon. members to direct their comments and questions through the Chair.

The hon. member for Halifax West.

[*Translation*]

Hon. Geoff Regan: Mr. Speaker, I am always open to questions. I see that my colleague is a bit worked up.

I must say that that is exactly what we want to do. We want to listen to Canadians and have sessions across the country where Canadians can share their points of view and present their arguments.

Sometimes people get worked up and become angry. People should admit when they are angry. I am not angry. I like having this debate, this important discussion in the House without getting angry.

• (1655)

[*English*]

Ms. Elizabeth May (Saanich—Gulf Islands, GP): Mr. Speaker, I would speak to my friend from Halifax West through you. I am very disappointed that the Liberal Party thinks that this treaty is better approved as is than put forward right now for a vote and defeated.

This treaty is a direct assault on Canadian sovereignty. It disproportionately protects the rights of state-owned enterprises of the People's Republic of China. By its very nature, because of the larger economic investment flows into Canada from China than in the other direction, the treaty would disproportionately impact Canadian laws, Canadian regulations, and our own sovereignty. At the same time, I dispute what we have been hearing all day from the Conservative MPs, that we would be protecting Canadians operating within China, because under this treaty, there is a unique provision for six months of diplomatic pressure that can be applied by the People's Republic of China before any dispute gets to the arbitration panel.

My prediction is that Canadian businesses will be sold out by their own government for fear of offending Beijing.

Hon. Geoff Regan: Mr. Speaker, I appreciate the question from my hon. friend. When I think about the argument she makes about giving up our sovereignty, it seems to me that if we want to have multilateral agreements and processes for resolving disputes, or bilateral—where we have to have those and we do not have the multilateral ones in place—that we would have to surrender some level of sovereignty.

I think she would make that argument when it comes to environmental matters. Therefore, I do not see her reluctance to accept any surrender of sovereignty, to accept that the idea of having internationally approved arbitrators would surely be far better for Canadian investors in China than to have Chinese courts making those decisions. That is a reasonable way to function at the international level. I think she would agree that very often, in environmental matters, if we are going to succeed we have to surrender something. Was the Kyoto protocol not international governance? Was that not a surrender of some sovereignty? Is it not a better process to have some of those agreements than to have none? Is it not in Canada's interest to have a framework internationally that is based on rules and not power? As China becomes more and more powerful we had better have some kinds of agreements to protect us, not just bilateral, as in this case, but multilateral international processes, to maintain that rule of law.

[*Translation*]

Ms. Anne Minh-Thu Quach (Beauharnois—Salaberry, NDP): Mr. Speaker, I will be sharing my time. Before I begin, I would like to say that it is very important to support the opposition motion moved by my colleague from Vancouver Kingsway.

The foreign investment promotion and protection agreement between Canada and China is not only a risky agreement, even harmful for Canada in every sense, but the way in which it was negotiated and signed is even more dangerous.

Business of Supply

Imagine a government going behind closed doors in secret to negotiate an agreement that will bind the Canadian government for the next 30 years without consulting the public, without the consent of parliamentarians—there was no debate—without the consent of the provinces and without asking the first nations. It is unbelievable, but that is what the government is currently doing with FIPA.

After 18 years of backroom negotiations by the previous governments and the current Conservative government, we are being presented with an agreement as a done deal, with no consultation whatsoever. For example, the government did not consult the aboriginal people. However, as my colleague mentioned earlier, under section 35 of the Constitution, the government has a legal obligation to do so before taking measures that affect aboriginal rights. This was confirmed by the Supreme Court of Canada. Any resource development project that might have repercussions for aboriginal lands must be subject to consultation with the first nations.

In response to the violation of its rights, the Hupacasath nation filed an injunction with the Federal Court in order to prevent this agreement between China and Canada from being ratified.

Worse yet, the federal government did not consult the provinces even though this agreement might have consequences for provincial jurisdictions. What is more, an expert from Osgoode Hall, Gus Van Harten, said that FIPA could be deemed unconstitutional because it allows challenges to provincial laws in areas under provincial jurisdiction.

After years of secret negotiations, the agreement has been made public and submitted to Parliament without being studied in committee, with no debate among parliamentarians and without a vote, yet the hon. member for Vancouver Kingsway put forward a motion in the Standing Committee on International Trade that the agreement be studied in committee. The motion could not be debated in public and, coincidentally, no study was done.

In October, the hon. member for Ottawa Centre also asked that an emergency debate be held in the House. However, that request was denied as well.

In response to the secrecy around the agreement, Canadians protested. Over 80,000 people signed an online petition and sent a clear message to the Conservatives expressing their concerns. Once again, they received no answer. The government is hiding and is refusing to be accountable. The really strange thing is that the government has not ratified the agreement yet, more than five months after the agreement was signed. This attitude confuses investors and hurts the economy. We are seeing the same level of incompetence as in the Nexen file. The Conservatives miss deadlines, deny requests with no explanation and neglect to give clear instructions.

Now, on the Canada-China agreement, there is nothing but silence. Why? Is the government, by any chance, realizing that it has made some serious legal mistakes? If it had submitted the agreement for consultation, for study by experts and if it had taken the time to consult Canadians, it would probably not be in the position it is today.

Clearly, this agreement, as signed, is not at all beneficial for Canada. Canadian businesses need an agreement that gives them access to the Chinese market, which is not the case in the slightest. The agreement does not provide a tool to challenge protectionist barriers and does not protect Canadian investments unless they have been approved and set up in China. This way of doing things is bad for Canada.

In 2011, Canada invested \$4.5 billion in China. In contrast, China invested \$11 billion in Canada. In 2012, the amount was almost \$22.9 billion. According to the Conference Board of Canada forecast, China could become the second-largest investor in Canada by 2020. That is very worrisome.

● (1700)

It is therefore important that before we ratify the agreement we establish some clear rules and ensure we are signing an agreement that will benefit Canada as much as possible.

There are huge environmental risks. The agreement allows Chinese investors to challenge Canadian laws in international courts, where the process could be held in secret at the request of one of the two sides.

Under article 6 of the FIPA, once a Chinese company is established in Canada, it must receive “national treatment” with respect to expansion and operation, which means that it can expand its activities, just like a Canadian company.

The FIPA also gives Chinese companies the right to demand a “minimum standard of treatment”. This means that in the case of CNOOC, for example, which was authorized to take over Nexen, the agreement gives the Chinese state-owned company powerful rights to expand its involvement in the oil and gas sector and to challenge the regulations and laws it considers to be unfair treatment.

Since we know that in 2012, Chinese companies already controlled more than 7% of Canada's oil sands reserves and that this figure will increase, this agreement is even more risky. That is not all. The treaty allows foreign companies to sue the federal government if they think that their rights are being violated by our environmental laws.

Imagine if the government took measures to make oil sands development more responsible and environmentally conscious in the future. In such a case, any Chinese companies that had invested in this sector could challenge the new environmental laws in a tribunal established under the agreement, even if the laws are warranted.

This is not far-fetched. Similar arbitration tribunals, such as the NAFTA tribunal, have already ruled against Canada in similar cases. For example, in 1997, Ethyl Corporation in Virginia challenged a Canadian law to protect Canada against MMT, a toxic additive in gasoline. In the case of S.D. Myers of Ohio, an American company successfully challenged a Canadian directive to prohibit the export of PCB-contaminated waste. Yet Canada's decision complied with our obligations under the Basel convention on hazardous materials.

More recently, American company Lone Pine Resources challenged Quebec's moratorium on hydraulic fracturing, and Windstream challenged Ontario's moratorium on sea wind farms.

It is clear that the mechanisms for resolving disputes arising from these agreements do not serve the interests of Canadians. Canadian investors have made 16 NAFTA claims, but have not won a single case. So far, the federal government has paid \$157 million in penalties and settlements. In the end, it is the Canadian taxpayers who pay the price.

How can we allow foreign companies to sue the Canadian government over legitimate environmental laws? How can we allow that to happen through tribunals that are not even Canadian and do not comply with Canada's legal rules?

The arbitrators on these international tribunals are replaceable. They can be paid for non-judicial activities, and there is no predetermined list for appointments, which raises a number of questions about the impartiality of these judges.

Canada must retain control over key sectors of its economy, such as agriculture and energy. However, these types of investment agreements take that power away from the government and hand it over to foreign companies. Who is responsible for protecting Canadians' environment, health, sovereignty and economy if not the Canadian government? What is wrong with this picture? No one on the other side of the House can see these flaws.

Howard Mann of the International Institute for Sustainable Development is warning Canadians about this agreement. He feels that the treaty does not clearly define the notion of fair and equitable treatment, and that makes us very vulnerable on the environmental front.

Canada needs an investment agreement, but not an agreement like the FIPA.

Our country needs to increase trade and investment with China and other emerging powers, but through sound agreements that truly serve our interests and protect our investments. We need to retain control over our natural resources and protect our environment. We cannot give foreign companies the power to dictate our environmental laws.

As long as those criteria are not met, any investment agreement—with China or any other country—will be bad for Canada.

• (1705)

Canada and its natural resources must not be sold to foreign companies. It is time for us to take back control of our economy, invest where needed and sign agreements after analyzing them in a transparent and responsible manner.

[English]

Mr. Kevin Lamoureux (Winnipeg North, Lib.): Mr. Speaker, I suspect the member might even be able to anticipate the question that I am going to put forward.

The Liberal Party has now brought forward two amendments. Both amendments were an attempt to try to get the New Democratic Party to recognize the importance of consulting with Canadians.

In the member's speech, she made reference to working and consulting with the provinces. Other members made reference to consulting with our first nations.

Business of Supply

The motion that the Liberals brought forward would have accommodated that before it was even ratified. It seems the motion would have accomplished exactly, for the most part, what the NDP hoped to see happen.

Why are the NDP members voting against what they actually want to see happen, or do they have a hidden agenda and do not really want trade agreements?

• (1710)

[Translation]

Ms. Anne Minh-Thu Quach: Mr. Speaker, I do not know why the member continues asking this question, which is completely out of context.

He knows very well that as soon as the agreement was tabled in Parliament, the member for Vancouver Kingsway moved a motion at the Standing Committee on International Trade calling for an in-depth examination. The NDP also requested an emergency debate to discuss the agreement in this House. Both requests were refused. The NDP also asked the Conservatives a number of questions in the House, hoping to get more information about the agreement, which was negotiated very surreptitiously, in complete secrecy and behind closed doors.

Where were the Liberals during that time? We do not know. Now they are reacting six months later. That is problematic. If the Liberals thought this issue was truly important, they would support our motion and call on the Conservatives to go back to the drawing board and consult with experts, as they should have done in the first place.

Ms. Hélène Laverdière (Laurier-Sainte-Marie, NDP): Mr. Speaker, I thank my hon. colleague for her very interesting presentation. Once again, she really highlighted how this agreement, drafted in secret, raises problems because it will allow Chinese companies, including state-owned companies, to sue the Canadian government behind closed doors before arbitration tribunals that have no accountability.

This agreement will undermine our ability to make democratic decisions, particularly concerning the environment. As well as potentially being unconstitutional, this agreement will be binding on this government and future Canadian governments for at least the next 30 years.

