



CANADA

House of Commons Debates

VOLUME 136 • NUMBER 026 • 2nd SESSION • 36th PARLIAMENT

OFFICIAL REPORT
(HANSARD)

Tuesday, November 23, 1999

Speaker: The Honourable Gilbert Parent

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HOUSE OF COMMONS

Tuesday, November 23, 1999

The House met at 10 a.m.

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

Prayers

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ROUTINE PROCEEDINGS

• (1005)

[*Translation*]

GOVERNMENT RESPONSE TO PETITIONS

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

* * *

[*English*]

PRIVACY ACT

Mr. John Reynolds (West Vancouver—Sunshine Coast, Ref.) moved for leave to introduce Bill C-330, an act to amend the Privacy Act.

He said: Mr. Speaker, this bill amends the Privacy Act to invest the power in the privacy commissioner to ensure impartiality.

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

* * *

IMMIGRATION ACT

Mr. John Reynolds (West Vancouver—Sunshine Coast, Ref.) moved for leave to introduce Bill C-331, an act to amend the Immigration Act (persons without identification not to be allowed into Canada as immigrants or refugees or under a minister's permit).

He said: Mr. Speaker, this bill amends the Immigration Act to ensure that those immigrants wishing to enter Canada have proper identification.

IMMIGRATION ACT

Mr. John Reynolds (West Vancouver—Sunshine Coast, Ref.) moved for leave to introduce Bill C-332, an act to amend the Immigration Act and the Criminal Code (refugee or immigrant applicants convicted of an offence on indictment).

He said: Mr. Speaker, this bill amends the Immigration Act and the Criminal Code to ensure that those who commit an indictable offence while attempting to enter Canada can be removed.

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

* * *

IMMIGRATION ACT

Mr. John Reynolds (West Vancouver—Sunshine Coast, Ref.) moved for leave to introduce Bill C-333, an act to amend the Immigration Act (removal of those convicted of serious criminal offence).

• (1010)

He said: Mr. Speaker, this bill amends the Immigration Act to ensure that those seeking immigrant status who commit a serious criminal offence can be removed from Canada.

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

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CRIMINAL CODE

Mr. John Reynolds (West Vancouver—Sunshine Coast, Ref.) moved for leave to introduce Bill C-334, an act to amend the Criminal Code (wearing of war decorations).

He said: Mr. Speaker, this bill amends the criminal code to allow the next of kin to wear war decorations appropriately.

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

*Routine Proceedings***CRIMINAL CODE**

Mr. John Reynolds (West Vancouver—Sunshine Coast, Ref.) moved for leave to introduce Bill C-335, an act to amend the Criminal Code, the Young Offenders Act and the Transfer of Offenders Act (death penalty).

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

* * *

OFFICIAL LANGUAGES ACT

Mr. Jim Pankiw (Saskatoon—Humboldt, Ref.) moved for leave to introduce Bill C-336, an act to amend the Official Languages Act (provision of bilingual services).

He said: Mr. Speaker, the purpose of this bill is to redefine the criteria set out in the Official Languages Act by which the language rights guaranteed by the Canadian Charter of Rights and Freedoms will be provided so as to avoid unnecessary expense.

It sets out a standard of 25% of the population speaking an official language as a significant demand that warrants service in the official language.

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

* * *

PARLIAMENT OF CANADA ACT

Mr. Jim Pankiw (Saskatoon—Humboldt, Ref.) moved for leave to introduce Bill C-337, an act to amend the Parliament of Canada Act (recognized political parties).

He said: Mr. Speaker, the purpose of this bill is to provide that only parties with the recognized membership of 10% or more of the total membership of the House of Commons, with representation from at least three provinces or territories, shall be recognized political parties.

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

* * *

● (1015)

PETITIONS

THE CONSTITUTION

Ms. Bev Desjarlais (Churchill, NDP): Mr. Speaker, I am honoured today to table on behalf of my constituents 43 petitions calling on the government to keep the reference to God in the Constitution of Canada.

These petitions come from a broad cross-section of the Churchill riding: Pine Falls, Churchill, God's Lake Narrows, Flin Flon, The Pas, Thicket Portage, Pikwitonei, Norway House, Snow Lake, St.

Theresa Point, Cranberry Portage, Pukatawagen, Oxford House, Thompson, Wabowden, Gillam, Cormorant, Lac Brochet, Wanless and Grand Rapids.

The constitution reflects our shared values in the charter of rights and freedoms, as well as the reference to God in the preamble. The fact that Canadians from so many different faiths and cultures find a common meaning in the reference to God symbolizes the wonderful diversity of our nation.

CANADA HEALTH ACT

Ms. Judy Wasylycia-Leis (Winnipeg North Centre, NDP): Mr. Speaker, I am very pleased and honoured to be able to present a petition that has been signed by thousands of Canadians.

This is a very timely petition. It gives the government some critical advice at an important juncture especially facing the initiatives we have heard this past couple of weeks from Ralph Klein in Alberta.