In light of all that, does my colleague think, as the Conservatives do, that everything is fine and dandy? Does she believe, as the Liberals do, that we need to go ahead with this agreement to see if it needs a little tweaking? Or does she think it best to tear up the agreement?

Ms. Anne Minh-Thu Quach: Mr. Speaker, I would like to thank the hon. member for Laurier—Sainte-Marie for her wisdom on this issue.

I basically agree with her. This agreement must absolutely not be ratified. We must re-examine it since it contains so many things that are harmful to Canadians, investors, the environment and Canadians' health.

Private Members' Business

If such a bill were passed, the provinces' environmental laws could be disputed in international courts presided over by judges who we do not know and who are not identified in advance. The court proceedings could be held in secret at the request of one of the two parties involved. That is not at all transparent or democratic.

We need more information to correct the shortcomings in this agreement. That is why the hon. member for Vancouver Kingsway moved this motion today, and that is why we all oppose this agreement.

[*English*]

Mr. Robert Chisholm (Dartmouth—Cole Harbour, NDP): Mr. Speaker, there is not much time, but I will try to make a couple of points.

First, the reason why we oppose this FIPA and why we want to engage in much more public discussion is that we want to see increased trade with countries like China, with emerging economies, but we want to ensure we have good agreements, agreements that promote Canada's interests and protect our ability to maintain Canadian control over our natural resources and over key sectors. That is something the government seems to forget.

We want to ensure that foreign investors have clear and predictable rules that protect the interests of Canadians.

By negotiating bad deals and then delaying the ratification, as the Conservatives have done in this case, they are sending out mixed messages and foreign investors are confused about exactly the direction in which the government is going.

Finally, we want to engage with China in the exchange of ideas and culture so as to level the financial playing field. We need to understand better how our people and our businesses can do business in China and how we can be more successful.

We need to look at a country like Australia that has developed cultural links which provide education and training for businesses in its country in order to do very successful investing and business in China. That is the direction we need to head in our country.

• (1715)

The Acting Speaker (Mr. Bruce Stanton): It being 5:15 p.m., it is my duty to interrupt proceedings and put forthwith every question necessary to dispose of the business of supply.

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

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Bruce Stanton): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Bruce Stanton): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Bruce Stanton): In my opinion the nays have it.

And five or more members having risen:

[*Translation*]

Mr. François Choquette (Drummond, NDP): Mr. Speaker, I ask that the vote be deferred until Monday, April 22, at the end of the time provided for government orders.

[*English*]

The Acting Speaker (Mr. Bruce Stanton): Accordingly the recorded division is deferred until Monday at the end of government orders.

Hon. Gordon O'Connor: Mr. Speaker, I ask that you see the clock at 5:30 p.m.

The Acting Speaker (Mr. Bruce Stanton): Is that agreed?

Some hon. members: Agreed.

The Acting Speaker (Mr. Bruce Stanton): It being 5:30 p.m., the House will now proceed to the consideration of private members' business as listed on today's order paper.

PRIVATE MEMBERS' BUSINESS

[*English*]

LAST POST FUND

Ms. Judy Foote (Random—Burin—St. George's, Lib.) moved:

That, in the opinion of the House, the Last Post Fund is currently underfunded and excludes deserving veterans causing unnecessary stress and hardship to families of veterans, and that the House call on the government to do the following: (a) accept the recommendations of successive Veteran Ombudsmen's calling for expanded and enhanced financial access to the Last Post Fund; (b) accept the advice from the Royal Canadian Legion made in the years 2008, 2010, and 2012 calling for expanded access and financial support for the Last Post Fund; (c) accept three year old advice from departmental officials to expand and enhance financial access to the Last Post Fund; (d) review the Last Post Fund's current burial assistance cap of \$3,600 with the goal to establish a standard consistent with burial assistance provided to current members of the Canadian Forces; (e) review the "means tested" standard applied to the Last Post Fund that currently excludes many veterans with the goal to improve and lower the qualification standard to access the Fund; and (f) provide stable long term funding to the Last Post Fund with consideration given to establish a financial escalator tied to the Consumer Price Index.

She said: Mr. Speaker, as the member of Parliament for Random—Burin—St. George's since 2008, it is, indeed, a privilege to introduce my second private member's motion in the House of Commons. My first motion addressed a serious issue, which was the need for additional search and rescue services in Newfoundland and Labrador following the crash of a Cougar helicopter that claimed 17 lives. Motion No. 422 is very important as well and aims to enhance the Last Post Fund to ensure that all veterans receive the dignified funerals and burials that they deserve.

Private Members' Business

First, I thank my constituents, including over 700 active Canadian Armed Forces personnel and many more retired veterans whose continued support enables me to present this important motion today. I also thank all other veterans and active Canadian Forces members. As well, I thank the Royal Canadian Legion for its continued service and the Veterans Ombudsman, who first and foremost continues to defend the interests of all veterans. Special thanks goes to the Last Post Fund, which has served veterans and their families since its inception in 1909, and to Jean-Pierre Goyer, executive director of the Last Post Fund, for his outspoken advocacy. I would be remiss if I did not also thank the Liberal Veterans Affairs critic and member of Parliament for Charlottetown for his continued dedication to veterans from coast to coast to coast.

The advocacy of all helped in the formulation of my motion. The Last Post Fund is an important program, with a goal to ensure that no eligible veteran is denied a dignified funeral and burial, as well as a military gravestone, due to insufficient funds at time of death. Unfortunately, the Last Post Fund is far from ensuring that all veterans in need receive a dignified funeral and burial because the program is forced to apply outdated eligibility criteria.

There are many cases in my riding and throughout the country where families of veterans who have been either denied by the Last Post Fund's outdated criteria or did not receive sufficient assistance were unable to pay for the total cost of a proper burial. In many of those cases, to help the families, the funeral home will cover the balance of the cost. Simply put, it is shameful for the government to treat our veterans and their families in this way and to expect in some cases small businesses to absorb the additional costs when families of veterans are unable to do so.

In drafting Motion No. 422, I listened intently to suggestions on how to improve the Last Post Fund from various stakeholders, including the Veterans Ombudsman, the Royal Canadian Legion, and the Last Post Fund administration. I sincerely appreciate the endorsement of the Royal Canadian Legion and thank the many legion branches throughout the country that have expressed support for Motion No. 422.

Prior to the budget being released, I wrote to the Minister of Finance and the Minister of Veterans Affairs asking that the funding for the Last Post Fund be increased and that the financial criteria be updated to reflect today's realities. It goes without saying that I was pleased to see the finance minister respond to my request that the financial assistance provided by the Last Post Fund be increased and that the amount available to qualifying veterans and their families went from \$3,600 to \$7,376 in budget 2013. However, that will not help those who still have to deal with outdated eligibility when it comes to qualifying for assistance in order to ensure a veteran is able to be buried with dignity.

Needless to say, I am disappointed the government chose to ignore the recommendations to expand access to the Last Post Fund and update the financial eligibility criteria. As I said before, if the Conservatives would agree to table this change in a separate stand-alone piece of legislation free from contentious cuts to services that many veterans also rely on, I am confident they would find unanimous consent to pass it immediately.

According to the Royal Canadian Legion, "While the federal government has provided an increase to the funeral grant, the recent announcement does not address the accessibility to the program or its extension to low income Canadian Forces Veterans". The reality is that by failing to expand access to the Last Post Fund, the government missed an opportunity to bring equality and fairness to all veterans, but it is not too late.

• (1720)

Together we can fix this problem. Taking care of our veterans is not a partisan issue, it is our duty. There is no clearer message we can send than to stand behind our veterans, many who spent their military careers standing up for us, and we can vote yes to Motion No. 422. Conversely, there is no clearer message to veterans that we do not support them than by voting no, since this is a stand-alone single issue measure, unlike an omnibus bill or budget that might combine several conflicting issues.

The Veterans Ombudsman released his first report entitled, "Serve with Honour, Depart with Dignity" on February 19, 2009. In his report, the Veterans Ombudsman made seven key recommendations in response to direct testimony from administrators of the Last Post Fund who described the challenges some of the mourning families found when burying their loved ones.

The Veterans Ombudsman recommends:

That the ceiling for Veterans' funeral and burial expenses be raised to reflect industry standards and that an indexing formula be introduced to ensure that the rates keep up with the economic increases. That the administration of funeral and burial benefits be simplified by using a discretionary lump sum approach for reimbursable expenses rather than the present itemized approach. That Veterans Affairs Canada extend the Funeral and Burial Program to all Veterans. That eligibility related to the Funeral and Burial Program be extended to include Veterans who suffer from multiple pensioned conditions where the total aggregate suffering and weakening of their body may contribute to the cause of death. That the estate exemption (surviving spouse) for the means test be increased and aligned with present-day income and cost levels. That Veterans Affairs Canada engage in a proactive multi-faceted communications campaign to raise awareness of the Funeral and Burial Program. That Veterans Affairs Canada be more flexible and allow for extraordinary circumstances to be considered when the established timeframe is exceeded.

The seven recommendations in that report calling for the expansion and increased access to the Last Post Fund were subsequently reissued by the current Veterans Ombudsman. Motion No. 422 seeks the long overdue implementation of these suggested changes.

Last January, on the same day that I introduced my motion, the Royal Canadian Legion and its more than 330,000 members began a letter-writing campaign calling on the Conservative government to make three specific changes to the Last Post Fund so that families of all veterans can access the financial assistance they require to ensure their loved ones receive a dignified funeral and burial.

Private Members' Business

First, they asked that the \$3,600 rate provided by the Last Post Fund be increased. Second, they asked the government to grant equality to all veterans and stop excluding veterans who served after the Korean War from the Last Post Fund. Finally, they asked that the financial eligibility criteria be updated to reflect current income levels and the fragile economic climate.

I am pleased to report that Motion No. 422 addresses all of their concerns. Despite the Conservative government's own departmental officials and countless stakeholder organizations' recommendations to enhance access to the Last Post Fund, the government has failed to act.

Motion No. 422 also requests a review of the Last Post Fund's burial assistance cap to bring it in line with the burial assistance provided to current members of the Canadian Armed Forces which was included in the recent budget. I welcome the increase to this cap, but as I said earlier, increasing assistance without expanding access does nothing to ensure all veterans receive the dignified funeral and burial they deserve since existing outdated eligibility criteria remain in place.

From 2006 to 2012 under the Conservative government, over 66% of applications, which translates to 20,147 veterans, were rejected. That is unacceptable. The current eligibility requirements applied by the Last Post Fund exclude all veterans who served post-Korean War from receiving any type of federal funding for a dignified burial and funeral. This means that veterans who fought in Afghanistan are not eligible to receive financial aid from the Last Post Fund.

In the words of Jean-Pierre Goyer, the Executive Director of the Last Post Fund, "What is the difference between modern-day veterans that we send to Afghanistan" and those who fought before them?

• (1725)

The financial eligibility criteria are outdated because of inflation and the current economic reality. The Last Post Fund states that in the case of a veteran with a spouse or dependent children, to qualify, their combined net asset value must be \$12,015 or less. This figure no longer reflects current income distribution levels within Canada, and must be updated.

That is why I am calling on the House and the government to support Motion No. 422, which would be in the best interests of our veterans and their families.

• (1730)

Ms. Eve Adams (Parliamentary Secretary to the Minister of Veterans Affairs, CPC): Mr. Speaker, I thank the member for sharing her party's views on the funeral and burial program. What is very surprising is to see a member from the Liberal Party stand and put forward such a motion. It was the Liberal Party, while it was in government, that drastically cut benefits under this important program.

Nonetheless, our Conservative government will continue to stand up for our veterans. In fact, under the current program, more generous benefits are provided to our veterans and their families than our allies provide; more than is provided by the United Kingdom, by Australia, or by the United States. Now we have come forward with economic action plan 2013, which would more than double the

amount of funding available to our veterans and their families for funerals.

Will the hon. member and her party vote in support of this important support for funerals and benefits in economic action plan 2013?

Ms. Judy Foote: Mr. Speaker, is it not just like the Conservatives to suggest that by voting against the economic action plan, we would be voting against veterans, when nothing could be further from the truth? We are giving the Conservatives the opportunity to single out this issue, to vote for Motion No. 422 so that we do not have to do an injustice to our veterans. By voting for Motion No. 422, we could all be supporting our veterans.

Is it not just like a Conservative colleague to go back 20 years and suggest that what the Liberals did was a disservice to our veterans? In fact, according to a 2011 report by the Standing Committee on Veterans Affairs, a committee controlled by a Conservative majority including the Parliamentary Secretary to the Minister of Veterans Affairs, in 1995 the estate exemption was decreased "...in an effort to return the program to its original intent; in other words, to provide burials for those who could not afford them".

[*Translation*]

Mr. Sylvain Chicoine (Châteauguay—Saint-Constant, NDP): Mr. Speaker, I would like to ask my colleague a few questions. I thank her for moving this important motion that seeks to resolve some problems.

However, I would like to mention from the outset that, like the member opposite said, if there is a problem with the accessibility of the Last Post Fund, it is partly due to the legacy of the Chrétien government, which reduced the estate exemption from \$24,000 to \$12,000.

According to my colleague, what amount would be acceptable today? Would \$24,000, which was the amount that could be accessed in 1995, be acceptable today?

I would also like her to comment on whether the increased amount of approximately \$7,300 set out in the government's economic action plan is enough to cover the funeral costs of our veterans.

[*English*]

Ms. Judy Foote: Mr. Speaker, whether or not the \$7,000 figure is sufficient, it is unfortunate, I am told that the government did not consult with the Last Post Fund when it determined that figure. That is unfortunate, indeed. I do know that of course for serving Canadian Forces members who die, anywhere from \$13,000 to \$17,000 is provided.

The issue for me is to do whatever we can to increase the amount available to families so that ensuring our veterans receive a dignified funeral and burial is what this motion is all about.

Again, we are talking about things that happened 20 years ago. I am interested in the veterans of today. I would like to think that all of us in this House of Commons are concerned about our veterans and their families.

Private Members' Business

• (1735)

[Translation]

Ms. Eve Adams (Parliamentary Secretary to the Minister of Veterans Affairs, CPC): Mr. Speaker, I thank you for this chance to speak in support of the government's funeral and burial program for the families of Canada's veterans.

[English]

The funeral and burial program recognizes and supports the families of all veterans who have died from injuries they suffered in service to Canada, as well as the families of those veterans who have passed away and are in financial need. Thanks to this program, more than 1,300 families were helped through a very difficult time in their lives this past year. We were there to help honour Canadian veterans and ensure that these men and women were laid to rest with the dignity and respect that Canada's heroes deserve. That is why I am proud to support this program and to stand here and pledge my support for maintaining and enhancing it where and when it can be improved.

[Translation]

That is why I am proud to support this program, to stand here and pledge my support for maintaining it and even enhancing it.

[English]

The funeral and burial program reflects Canada's pride for our veterans. It is a responsible and effective program and one which fully considers the individual needs of the families it serves. That is particularly true with the help provided to the families of veterans who have died in financial need.

The term "financial need" has been mentioned often tonight, but what does it really mean? In short, "financial need" is determined through a simple means testing of the veteran's estate, a straightforward process that considers factors such as marital status, number of dependants and net assets.

It is also worth spelling out very clearly what we mean by "assets". A veteran's primary home and vehicle are not included in calculating the value of his or her estate. Nor is a spouse expected to sell the family home or the primary car in order to cover a veteran's funeral and burial. That is simply not how the program works.

[Translation]

The means test also exempts the first \$12,000 of cash in the veteran's estate. This means that veterans can still be found to be in financial need even when they own a home and a car, and have \$12,000 in the bank.

[English]

It is equally important to emphasize that every application under the funeral and burial program is reviewed on its own merit. Every case is unique and everything is considered.

As well, members of the House may be interested to know how the funeral and burial program is actually administered. It is administered for the government by the Last Post Fund, a non-profit organization that started as a grassroots movement back in 1909. It is estimated that the Last Post Fund has helped to lay to rest more than

150,000 veterans over the past century. What a truly proud history for the Last Post Fund.

However, we know that it has not always been easy for the Last Post Fund. In the mid-1990s, for example, the Last Post Fund was asked by the previous Liberal government to scale back the funeral and burial program during a time of fiscal restraint. That was a decision by those who served in the House before us. It is not for us to judge or answer for, it is simply what happened, it is reality, just as it is also true that some changes were subsequently made to restore and improve the program.

Of course, it is also true that our Conservative government finds itself in another period of fiscal restraint. Conceivably we could follow the lead of the Liberals before us, but our Prime Minister and our Minister of Veterans Affairs have been very clear that our support for the funeral and burial program remain steadfast.

Even during our currently fragile economic recovery, our Conservative government refuses to entertain reductions to the program or its benefits. In fact, our focus is completely the opposite. We are constantly looking at new ways to support Canada's veterans and their families. The funeral and burial program is no exception. The minister has said so. He has instructed our department to continue reviewing the funeral and burial program and to explore options on how to improve the program and cut red tape.

• (1740)

Our Conservative government's record for supporting veterans demonstrates how well this approach is working.

Over the last seven years, we have approved record new funding, totalling almost \$4 billion in accumulated increases to ensure that the Government of Canada is here for its veterans and for the men and women who continue to serve Canada. This includes: implementing the new veterans charter and enhancing it with significant new measures for seriously ill and injured veterans; enhancing other vital health services, including a doubling of our specialized clinics for veterans struggling with mental health issues; and reaching out to new partners across the country, whether it is in developing new employment opportunities for our veterans, new transitional housing or e-services.

Through our Conservative government's ongoing cutting red tape for veterans initiative, we are also serving our veterans and their families better and faster and in more modern and convenient ways.

Private Members' Business

All these measures represent real action for veterans and their families. They also illustrate our Conservative government's commitments to our veterans. We are always looking ahead and adapting our programs and services to meet the evolving needs of our veterans. The funeral and burial program is a case in point. Economic action plan 2013 would modernize and improve support for families of veterans. With economic action plan 2013, we would make the funeral and burial program even better.

How will we do that?

First, we are more than doubling the maximum reimbursement for funerals from \$3,600 to \$7,376. That is in addition to already covering the actual and full cost of burials. We are also simplifying the process for veterans' estates. Canadians should know the full extent of the program, that it also includes financial help for such things as the purchase of a grave or the cost of cremation. Finally, Canadians should know that we assume the full cost of maintaining the veteran's grave in perpetuity.

The funeral and burial program ensures that veterans have a dignified funeral and burial and that their final resting place is always fitting for Canadian heroes.

I do not know how to say it anymore clearly, Our government is committed to supporting Canada's veterans and their families and the funeral and burial program is an important part of that. It is providing funeral and burial assistance to all veterans who die of a service-related disability and it is helping the families of veterans who die in financial need.

This is good news. I would have thought that the member opposite would support that and that she would support our promise to complete a thorough and responsible review of the program. I am certainly proud to say that I do.

[*Translation*]

I am proud to say that our Prime Minister and our Minister of Veterans Affairs stand by Canada's veterans, and that we will continue to review all of our programs and services to make sure they are meeting the needs of the remarkable men and women we serve.

[*English*]

Canada's veterans have earned that. They deserve that and we will settle for absolutely nothing less with the Prime Minister, the Minister of Veterans Affairs and this incredible Conservative team.

Mr. Peter Stoffer (Sackville—Eastern Shore, NDP): Mr. Speaker, I want to thank my hon. colleague from the great province of Newfoundland and Labrador for bringing forward Motion No. 422. I greatly appreciate it. We do not necessarily have to go back 20 years on something, but even though I was not a politician then I remember clearly the articles written about the massive cut from \$24,000 to \$12,000 in terms of the eligibility rate. I hope the Liberals have learned from that mistake. With this motion, they obviously have. I will accept that as an apology for what happened 20 years ago, even though the member was much younger back then. I do not really blame her or the current party for that now.

The parliamentary secretary gave us some numbers. She talked about 1,300 veterans being helped. That is great. The problem is that

by the end of this year we are going to lose over 40,000 World War II and Korean veterans due to the aging process and 1,300 of those 40,000 will have access to the funeral and burial service. Those numbers do not jive.

I said this before and I will say it again, the funeral and burial service that Canada offers its veterans is the last chance for a grateful nation to say thanks to that person and to that family for what they have done for our country. To not include modern day veterans is a travesty. It will cost money, just like Canada's economic action plan advertising costs money, just like Mike Duffy in the Senate costs money, just like everything else the Conservatives do, like the F-35 boondoggle. The Conservatives have no problem with spending hundreds of millions of dollars on their friends and their agencies. How much did they get in consulting a while ago? I believe it was something like \$96,000 a day. It is insane.

We are talking about Canada's heroes, the men and women who have served our country. The fact is that unless we increase the \$12,015 estate exemption many veterans will be denied this service.

I thank the government for putting in \$65 million, but there is no plan in the budget. It says it will be \$63 million in the first year and \$2 million in the second year. I called officials with the Last Post Fund and they knew nothing about it. They were pleased but they were surprised by this. When I received a briefing from the department, officials told me the money would be rolled out over a certain period of time, that the plan would be worked on more or less as they went along. There is no plan.

We thank the government for ensuring that those who are eligible will get more money. However, my hon. colleague from Random—Burin—St. George's is correct. If we had a stand alone on this one, it would be passed immediately. In fact, we would encourage the government to take that out of the budget, accept the member's motion and move it forward. The government will not do that. The government will leave it in the budget with all the other bad things that are in it, beat us over the head and say that we voted against it, which is typical nonsense. I could list hundreds of things the Conservatives voted against when they were in opposition in the budget talks, but it is just simple nonsense.

Remembrance Day is every day for the men and women who served our country and their families, not just on November 11.

Private Members' Business

On this side of the House, we firmly believe that every veteran should have access to this program. It is quite simple for the government to reduce red tape. It just has to ensure that when every veteran passes away, they would be eligible to get this money to assist in a proper and dignified funeral services. That is the only true way we can ensure that every veteran and their family gets the respect they so rightly deserve.