The petitioners call on the federal government to preserve and enforce the Canada Health Act, the foundation of medicare in every province and region of Canada, and maintain the five principles of medicare: universality, accessibility, portability, comprehensiveness and non-profit administration.

They call on the government to guarantee national standards of quality, publicly-funded health care for every Canadian citizen as a right.

KIDNEY DISEASE

Mr. Peter Adams (Peterborough, Lib.): Mr. Speaker, I rise to present a petition from scores of people in the Peterborough area who are interested in the development of a bioartificial kidney.

They point out that as part of a caring society they believe that the Government of Canada can deal more effectively with the more than 18,000 Canadians suffering from end stage kidney disease.

They point out that those on kidney dialysis and those successfully transplanted recognize the importance of the bioartificial kidney approach to their problems.

They point out that ministers of health have great difficulty providing sufficient dialysis facilities and that rates of organ donation are not sufficient to meet the need.

They therefore call on parliament to work and support the development of a bioartificial kidney which will eventually eliminate the need for both dialysis or transplantation for those suffering from kidney disease.

BANKING

Mr. Jim Pankiw (Saskatoon—Humboldt, Ref.): Mr. Speaker, I have three petitions to present today.

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The first petition calls on parliament to totally reject the recommendations of the MacKay task force pertaining to the entry of banks into the casualty and property insurance markets.

NUCLEAR WEAPONS

Mr. Jim Pankiw (Saskatoon—Humboldt, Ref.): Mr. Speaker, the second petition calls on parliament to support the government in urgently making an unequivocal commitment to nuclear weapons negotiations and in calling for immediate and practical steps to de-alert and deactivate nuclear weapons world wide.

CHARTER OF RIGHTS AND FREEDOMS

Mr. Jim Pankiw (Saskatoon—Humboldt, Ref.): Mr. Speaker, the final petition I have to present calls upon parliament to support a motion introduced by the member of parliament for Yorkton—Melville which states:

That, in the opinion of this House, the government should authorize a proclamation to be issued by the Governor General under the Great Seal of Canada amending Section 7 of the Canadian Charter of Rights and Freedoms to: (a) recognize the fundamental right of individuals to pursue family life free from undue interference from the state, and (b) recognize the fundamental right, responsibility on liberty of parents to direct the upbringing of their children, and urge the legislative assemblies of the provinces to do likewise.

* * *

QUESTIONS ON THE ORDER PAPER

Mr. Derek Lee (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I ask that all questions be allowed to stand.

The Acting Speaker (Mr. McClelland): Is that agreed.

Some hon. members: Agreed.

GOVERNMENT ORDERS

[English]

CANADIAN INSTITUTES OF HEALTH RESEARCH ACT

Hon. Allan Rock (Minister of Health, Lib.) moved that Bill C-13, an act to establish the Canadian Institutes of Health Research, to repeal the Medical Research Council Act and to make consequential amendments to other acts, be read the second time and referred to a committee.

• (1020)

He said: Mr. Speaker, I am delighted to take part today in a debate in the House which is all about new directions for health research in Canada. The creation of the Canadian institutes of health research which is proposed in Bill C-13, now before the House, will truly mark a transformation in the way health research is organized, funded, co-ordinated and carried out in our country.

The institutes that we propose are all about excellence, about encouraging those who seek it, about rewarding those who achieve it. It is about changing the way that we conduct scientific inquiry in Canada. It is also about putting Canada at the leading edge of a dynamic international movement toward discovery. From cancer to the human genome project, from the workings of the brain to understanding better the social and environmental factors that lead to health or illness, scientists are pushing back the frontiers of knowledge toward understanding.

Investigators are contributing to our grasp of factors that contribute to health and allow us to focus on the prevention of illness. Here in Canada, we understand the importance of that work. We know that health researchers are making an outstanding contribution, not only to the breadth of our knowledge but also to the depth of our understanding and to the quality of our lives.

The Prime Minister's government is committed to making Canada an internationally acknowledged leader in the global advancement of health research. To do that, to achieve that ambitious goal, we need to contribute new scientific knowledge based on research that meets the highest international standards of excellence. We believe the best way to do that is to break down the barriers that have always separated different lines of inquiry in health research, separated one discipline from the other and so we propose the creation of the Canadian institutes of health research.

This will be a network of investigators linked in virtual institutes. It will bring together experts from four major disciplines: from biomedical enquiry, to clinical research, to those working on how to improve health services and the delivery of services to Canadians, and those who focus on health determinants, what makes us ill and what keeps us healthy.

This national network will address emerging opportunities, threats and challenges to accelerate the discovery of cures and of treatments. It will build on the research base already out there in our universities, in our health and research centres, in our teaching hospitals and in our research institutes and link them all in a way that has never been done before.

By connecting all of these different areas of research and knowledge, we believe we can break down the old stovepipes of the past and instead create the intellectual pipelines of the future.