It is unconscionable that the government can include this money. We do not know where the \$65 million came from. Nobody really knows how that figure came about. The Conservatives say that they want to consult with the Royal Canadian Legion. With great respect to the legion, which does a great job, it is not the one that delivers the service. It is the Last Post Fund that delivers the service. One would think the government would have consulted with the Last Post Fund with respect to this additional money, but it did not do that, which shows us that this is a last minute add on which was thrown in the budget to appease the critics.

We are not criticizing the added money. We are criticizing the way it was done and the fact that many more veterans will still be denied. By the time we put our heads down tonight, we will lose another 120 World War II and Korean veterans through the aging process. They will have crossed the bar and many of those people will not have qualified for this program. That is a shame and it is a sin.

• (1745)

Think about that. These people have served their country with great gallantry and with great honour, and we are saying to them that they do not qualify. “No soup for you”, as they say. They will not qualify. “You might; but you do not.” On the battlefield, the enemy never said, “You are a reservist. You are a full-time guy. You make a lot of money. You do not.”

Bullets do not discriminate. PTSD does not discriminate. The reality is that the government uses all these qualifying words: if you qualify; if you are eligible; if you have a service-related injury. I knew a gentleman who passed away a few weeks ago. He had asbestosis. He got a benefit for that, but he died of a heart attack. He was denied the funeral and burial service, because his heart attack was not due to the asbestos. What kind of nonsense is that? The reality is that the man passed away. He served in the Korea War. Why do we not offer him the funeral and burial service that his family rightfully deserves so that they could send him away in a dignified and proper manner. That is what we need to be doing.

I want to assure the hon. member and her Liberal Party that we will be supporting Motion No. 422. We thank her very much for bringing this forward. There is a lot more work we need to do. I will be working very closely with her colleague from Charlottetown to make sure that the Liberal Party gets it right this time. We will assist him in any way we can, in the co-operative nature in which we do business around here, to ensure that every one of our military and RCAF veterans and their families, not just for this service but all aspects of veterans affairs, are treated with the respect and dignity they so rightfully deserve.

At the end of the day, they are the ones who allow us to have a good night's sleep. I have not had one since the original Woodstock, but that is a personal problem. Our veterans are the ones who allow

us to do that. We should at least allow them to ensure that they themselves have a good night's sleep.

God bless all the veterans and their families out there.

• (1750)

[*Translation*]

Mr. Sean Casey (Charlottetown, Lib.): Mr. Speaker, I am proud to speak today. To begin, I would like to congratulate the member for Random—Burin—St. George's and thank her for her work on this file. This is a very important motion. It is very important that this matter be debated publicly because we were not able to debate it in committee.

[*English*]

I am very pleased to participate in the debate. Part of the reason is that for some time now, I have actually had a motion before the veterans committee. The minute we tried to introduce the motion to do a root and branch study of the Last Post Fund before the veterans committee, it went in camera. Now here we are discussing this in public. I thank the member for Random—Burin—St. George's for ensuring that we are able to do this.

Imagine my surprise, when just a few minutes ago, we heard the parliamentary secretary talk about how the minister is directing a continuing review of the Last Post Fund. That is the very thing in the motion before the veterans committee that is not worthy of public discussion.

I have said on many occasions that the government places more value on symbolism than on substance. This choice of symbolism, spin and propaganda is done to convince Canadians that Conservatives are doing something on veterans issues. This is evident in the empty measures recently announced in the budget, to which I will return to later.

I want to highlight, for the benefit of the House and for Canadians, the true record of the Conservative government with respect to veterans. It is a long rap sheet. It is a record of blaming others, spin and political opportunism. Here are just a few examples.

It was the Conservatives who made the decision to interfere with the work of the independent Privacy Commissioner, who was conducting an audit of the department and investigating breaches of privacy, including the privacy of a decorated veteran, Captain Sean Bruyca.

It was the Conservatives who interfered and halted the work of the independent veterans ombudsman's investigation of breaches of privacy, notably the Conservatives' snooping into medical records of veterans who spoke out against their policies.

It was the Conservatives who removed a decorated veteran, Harold Leduc, from the Veterans Review and Appeal Board. The only reason they did this was that he was an outspoken advocate in his defence of veterans, and more often than not, he granted the benefit of the doubt to the veterans appearing before him.

Private Members' Business

It was the minister's decision to spend millions of dollars in departmental funding on propaganda, media backdrops, photo ops and other communications to the benefit only of the Conservatives, all the while ignoring the needs of veterans and chopping front-line services.

It was the Conservatives who dragged disabled veterans into the Federal Court over their disability pensions. It was the Conservatives who decided to fight them in court for five years over money they had earned and deserved. The Conservatives lost that case, but only after the minister spent \$750,000 fighting the very people the Conservatives go to great lengths pretending to care about.

They did not learn much. There are two class action suits presently wending their way through the courts. All too often, the government's response to valid complaints from veterans is "Have your lawyer call mine".

It was the Conservatives who shut down local Veterans Affairs district offices. It was these offices that provided a place where veterans could meet caseworkers in person to discuss the issues they are facing, including pensions and benefits. In the case of my province, veterans who are being case managed have had their case managers moved out of the province.

It was the Conservatives who have been and are still in the process of firing hundreds of employees from Veterans Affairs Canada, and they are not done yet. In the report on planning and priorities, issued last week, it shows that over the next 23 months, another 319 positions will be cut. That is 10% of the workforce at a time when they claim that veterans' services will not be affected.

These cuts are happening at a time when veterans' needs are actually increasing. Even the Auditor General has raised alarm bells about the impact of these cuts to veterans' services.

This is the Conservatives' record with respect to veterans. It is a record of symbolism over substance. It is a record where talking points trump substance, where spin trumps truth.

• (1755)

The motion before the House was not brought by accident. It is not something that was created in a vacuum. It was brought before the House because the Conservative government has failed in its duty to support the real needs of veterans and has failed to provide financial support for their burial costs.

Today we have heard the Conservatives talk about how great they are, because they made an announcement about the Last Post Fund in the recent budget. As a result, they intend to oppose the motion. That is a disgrace.

Do the Conservatives know that their colleagues, successive Conservative ministers, refused to implement changes to the Last Post Fund recommended over three years ago by officials in their own department? It was the Department of Veterans Affairs, over three years ago, that recommended changes to the Last Post Fund to expand access to financial support at the passing of veterans. For three years, the Conservatives did nothing. Yet today they are beating their chests as if they saved the day with changes to the Last Post Fund.

As we heard earlier in the debate, there has been very little in the way of detail. It is clear that these changes were made without consultation with the Last Post Fund, the very organization that administers the fund.

We heard the parliamentary secretary describe this as a responsible and effective program. Do the Conservatives think Canadians will forget that they were responsible for the rejection of 66% of all requests for funding to help bury our veterans? Do the Conservatives think Canadians will forget that for years, successive veterans ombudsmen have called for changes to the Last Post Fund to help veterans? They did nothing. They ignored the ombudsmen's recommendations. Do the Conservatives think Canadians will forget that it was their government that ignored recommendations made by the Royal Canadian Legion for changes to the Last Post Fund in the years 2008, 2010 and 2012? They did nothing. They ignored the legion. For years the Liberal Party was calling for expanding access to the Last Post Fund. The Conservatives did nothing. For years they ignored the veterans community, and only after overwhelming pressure to finally do something, they added one paragraph in the 2013 budget and now claim to have solved the problem. That is false. It is a ruse. The proposed changes outlined in the budget provide little in the way of detail.

However, I am grateful to my colleague from Sackville—Eastern Shore for his co-operation and the great work he has done. He was able to obtain a briefing and some information. We are now led to believe that access to the fund, which is now very limited, which was the fundamental complaint, has not been changed, as it should have been. Expanding access to the fund was the primary issue for the ombudsman and the legion. The Conservatives failed them and failed veterans. Not one veteran currently excluded from accessing the burial fund will have access to the fund under the proposed changes announced in budget 2013.

The members opposite may think that their Minister of Finance handed them political cover to go out and brag about how great they are helping veterans, but the truth tells a different story.

Canadians are tired of spin and talking points. They want real action from the government but are getting nothing. The Conservatives have failed veterans, and we are here to tell Canadians the truth.

• (1800)

Mr. Ben Lobb (Huron—Bruce, CPC): Mr. Speaker, I find the speeches in the House interesting, from time to time, and the different perceptions on reality, I guess one could say.

Private Members' Business

Just for the people at home, I have been on the veterans affairs committee since I was first elected in 2008. It is a privilege, really, to serve on the committee. In spite of the debates we have heard today, it really is not a partisan committee. I think all members are trying to do their best for veterans.

However, I think we do need to focus on a couple of things.

The Funeral Service Association of Canada was in Ottawa a couple of years ago and made its presentation on the issues it thought could be improved. The head of the funeral association came forward after the budget and really had glowing remarks about what we have been able to do to provide increased funding for the funerals of veterans.

The other thing that I think has been lost in this debate is the burial portion of it that was really unlimited, depending upon where a veteran was from, whether from a city or from an area like mine, which would be considered rural. If they were from a city, the actual burial portion of it could be quite expensive. Veterans Affairs was there to cover that cost. I think that should also be mentioned in the debate.

The member for Charlottetown and the member for Sackville—Eastern Shore commented on what they perceived to be deficiencies inside the department. However, I think they have to remember what we have done since 2006, to date, to transform this department. Seeing how they went on about this, I think I should clarify a few things.

Basically, prior to our becoming government in 2006, they were doing business in Veterans Affairs as they might have done business in 1972. Virtually all the records were paper. There were virtually no electronic veterans' files of any detail. That has come a tremendous way in the last few years. With respect to the transformation agenda that has taken place at Veterans Affairs just during my time, since 2008, I feel great strides have been made to improve efficiencies and, most important, to deliver results to veterans in a timely, appropriate and professional manner. Case managers who deal at the front line to get things done for veterans have been given a lot more leeway. I think that is really worth mentioning. It is worth noting that Veterans Affairs has stepped up to the plate.

The member for Charlottetown talked about jobs. By and large, most of those have been through attrition. I think that speaks to the compassion of the department, both at the political level and at the administration level as well. I think that speaks to the effort and the manner in which it is trying to deliver.

The other point is that such tremendous efficiencies have been developed in the last couple of years that it allows for those people in the backrooms, I guess we would call them, to perhaps be replaced through the efficiencies. However, the front-line workers are still there and are still doing a great job.

The member for Charlottetown also touched upon the offices and their ability to deliver services. In my riding of Huron—Bruce, we do not have an office, and the service is delivered quite fine, as far as I am concerned. The case managers I have come to know or spoken to over the years do a great job. They drive from London, which is about an hour's drive from where I live, and in some cases it is farther, depending on where one lives. They do a great job. They

work with the Legion branches. If veterans cannot make it to the Legion, they go to their house. I have never once had a complaint from veterans on the way they have been treated or the way the case manager has treated their file or their situation.

It is the year 2013 and things can be done differently from the way they done were in 1972, even if the opposition resists those changes into modern times or modern technology.

Another thing I would like to talk about is the new veterans charter. We have already made one change since I have been here, with the new veterans charter, because we have listened to veterans and we have listened to veterans groups. We realize the new veterans charter is a living, breathing document that is not set in stone forever, and as veterans' needs change, so will the program.

● (1805)

I just looked at changes to the earnings loss benefit. I looked at changes to the permanent impairment allowance. These were significant improvements.

A couple of years ago, veterans came forward and said they would like some flexibility on the lump sum that is paid out. We listened to veterans, and when Jean-Pierre Blackburn was the minister, we brought those in. We have done a great job of listening.

I find it interesting that members of the opposition talk about the lack of consultation. I have been in committee since 2008, and I have heard numerous veterans groups who appeared before committee talk specifically about the Last Post funding and they have made themselves clear, not only in House of Commons committees but in the Senate committees as well.

As far as consultation is concerned, we have heard loud and clear about the Last Post Fund. We have heard loud and clear from the Funeral Service Association of Canada. We have heard loud and clear from the Legion. We have heard loud and clear from veterans and different veterans associations. To say there was no consultation is ridiculous, to say the least, because there are umpteen different reports or files that can be seen, and the ombudsman has provided documentation as well.

We have been there. We have doubled funding for the Last Post Fund on the funeral side of it, and it is a means-based program that allows a veteran and his or her family to have a dignified funeral, which is the whole purpose of the Last Post Fund. There are hundreds of thousands of people who have served in the military who are not active clients of Veterans Affairs. However, these are people who are involved and are clients of Veterans Affairs, through their service-related injuries. The fund is to provide those veterans a proper and dignified funeral, and that is what we have done.

It is also worthwhile to note that in spite of the economic downturn and in spite of increased financial pressures on government coffers, we did not do what the Liberals did so many years ago and cut all the vital services. We go on at length about the cuts to social transfers and health transfers, but there also were cuts in the Veterans Affairs Department.

Private Members' Business

We have maintained the funding. We have found savings by providing efficiencies in the department, with which I think most Canadians agree, and we have maintained the fund. We did not cut the funerals and burials of the Last Post from \$3,600 to \$1,800. We doubled it. We have made the investments, and this is in a time of deficit.

When provinces from coast to coast—and I am from Ontario—have slashed services in some cases, we continue to deliver, and we have continued to deliver for veterans.

Many members of our caucus have parents or grandparents who have served in the Canadian Forces. We even have some members of Parliament who have served in our Canadian Forces. I have a member sitting right near me who had a great experience with his father with Veterans Affairs. If any members of the opposition would like to talk to him about his experience and the professionalism with which they treated him and his family, I am sure he would be happy to share that with them anytime. I would encourage them to do that.

To sum up, we have to look at the entire suite of programs that are going to veterans. We have done studies on what other countries provide to their veterans in the form of services, and time and time again, Canada comes out ahead. It comes out right at the top. Whether it is about vocational training, PTSD or mental health, governments around the world are looking at what we are doing in Canada with Veterans Affairs, and they are using our template to deliver services to veterans. Why? It is because we listen to veterans; we are working for veterans; and the department, the minister and all his staff are focused on getting the job done, because we appreciate the service commitment that they provided.

I appreciate the time for the debate. I think we have put forward a great case and we have shown Canadians, demonstrated our investment, and it should be noted that the Department of Veterans Affairs' budget is over \$3 billion each and every year.

● (1810)

[*Translation*]

Mr. Sylvain Chicoine (Châteauguay—Saint-Constant, NDP):
Mr. Speaker, I am pleased to speak to Motion No. 422.

I would like to touch on a few comments made by the member opposite about the programs and services offered to veterans. He said that the government has done a lot in recent years, but I feel that there is still much left to do before our veterans actually receive adequate services and health care. There is much work left to do, and I hope that my colleague agrees with me. I also hope that the new veterans charter will soon be improved so that veterans receive the amount they deserve. That would go a long way toward giving them the recognition they are worthy of.

My colleague said that he has never met a veteran who had problems accessing services. I cannot say the same because I have met a great deal of veterans who said they had a hard time getting information on the services to which they are entitled. Just recently, one veteran told me that he had been entitled to receive certain services for a number of years already, but that he only just found out. He could not find the necessary information. The closure of eight offices next year across the country is despicable. This will force older veterans, who do not necessarily have access to a

computer to get information about the services to which they are entitled, to travel hundreds of kilometres to find the closest office to get the information on the services they are entitled to receive.

I want to come back to the motion before us today, Motion No. 422, on improving the Last Post Fund. I will elaborate. The Last Post Fund was mandated by Veterans Affairs Canada to provide financial assistance to veterans in need, in order that they may have a funeral worthy of the sacrifice they made for their country. The financial assistance is used to pay for burial, cremation, and grave marking.

The Last Post Fund is a non-profit organization that, since 1909, has been providing financial assistance to veterans in financial difficulty at the time of their death. It has been administering the Veterans Affairs Canada Funeral and Burial Program since 1998. The funding does not come from the federal government alone. It also comes from private donations that help provide veterans with a proper burial worthy of the sacrifice made by financially disadvantaged veterans.

Since 2009, further to observations made by the ombudsman, the NDP has been saying that the Funeral and Burial Program, which is very important to veterans, is clearly underfunded. What is more, the eligibility criteria are such that veterans have a hard time getting financial assistance, with two-thirds of families applying for this financial assistance being denied access to this funeral fund.

Since then, the NDP has been calling on the government to respond to the ombudsman's report. A number of other stakeholders have also called on the government to improve the fund. There is the Royal Canadian Legion, the Funeral Service Association of Canada, the Army, Navy and Air Force Veterans in Canada, Canadian Veterans Advocacy, the National Council of Veteran Associations, and many other veterans' organizations.

Of course, the NDP will support the motion. I think the Liberal member is admitting that it was a bad decision on the part of the Liberal government in 1995 to cut off access to this funeral fund. Thus, if veterans are having eligibility problems today, it is because of a Chrétien government legacy that decreased the estate exemption from \$24,000 to \$12,000, where it has remained since then.

● (1815)

Thus, we can understand that with this very low exemption level, very few veterans' families are eligible for this financial support for funeral expenses, which is truly appalling.

Private Members' Business

Liberal members recently sent an open letter to some local media outlets in the ridings of several of our MPs, calling for support for this motion. Of course we will support it. However, I deplore the fact that they presented themselves as ardent defenders of veterans' rights, when it is because of the legacy of one of their own governments that we are in this unfortunate situation today.

While accessing the Last Post Fund is one problem, veterans also come up against many other problems, particularly concerning the Veterans Review and Appeal Board, or VRAB, which they often have to fight. The NDP abhors this situation and is calling on the government to replace that board with another body that, in co-operation with veterans, will better meet their needs and their families' needs.

I hope to have the opportunity to finish my speech in order to emphasize how important this motion is, at least so we can try to solve some of the problems related to eligibility regarding the Last Post Fund, which is seriously flawed at this time.

[*English*]

The Deputy Speaker: The time provided for the consideration of this item of private members' business has now expired, and the order is dropped to the bottom of the order of precedence on the order paper.

* * *

[*Translation*]

POPE JOHN PAUL II DAY ACT

The House resumed from February 6 consideration of the motion that Bill C-266, An Act to establish Pope John Paul II Day, be read the second time and referred to a committee.

The Deputy Speaker: Pursuant to Standing Order 37, the House will now proceed to the consideration of Bill C-266 under private members' business.

[*English*]

Mr. Paul Calandra (Parliamentary Secretary to the Minister of Canadian Heritage, CPC): Mr. Speaker, it is a pleasure to rise today on this bill. It is an important bill for a lot of reasons.

Before I begin, I would like to recognize the member for Mississauga East—Cooksville for bringing this bill forward in the House. He is a gentleman who has a very important success story, and he is one of those people Canada seems to attract.

The member for Mississauga East—Cooksville was born in Poland. He lived under a Communist dictatorship and understood how hard life was. He wanted to do something better to support his family. He came to Canada and built a better life for his family. Ultimately, living the Canadian dream, he has now been elected to the Canadian House of Commons and is able to give back and contribute to his community.

He is doing spectacular work here, and this bill is just another indication of it. How nice it must be for the people in Mississauga East—Cooksville to have a member of Parliament who brings forward their issues and has finally restored that community to some excellent representation. I want to congratulate him for bringing this

bill forward, because it is so important that we talk about this extraordinary person, Pope John Paul II.

I was a student in Scarborough in 1984 in the second class of Pope John Paul II Catholic school. The year 1984 was a very interesting time, because I believe it was the Pope's first visit to Canada. It was an extraordinary time for us students as we got to wait in line in the procession as the Popemobile came by. I can remember all of the people being there in downtown Toronto, waiting to see the Pope for just a split second as he drove by in the Popemobile. It was not just Catholics; hundreds of thousands of people were waiting to catch a glimpse of this person. At this point, we did not really know how important this pope would be, not only to those of us of Catholic faith but in changing the world as we know it.

I already mentioned how the member for Mississauga East—Cooksville endured a Communist dictatorship and how he was able to make a better life for himself, but I would also like to talk about my French teacher in my riding.

He is a Polish immigrant who came to Canada two years ago. We have been talking a lot of about how he grew up, the life he led under a Communist dictatorship and how important the Pope was in helping them break free. We talked about how important the Pope was in helping the Polish people understand that they had freedom and could aspire to be better than they were. His stories of the importance of the Pope in helping Poland come out of Communism are very inspiring to me. It is another reason I am glad to have this opportunity today to talk about this bill.

A lot of speakers have already talked about all of the accomplishments of Pope John Paul II, but I think it bears repeating.

We know that Pope John Paul II led a difficult life. His mother and father died when he was quite young, and his brother thereafter. He lived through the Nazi occupation of Poland. During that time he started to understand and feel the call toward the priesthood. He was educated in secret, from what I understand, and was ultimately ordained in 1946. Despite being in a Communist dictatorship and despite all the challenges he faced, he was able to grow the faith in Poland. He was always able to grow the faith and give people the inspiration they needed while balancing what was obviously a very difficult government and a very difficult circumstance for the Polish people.

I remember being a young boy when the first Pope John Paul unfortunately passed away shortly after he became pope. It was a time when Catholics were very uncertain. I think the first Pope John Paul had a 30-day reign, and I remember watching for many hours as we waited to see who the next pope would be.

● (1820)

Being of Italian-Canadian descent, we assumed that the person who would be coming out would be another Italian pope, because that is just the way it had been for 400 years. I remember being in my home with an uncle who had come to Canada in the 1950s. He was a very proud Canadian but also a very proud Italian. I remember seeing his reaction to seeing someone who was not an Italian come through those doors and that momentary disappointment that the next pope was going to be Polish and not Italian.

Private Members' Business

I tell this story because many years later, I was sitting with this very same uncle watching a mass when the Pope was much later on in years and struggling to carry on his duties. I listened to my uncle explain how this Italian pope had made such a difference in the world. I reminded him that the Pope was Polish and not Italian. He said, "That all changed over the years. He has now become a very proud Italian pope." That speaks volumes of how this pope was able to cross all kinds of boundaries.

The 1980s and 1990s were a difficult time period in world history. We were growing up at a time when there was a great deal of uncertainty. We still had east versus west, and much of the world and eastern Europe was under a Communist dictatorship. It was a time when the west was afraid of the east and the east was afraid of the west, but here was a pope who was not afraid to break down those barriers, who was not afraid to take on the Communist dictators of the east, because he understood how important it was and how important his role was to bring freedom to the world.

If we look back, despite all the incredible things that he did for Catholics and to help expand the Catholic faith, no matter what one believes, I think we all would agree that Pope John Paul II made a significant difference in changing the world because he was not afraid. During the Second World War, he was not afraid to struggle and fight for what he believed in. He became a priest despite Nazi occupation, after having understood all the difficulties that dictatorship and lack of responsible government meant to the people and how it was bringing the people down. He struggled and persevered, and when he had the opportunity when he became the pope, he made sure that he was going to make a difference.

No matter what one believes, we can all agree that this gentleman made an incredible difference in the world. I cannot thank my hon. friend from Mississauga East—Cooksville enough for bringing this bill forward so that we could take one day to recognize and honour how hard this person worked, the difference he made and, ultimately, the changes he made to help bring democracy throughout the world. We still have a long way to go, but if it were not for this person's example, for his leadership, for the strength of the Polish people who seized on the opportunity to break free, we would have a much different world today.

I am very excited to be able to support the member's bill. I want to again single out the member for Mississauga East—Cooksville. He is someone who can make a heck of a difference for all immigrants who come to this country who work hard and struggle the way my parents did.

I look at the example of my parents, and it is sad that neither of my parents was able to see me elected. They did not live long enough to see me elected to the House of Commons, but I look across the aisle and see people like the member for Mississauga East—Cooksville making a difference and becoming elected and bringing bills like this forward. I congratulate him, and I congratulate his constituents for having such an incredible member of Parliament.

• (1825)

[*Translation*]

Ms. Christine Moore (Abitibi—Témiscamingue, NDP): Mr. Speaker, today, my speech is about Bill C-266, which seeks to create Pope John Paul II Day.

I wanted to make this speech because this bill really bothered me in the sense that it made me think long and hard about what I should do. As a Catholic, I recognize the tremendous contribution that Pope John Paul II made to humanity, if you will. However, I am choosing to vote against this bill, and I think that it is important to explain why.

First, one of the issues that led to my decision is that Pope John Paul II is not Canadian. He is an important international figure who visited Canada, but he is not originally from here. It is also important to remember that the Pope is a head of state. This day would therefore recognize a foreign head of state, and I am a bit concerned that this would set a precedent. I would like to point out that this does not mean that Roman Catholics or Polish Canadians cannot celebrate the late Pope. These people can do so in a more general way without necessarily having a national day.

It is also important to understand that the other national days in Canada that recognize individuals are those to recognize Sir John A. Macdonald and Sir Wilfrid Laurier, who, as we all know, were historic prime ministers. There is also Raoul Wallenberg Day. This man was a great activist during the Second World War and he was made an honorary Canadian citizen.

Another issue I had was that people are not religious in order to get glory. When a person makes a commitment to God, especially in the Catholic Church, he does not do it for recognition or glory. Religious work is done humbly, discreetly and simply. Humility is like the ground in which other virtues grow. The gospels present it as the fundamental virtue.

Pope John Paul II worked in many areas. We all recognize his wonderful commitment to peace and to opening the lines of communication between religions. He was a political activist who was against Communism and political oppression. He worked to help youth and to reform the Roman Catholic Church. In my opinion, it is more important to recognize and remember these achievements than the person himself.

For instance, we could decide to have a national interfaith dialogue day to pay tribute to the late pope and remember the message that he was trying to send. In my view, celebrating the individual per se is not consistent with the fundamental tenet of humility in religion. That is why the best way to remember Pope John Paul II is by remembering his battles and ideals, and by continuing to spread his message.

Another issue that came to mind as I was examining the bill is that he would become the only religious figure recognized in Canada. As we know, Canada is a secular country. Religious freedom is guaranteed, and the right to religion is recognized. Even the preamble to the Canadian Charter of Rights and Freedoms states: "Whereas Canada is founded upon principles that recognize the supremacy of God and the rule of law".

However, I would like to point out that religious traditions in Canada are very diverse. We have Roman Catholics, Anglicans, Methodists, Orthodox Christians and Baptists. We have the various traditional religions of first nations and Inuit peoples. We have atheists, Jews, Orthodox Jews, Sikhs, Muslims, Buddhists, Hindus, Mormons, and the list probably goes on.

Private Members' Business

●(1830)

I think all we have to do is walk around our major Canadian cities to see that we have places of religious worship that belong to different religions in a number of places.

I do not think that recognizing a particular religious figure from a particular religion is necessarily the best way to celebrate Canadians in all their diversity. That might create some problems, if you will, or raise some concerns.

Everyone is free to celebrate their beliefs, but I do not think it is healthy or appropriate to recognize a pope or a particular faith more than another. That goes against Canada's religious diversity.

The problem is that I cannot see why we would celebrate one pope more than another. As I see it, every pope has contributed in his own way to building humanity and developing ideals and beliefs.

Choosing a pope in particular is as if we were not recognizing the work of the others. I take issue with that. In my view, a person becomes pope because he has worked very hard and has fought for many things. I do not like the idea of elevating one pope above the rest.

I also want to clarify that I really struggled with this bill. I spoke with priests in my riding and other people. I talked it over with them. I think they understood my views on this bill.

I come from a Catholic family. We even had a bishop in my family. My grandfather's brother was a long-time bishop of the diocese of Amos. Back home, people recognize him. They all know who he is.

I understand the idea of wanting to pay tribute to an important figure in this religion. However, I unfortunately do not believe that a national day is appropriate. I think that if we had truly wanted to celebrate his memory, we could have, for example, created a national day in honour of one of his ideals, such as peace. We could have commemorated the date that Pope John Paul II passed away. Someone advocated for that. I think it would have been important to acknowledge the ideals he fought for and not simply his name.

That is why I wanted to make this speech. I wanted to explain to people why I chose to vote against this bill, even though it was really difficult for me.

I recognize the work done by my colleague. I know that he worked hard on this bill and that he did it with the best of intentions. I sincerely hope that he understands or that he at least listened carefully to the issues and concerns I had regarding this bill.

●(1835)

[*English*]

Mr. Rick Norlock (Northumberland—Quinte West, CPC): Mr. Speaker, it is an honour to stand and support this bill. I thank my colleagues on both sides of the House for their contributions to the debate. If John Paul II were in this room or watching this debate, he would have respected very much the previous speaker's speech from the official opposition. Why he would respect it and support her opinion in this matter is because this is the consummate democratic place. He was devoted to a place like this that exists on the face of God's good earth. He would have supported this place because it is a

democratic institution and he knew what it was like to live in an institution such as this where people could not have differences of opinion. It is for that reason that I think he would be proud.

He probably would ask us not to have a day just for him, but he is not here. However, we care very much about this man of tremendous faith, who put his arms around the very people who would have in the past not put their arms around him except to put them in chains. He was a humble man. Those of us who support this day are here and able to say for him, because we know he is watching from a better place, that we are prepared to do this as we feel in our bones that we must do it.

I want to congratulate my colleague from Mississauga East—Cooksville for bringing the bill forward that would designate April 2 as Pope John Paul II day in Canada.

As the member for Mississauga East—Cooksville mentioned, Pope John Paul II's work transcended the boundaries of the Catholic faith. He promoted values of peace, tolerance and religious freedom. He took a strong stand against human rights violations and respected and showed admiration for other religions. On John Paul II's passing, former UN Secretary General Kofi Annan stated:

Quite apart from his role as a spiritual guide to more than a billion men, women and children, he was a tireless advocate of peace, a true pioneer in interfaith dialogue and a strong force for critical self-evaluation by the Church itself.

This self-evaluation led him to work to redress historical wrongs and ask forgiveness from the Jews for sins committed by the church. As a powerful example, on a visit to the Western Wall in 2000, he offered a prayer saying:

—we are deeply saddened by the behaviour of those who in the course of history have caused these children of yours to suffer, and asking your forgiveness we wish to commit ourselves to genuine brotherhood with the people of the Covenant.

John Paul II was the first pope to visit a synagogue in 1986 where he declared "each of our religions" wishes "to be recognized and respected in its own identity," beyond "any ambiguous appropriation." His strong messages to encourage inter-religious dialogue and freedom of speech are characteristics that, I will say so respectfully, John Paul II shared with this government. Not only did he believe that each of us should be able to worship as we please, but also that we should be able to worship differently and still co-operate and work together.

As my colleague stated, as a nation, Canada is recognized as a world leader in the promotion of international human rights. It is a defining characteristic of our foreign policy. John Paul II, too, made this a priority during his papacy. He was a man of courage and compassion. He did not believe that the fight for democracy was beyond our reach. His efforts impacted global politics and he inspired peaceful opposition to repressive regimes, eventually leading to the collapse of several stifling dictatorships.

In 1987, he met and pushed the dictator Augusto Pinochet to accept the return of democracy in Chile. In 1988, John Paul II visited Paraguay, which led to the collapse of the dictatorship of General Alfredo Stroessner.

Private Members' Business

Pope John Paul II's role in the spread of democracy in eastern Europe was profound. He himself endured the tyrannies of the Nazi and then communist regimes as he was only 19 when the Nazis invaded Poland.

• (1840)

In his 1979 visit to Poland, he said, "Be not afraid." His simple words to encourage and inspire the people led to the peaceful opposition that can be said to have precipitated the fall of communism in Poland and the spread of democracy in all of Europe.

In the 1995 address to the UN, John Paul II touched on his experiences in the peaceful opposition he supported by saying:

The moral dynamics of this universal quest for freedom clearly appeared in Central and Eastern Europe during the non-violent revolutions of 1989. Unfolding in specific times and places, those historical events nonetheless taught a lesson which goes far beyond a specific geographical location. For the non-violent revolutions of 1989 demonstrated that the quest for freedom cannot be suppressed. It arises from a recognition of the inestimable dignity and value of the human person, and it cannot fail to be accompanied by a commitment on behalf of the human person.

Further to this, he played a large role in the collapse of communism. John Paul II himself endured Nazism and Communism, and devoted much time speaking out against such oppression and human rights violations. From Haiti to Poland, and around the globe, the visits from John Paul II foreshadowed the collapse of dictatorships and the end of oppression. Wherever he went, wherever he landed, peace and democracy followed.

We as Canadians should be proud of him for doing this, as the endorsement of democracy is, and has been for centuries, a strong belief in Canadian values. Canada is a nation built on a number of fundamental freedoms. These freedoms and values are part of what make our country such an attractive place for people to immigrate to. One of these core Canadian freedoms is the freedom of religion. In every region of this country, we have a multitude of people practising a multitude of faiths, and they are able to do so in peace without cause or incident.

However, we are fortunate, as in certain regions across the globe religious minorities are the subject of violence, oppression and hatred, which is why our government recently unveiled its Office of Religious Freedom. Working within the Department of Foreign Affairs and International Trade, this office will oppose religious hatred and encourage the protection of religious minorities around the world so that those people too can practise their faiths without fear of repression. These nations are often a source of instability and civil strife, and combatting these qualities by protecting an individual's right to practise his or her religion is something which deserves to be championed. I believe that the work of John Paul II to promote inter-religious dialogue, and his acceptance and appreciation for other faiths and religions is such an important part of his legacy and something all Canadians can admire and appreciate, as religious freedom is a strong principle in our foreign policy. He once said:

Instead of marveling at the fact that Providence allows such a great variety of religions, we should be amazed at the number of common elements found within them.

As Canadians, we have a special connection with John Paul II, as he made three separate visits to our country, the latest being in 2002 at World Youth Day in Toronto. His message of acceptance,

diversity, and equality is reflected in our Canadian values and multicultural landscape. As Canadians, we incorporate these values in our daily lives. John Paul II not only transcended the boundaries of faith, but he also sought to bridge generational gaps and invest in our future by fostering the values of compassion and tolerance in our youth, which is why in 1985 he established World Youth Day.

His visit to Toronto in 2002 attracted hundreds of thousands of youth, representing all faiths and cultures from around the world, who made the pilgrimage to Canada, uniting in one of the most diverse and multicultural cities in the world, just to hear him speak. Not only did he garner the attention of a multitude of religions, he was able to catch the attention of a young audience.

• (1845)

Much like Canadians, John Paul II did not believe that religious differences should instigate conflict. Rather, they should unite all people and celebrate our diversity.

I support the designation of April 2 as Pope John Paul II Day in Canada. I would like to thank my colleague, the member of Parliament for Mississauga East—Cooksville, for bringing this bill before the House. I would like to thank him for giving us an opportunity to celebrate and to reflect on a man who brought hope, peace and comfort to so many around the world.

Mr. Kyle Seebach (Brampton West, CPC): Mr. Speaker, I am also pleased to be able to speak today about the bill being put forward by my colleague.

It is an important bill, because it celebrates and brings recognition to a man who, in my view, rose above merely being a religious figure. Pope John Paul II was a living symbol of unity. His work was not just to disseminate the word of God but to share in the vital values that we as Canadians share: peace, tolerance and liberty.

Pope John Paul II was, of course, also a man of God. In that role he had many accomplishments. I am not a Catholic, and I was not raised in the Catholic faith. That is why when I rise today to talk about Pope John Paul II, it is because of the things he did as a religious figure, but not through religion.

Pope John Paul II accomplished incredible things in this world. If he had not taken his message, his simple message, his rallying cry, "Be not afraid", into the heart of communist east Europe, where would the world be today?

It is simple to say that it would have happened anyway. However, I do not believe so. When he went to Poland for his first visit in 1970 for his nine-day pilgrimage, he warned communist authorities that the papacy would be watching them closely. Let us think about this. This is back in the times of the Iron Curtain. These were bold words.

Marxism in eastern Europe was a cult. Communist leaders wanted to eradicate the traditions of history in the name of a new kind of society and to shape a new kind of citizen. When the pope went to Poland, he did not speak only of God. He spoke of history. He spoke of the 600th anniversary of Poland's oldest university. He spoke of the 40th anniversary of the Warsaw uprisings.

This was deliberate. These were powerful words. These were words that inspired people in Poland. It is not a coincidence that a year later, Poles found the courage to stand in solidarity in the first mass anti-communist political movement. They began to organize themselves. Any student of history can look and see what happened next. Freedom came to Poland, and it spread. It spread to Czechoslovakia, Hungary, East Germany, Romania and Bulgaria. The pope gave people confidence, the confidence to stand up.

This is an important legacy. It is why it is beyond his being a religious figure that we should recognize his contributions. Those contributions were not just there. We have heard about many of them from my friend who just spoke and from the member for Mississauga East—Cooksville himself.

Of course, he spoke out very strongly against apartheid in South Africa. He criticized the dictatorship of Jean-Claude Duvalier in Haiti, and he visited. His visit led to protests and the end of a dictatorship. We could go on. We could talk about Chile as well. This was a man whose words inspired. They inspired people to stand up for themselves.

We can also talk about World Youth Day. My colleague talked about that as well. It is not just a celebration of the Catholic faith. He delivered important messages to people. In 2002, when he came to Toronto, he said, “The world you are inheriting is a world which desperately needs a new sense of brotherhood and human solidarity”.

That was his message. His message was to build bridges and come together in unity. It is a message that is so important. His hope of uniting those from diverse backgrounds and beliefs continues to be brought to fruition every time we have a World Youth Day.

I want to conclude with a few remarks.

● (1850)

In June 2004, President George Bush awarded the Pope the Medal of Freedom, which is the highest civil honour in America. The citation itself is so important, and it is another reason why I am so proud to stand here today. The citation said “...this son of Poland whose principled stand for peace and freedom has inspired millions and helped to topple communism and tyranny”. I could not have said it better myself.

Pope John Paul II embodied peace, faith, compassion and liberty. That is why I am proud to stand in support of April 2 as Pope John Paul II day here in Canada. I want to thank my colleague from Mississauga East—Cooksville for bringing this forward and for giving Canadians an opportunity on that day to reflect on the incredible legacy and the gift we received all across the world from this fantastic man.

Mr. Wladyslaw Lizon (Mississauga East—Cooksville, CPC): Mr. Speaker, I would like to thank members on both sides of the House for their participation in this debate.

As I have already mentioned, Pope John Paul II's legacy goes well beyond his role in the Catholic church. He stood for religious tolerance and freedom and he spent a great deal of time encouraging inter-religious dialogue. To me this represents a big part of what it means to be Canadian.

Private Members' Business

Canada is a country where so many traditions, religions and cultures come together in harmony, where each has supported and impacted the other, where mutual respect and admiration is of paramount importance. We live in a country where our children can grow up to have an understanding and an appreciation for other cultures and come to learn from the teaching of each. Our future looks bright. Younger generations will reiterate these messages and teach tolerance and harmony.

John Paul II once said:

To choose tolerance, dialogue and cooperation as the path into the future is to preserve what is most precious in the great religious heritage of mankind. It is also to ensure that in the centuries to come the world will not be without that hope which is the lifeblood of the human heart.

In addition to the respect he showed to other religions, Pope John Paul II recognized that today's youth hold the key to our future, and by imparting wisdom and values of compassion and tolerance on younger generations, we can ensure a better future. He showed our youth a great respect and sought to bridge generational gaps, which is why in 1985 he established World Youth Day. His visit to Toronto for World Youth Day in 2002 attracted hundreds of thousands of people. Youth from around the world representing all faiths and cultures came to hear him speak and to experience the wonderful multicultural society Canada has to offer. Each time we celebrate World Youth Day, we also celebrate John Paul II's legacy and his vision for our future and investment in our youth.

Pope John Paul II proved that nothing is impossible and stood up for populations who were oppressed by totalitarian regimes. He will be remembered for his role in the collapse of several stifling dictatorships and the way he inspired peaceful opposition to communism in Poland, leading to its eventual collapse.

Canada is a peaceful country and a safe country, and I strongly believe that the work of John Paul II and the values he spread truly resonate with what it means to be Canadian. In taking the time to remember Pope John Paul II, Canadians would also take a moment to appreciate what we are so lucky to have in this great country.

I bring this before the House today, not only as an opportunity to celebrate a man who did so much for millions of Christian followers around the world, but to celebrate a man who did much more to uphold values that we as Canadians cherish so deeply, values of justice, liberty and democracy.

I ask all members of the House to join me in declaring April 2 Pope John Paul II day in Canada, to honour and pay tribute to this great man.

● (1855)

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.

Some hon. members: On division.

Adjournment Proceedings

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

(Motion agreed to, bill read the second time and referred to a committee)

ADJOURNMENT PROCEEDINGS

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

[*English*]

ETHICS

Ms. Judy Foote (Random—Burin—St. George's, Lib.): Mr. Speaker, in the face of Peter Penashue's acceptance and expenditure of almost \$50,000 in illegal donations, the Conservative government is attempting to cover up the true nature of his track record as the member of Parliament for Labrador.

As I speak, Mr. Penashue is campaigning in Labrador to regain the seat he disgraced. Meanwhile, Elections Canada continues its investigation of Mr. Penashue's unlawful election campaign, which could result in Mr. Penashue's being banned from running for the next five years.

Let me address some of the incorrect statements made by the Conservative government as it tried to hide the fact that Mr. Penashue had to cheat to get elected.

First, the Conservative government falsely claimed that Peter Penashue was essential to the establishment of thousands of jobs and the Muskrat Falls project in Labrador. The truth of the matter is that federal funding for the Muskrat Falls project was promised in 2011 by the Liberals and the Conservatives, before Peter Penashue was even elected.

Second, the Conservatives have falsely credited Peter Penashue with the paving of the Trans-Labrador Highway, a project that was primarily funded by the previous Liberal government. Between 1995 and 2005 alone, the Liberal government contributed almost \$340 million to the Trans-Labrador Highway, and an additional \$17 million was invested by the province. The fact is that during Peter Penashue's tenure as MP for Labrador, the Conservative government provided only \$42.5 million in federal funding for the Trans-Labrador Highway. This is almost a 90% decrease in funding from the contribution levels established by the previous Liberal government.

Third, the Conservative government wrongly insists that Peter Penashue is responsible for increasing search and rescue capabilities in Labrador. Again, nothing could be further from the truth. However, Peter Penashue is responsible for failing to stand up for search and rescue services in Newfoundland and Labrador, even after the tragic death of young 14-year-old Burton Winters.

The Conservatives incorrectly claim that a new Griffon helicopter was added to the search and rescue facility in Goose Bay under Mr. Penashue's leadership, increasing its fleet from two to three helicopters. However, this contradicts reality. Under the previous

Liberal government, Goose Bay was equipped with three Griffon helicopters. The Conservative government reassigned one of these helicopters to Canadian assistance in Jamaica under the condition that once missions were completed, it would return to Goose Bay. Now that this helicopter has been returned to its rightful place in Goose Bay, the Conservative government's continued claim to have added a new helicopter to the Goose Bay fleet is a blatant untruth intended to give the illusion that it responded to the tragic death of Burton Winters.

Against the advice of experts, Peter Penashue failed to oppose the closure of the vital maritime rescue sub-centre in St. John's. Since the closure of this facility by the Conservative government, emergency calls have been diverted to Italy, information has been misconstrued and lives have been unnecessarily put at risk. Even as the Liberal Party warned of the imminent dangers associated with this closure, Peter Penashue and the Conservative government failed to reverse their irresponsible decision.

While we continually asked the Conservative government to acknowledge its mistakes and its inadequate delivery of search and rescue in Newfoundland and Labrador, Peter Penashue failed to represent his constituents regarding search and rescue even once in the House of Commons. In fact, even as a Conservative minister used a vital search and rescue helicopter as a limousine, Peter Penashue remained silent.

I ask again, given Mr. Penashue's cheating record, how do we know that he will not attempt to do the same thing in this by-election?

• (1900)

Mr. Chris Alexander (Parliamentary Secretary to the Minister of National Defence, CPC): Mr. Speaker, I think the poor quality of the words chosen by the member for Random—Burin—St. George's in the screed that she just delivered on the floor of the House of Commons, at a very uncommon time for partisan attacks, at this stage of our day, really speaks to the quality of representation Newfoundland has had in the House by confining itself to representation from the opposition. It also speaks to the reasons why the people of Labrador elected Peter Penashue in the first place. He brought a strong voice to this place and to the Government of Canada, not only for Labrador, but for all of Newfoundland and Labrador, which are sadly under-represented and misrepresented by members like the one for Random—Burin—St. George's.

Her question, if there was a question, was riddled with untruths, misunderstanding, and distortion of the record of Peter Penashue, which stands for itself. It is on full display to the people of Labrador as I speak and it will ensure that they have the opportunity to put a strong member of Parliament back into this place in very short order.

In two years, Peter Penashue delivered more for the great land of Labrador, and for the province through his work in Labrador, than the Liberals and his opponent had managed in 20 years. We really do not need to spend too much time highlighting those results. They have been aired here, in prime time as it were, in question period, and in debate over and over again. They are known nationally, not just in Labrador.

Adjournment Proceedings

Peter Penashue secured federal support for the development of Muskrat Falls. It was not done under the Liberal Party. It was left in abeyance. It was mishandled and it was fumbled and now the member for Random—Burin—St. George's is reduced to heckling to try and prevent the truth from coming out. It was done under this government. It is moving forward, a loan guarantee, a partnership that is unprecedented for Labrador. It will bring more jobs to that great part of our country than any project heretofore.

He worked to increase Internet speed in Labrador. This is something that those in urban ridings and maybe those in other parts in Newfoundland may take for granted, but in Labrador it is a top priority. It is a question of work, of communication, and of a basic quality of life. Peter Penashue brought a faster Internet to the people of Labrador.

He has delivered federal funding to pave the Trans-Labrador Highway. Of course, that highway was begun in earlier phases, but we had never seen this era of improvement on a grand scale until Peter Penashue became the elected representative for Labrador. He worked, obviously, to scrap the long-gun registry. That is something we never hear from the opposition, obviously. Were their hand on the tiller, were they anywhere close to representing Labrador or governing our country again, the long-gun registry would be right back in place, with its immediate penalty to the traditional way of life for the people of Labrador. That is not to mention the seal hunt or the polar bear hunt, for which Peter Penashue not only stood up in the House time and time again, but advocated across the country and around the world.

We have results on all of those fronts. The opposition members can only point to the absolute opposite on all of those fronts. They oppose the seal hunt, they wanted the long-gun registry, and they would actually side with the enemies of the polar bear hunt around the world, outside Canada. For that reason, Peter Penashue is the legitimate representative of the people of Labrador. We look forward to seeing him back here.

● (1905)

Ms. Judy Foote: Mr. Speaker, the facts speak for themselves. Having listened to my hon. colleague, he is clearly not apprised of the facts. We are, in Newfoundland and Labrador. Labradorians know that they deserve better. They need that strong voice. Where was that strong voice? The member speaks about all of the times Peter Penashue spoke in support of initiatives. We certainly did not hear it in the House of Commons. Labradorians were looking to hear from their member of Parliament.

Let me point something out, because there is one thing that really does gall me, and that is the suggestion by the Conservatives that the Liberal Party does not support the seal hunt. How can the member stand there and say such a thing when he knows that it is blatantly untrue? Let me tell the House what has happened since the Conservatives had Mr. Penashue there. In fact, under the Conservatives, the EU imposed a ban on the importation of seal products, and since Mr. Penashue became an MP, Russia, Belarus, Pakistan, and Taiwan have also banned seal import products—

The Deputy Speaker: The member's time has well expired.

The hon. Parliamentary Secretary to the Minister of National Defence.

Mr. Chris Alexander: Another litany of untruths, Mr. Speaker, and nary a question to be found.

On the seal hunt, it is on the public record. It has been said in the House time and time again. There are Liberal members of this place and Liberals across the country who are categorically opposed to the seal hunt, who are on record, who stand with the EU, Russia and all the countries that member mentioned against the seal hunt.

She, for her part, seems to be in favour of it. Where does the Liberal Party stand? We and Labradorians have no clue, but they do know where this strong Conservative government stands: in favour of that traditional way of life, in favour of infrastructure for the people of Labrador and in favour of Peter Penashue.

● (1910)

SCIENCE AND TECHNOLOGY

Mr. Kennedy Stewart (Burnaby—Douglas, NDP): Mr. Speaker, I am pleased to have the opportunity tonight to speak to science and technology. There are two things on which I would like to focus in the brief time I have, and that is on S and T funding.

When we think about S and T funding, we need to think about the size of the pie and how the pie is sliced. Let us start with the size of the pie.

The Minister of State for Science and Technology is very fond of stating that under his leadership, the government has increased science and technology funding by \$9 billion since 2006.

However, a closer look at the Cansim table, from which these figures are drawn, and we actually had the minister in committee today and he confirmed that these are the tables used, shows that in producing this number, the minister fails to account for inflation in his calculations. I am not sure if this is a mistake or deliberate, but nevertheless the error is there.

The responsible thing for the government to do is to apply the standard accounting principles of adjusting for inflation and using the consumer price index. This accounts for the fact that a dollar today is worth much less than a dollar ten years ago. This is economics 101. The Conservatives claim they have a sparkling economic record and this is a basic it should know.

When we do this, when we apply the CPI to spending over time, the new spending that the government claims turns out to be about half of what the minister has claimed it to be. It is not \$9 billion, but rather \$4.5 billion in real terms.

The Conservatives use some other trickery in their calculations, so I suggest, and I suggested to the minister today, that we do not use this number at all. In fact, what we do use is another basic accounting principle that shows in fact the S and T pie has shrunk under the government.

Adjournment Proceedings

Using the same government tables, the same one the minister said today that the Conservatives relied on for their projections, when we apply these basic accounting principles, last year the government cut S and T spending by 8.6%. In fact, S and T spending by the government is now lower in real terms than when the Conservatives took power in 2006.

The audience that will pay attention to this is scientists. They are very good at math and they will understand that what the government has done since it has come to power is actually had a cut in real dollars. The Conservatives are shrinking the pie.

Let us look at how the pie is sliced. Last week I was in Washington, D.C., meeting with Democrats and Republicans about science funding in that country.

The Republicans told me the only thing the two sides really agreed on was that the government's main job in S and T was to fund basic research. Thus, the Conservative government, which is cutting basic research funding, is even more radical than the Tea Party members with whom I met. The Conservatives are shifting money from basic research to business subsidies.

We can talk about all the other things the government is doing, such as closing the Experimental Lakes Area, muzzling scientists and destroying the National Research Council in a very haphazard way. These policies really betray a lack of understanding about how scientific advancement actually takes place.

I have heard from scientists right across the country, and they speak over and over again. In fact, they were following the committee proceedings today. They are very disappointed in what is happening under the government and they want things to change.

We are the party that speaks for science in Canada. We are the party that just committed in our convention to matching our partners in S and T funding. I look forward to becoming government in 2015 when we can make that policy come true.

Mr. Chris Alexander (Parliamentary Secretary to the Minister of National Defence, CPC): Mr. Speaker, we have just been treated to another insight into the kind of distorted mirror of economics on which the NDP seems to pride itself.

The \$9 billion that has been spent by this government on research and development are real dollars. That is the way the government spends money. We spend a dollar; we count it as a dollar spent on research and development. We do not go back to some measure of 1981 dollars or 2001 dollars and then reduce everything to that earlier value of our currency. That is a futile exercise that economists have every right to engage in, but that is not part of the bookkeeping of the Government of Canada.

It disturbs us to hear, yet again, a certain level of economic illiteracy from our NDP colleagues when they try to deny the reality of what this government's spending has been. It has been taxpayers' money that has gone into research and development. We are proud of that record, whether it is to go to centres of excellence or fundamental physics or, yes indeed, to support accelerators that are taking discoveries from the laboratory into the marketplace.

This is the other area where scientists and other Canadians are unsure of their ground with the NDP because, however great its

rhetoric may be on these subjects, it is not prepared to commit categorically to the market economy as a building block, a fundamental principle of Canada's economy. The NDP is not prepared, as we saw at its convention, to admit that the profit principle is what guides private sector activity in this country. That has been in the NDP preamble up until now. Attempts to paper that over with something else are not working.

We are proud of the NRC and other departments. We are proud of the discoveries and innovation we have supported. We are proud of the fact that Canada is now ranked the top advanced economy in the world for state spending on fundamental research and development.

Let me list a few recent successes.

Last fall, the National Research Council of Canada flew the world's first civilian jet powered by 100% biofuel.

Last year, Canada's national laboratory for particle and nuclear physics, TRIUMF, played a significant role in the discovery of the Higgs boson subatomic particle.

More recently, as we have all seen, Chris Hadfield became the first Canadian to take command of the International Space Station.

Those \$9 billion are at work. Tom Jenkins has led an expert panel to review federal support to R and D, to improve contributions. This panel recommended a new approach to supporting innovation, which we are adopting. That brought \$121 million more to invest in the strategic focus of the NRC, in just this budget, economic action plan 2013.

We are all proud of that institution. It has been here since 1916. It has brought incredible discoveries to the world—the discovery of the pacemaker and computer animation technology—and those discoveries have helped create jobs.

The NRC is now working with other players in Canada's innovation system, including academia and the public and private sectors, to adapt to business research needs by concentrating on active, business-driven, industry-relevant research.

This is something that other jurisdictions are doing, that Canada knows it needs to do, that Canadian scientists want to do because they want their discoveries to be relevant to the marketplace and, obviously, that our peers and those whose private sectors spend more on research and development around the world have been doing for some time. It is the right thing to do. This increased spending, this strong support for research and development in this country will continue under this government.

Adjournment Proceedings

•(1915)

Mr. Kennedy Stewart: Mr. Speaker, I am a bit dumbfounded. I understand being attacked on this side of House, but I did not think that we would hear an attack on the basic principles of economics, that adjusting for inflation when we are looking at spending over time is somehow an NDP conspiracy or a kind of socialist plot.

In fact, I am sure the scientists who are watching this, or who will watch this and read the transcripts, will further see that the NDP is on top of things. We are a reasonable group of people who actually just agreed with the minister today on the tables we were looking at. He just has a different interpretation: the wrong one. We have the right one.

Again, I am happy to talk about that this evening.

Mr. Chris Alexander: Mr. Speaker, we could adjust all of our spending to 1930 dollars. We could adjust it to 1950 dollars. We do not do that in the accounts of the Government of Canada. Liberal governments have not done it and Conservative governments have not done it. The \$9 billion figure is accurate and we do not want to see the member opposite leading Canadian scientists into some new area of confusion because of this.

The member claims that we spent half as much as we have spent. The taxpayers, whose money went into those budgets to support that research and development, beg to differ with the member opposite.

The government continues to take action in economic action plan 2013. There are \$20 million over three years for a new pilot program to be delivered through the NRC's industrial research assistance program. This is a fabulous opportunity for small and medium-sized enterprises to commercialize the products or services more quickly and effectively by providing them with credit notes to help pay for research, technology and business development services. It will also help innovation hubs that foster entrepreneurial talent. It builds upon the investments in 2012.

All of that taken together, under our government, adds up to \$9 billion. By 2013, we expect we will reach \$11 billion in terms of our investment in this field.

•(1920)

[*Translation*]

The Deputy Speaker: The motion to adjourn the House is now deemed to have been adopted. Accordingly, the House stands adjourned until tomorrow at 10 a.m. pursuant to Standing Order 24(1).

(The House adjourned at 7:20 p.m.)

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