*Government Orders**[Translation]*

We are very excited about this initiative at this time. To our knowledge, no other country in the world is bringing such a multidisciplinary approach to health research and we are confident that it will transform not only how such research is done in Canada, but in other countries as well.

- (1025)

One of the reasons we have such confidence in this project is that it came from the health research community itself and reflects their priorities.

It was not imposed by the government. It was researcher-driven. Indeed, the involvement of the research community has been crucial to this initiative from the outset.

In 1998, a national task force of Canada's health research community came together to chart a new course for research in this country. After exhaustive consultations, that task force recommended the creation of the Canadian Institutes of Health Research.

[English]

These measures build on the strong foundation created over 60 years by the Medical Research Council of Canada as well as the national health research and development program.

To facilitate the transition from the Medical Research Council to the institutes, an interim governing council was appointed made up of 34 eminent Canadians representing the research community, health practitioners, the private sector, charities, university presidents, granting councils and provinces. This interim governing council has performed an outstanding service.

As a minister of the government, I want to report to the House that we should all be in the debt of these public-spirited persons who took so much time from their lives to make the remarkable effort to pull together the proposals that have now been expressed in the proposed legislation, which is Bill C-13.

It is important for members to know that this effort was led by Dr. Henry Friesen, a scientist of conspicuous ability and president of the Medical Research Council of Canada. He presided over the task force and over the interim governing council. Working with him at the interim council were two vice-chairs, Dorothy Lamont, president of the Canadian Cancer Society, and Eric Maldoff, who is, among other things, a busy legal practitioner from Montreal, but who involves himself in a variety of public service functions. These three people have made a lasting contribution to the leadership they have shown on the interim governing council. The government and the House, I believe, is very much in their debt.

The institutes of health represent a further demonstration of the strong commitment of the Prime Minister and his government toward research and the knowledge economy. We created a national network of centres of excellence. We started the Canadian foundation for innovation and, in the recent Speech from the Throne and in the Prime Minister's speech in the House, we announced the creation of 1,200 new chairs for research excellence in universities around the country.

We knew that additional funding was needed if we were to keep our research community alive and thriving, so we provided it.

In last February's budget, we announced \$150 million over three years for the existing granting councils. We set aside another \$65 million for the Canadian institutes in the coming fiscal years. We will increase that amount to \$175 million in the second year. This is the single largest investment in health research in Canadian history. It represents a doubling of the level of Canadian funding for health research all in the space of three years. It is a clear indication of the government's profound commitment to research and to knowledge.

We are confident that these institutes will not only improve our understanding of health issues, disease, health services and prevention of illness, but they will also bring economic benefits.

- (1030)

New researchers will be hired. Technologists, graduate students and other highly skilled workers will be given opportunities to develop their potential. Over the longer term the work will lead to new discoveries, new products and new patents. This dynamic research environment will also create a very attractive investment climate for Canadian and international companies, resulting in even greater economic development.

Let me turn for a moment to how these institutes will work in practice and why they represent an improvement over the current system.

The health research environment is changing rapidly. New threats to health are always emerging, for example, new strains of bacteria resistant to old forms of treatment.

[Translation]

And in response to these new challenges, modern health research is also changing. There is a revolution in genetic technologies and a greater awareness of the effects of the environment and other factors on our health.

At the same time, innovative methodologies in health research are allowing us to identify and evaluate how to provide health services in the most efficient and cost-effective way.

What we need to do is bring all of these elements together, in a co-ordinated way. The CIHR will do this. It will integrate basic

biomedical research with applied clinical research. It will improve our delivery of health care through study of health services and systems. And it will deepen our understanding of health by studying the factors which affect it.

[English]

They will also provide for a more efficient use of public funds. At the moment, research proposals are largely initiated by researchers themselves and funding is subject to quality review by peers. While research will continue to be subject to peer review, the new system will allow us to identify gaps in knowledge and direct our efforts to filling those gaps. Both the quality of the research and its relevance to health priorities will be the basis for future funding.

I also want to point out that ethics will be a key component of the institutes of health. Standards and policies will be developed to ensure that research is conducted in keeping with the highest ethical standards.

The institutes will also encourage the development of partnerships. The institutes are designed to work seamlessly with provincial and territorial health departments, with universities, with health science centres and with other research agencies. There will be a greater opportunity for the voluntary sector and community groups to have a say in setting priorities for research and for partnerships with institutes where there are common goals to be pursued.

One element which illustrates this approach is the Community Alliances in Health Research announced in October. This will take the institutes of health research into communities across the country to address issues of local concern.

Say for example the community has a particular health concern. Researchers would work with community representatives to examine the best ways of addressing those concerns, of finding the cause, of facilitating prevention, of furthering treatment.

We know for example that rural communities face different health challenges than urban areas. The CIHR will have the ability to address the specific preoccupations of rural populations employing a multidisciplinary approach.

The CIHR will do something else as well. It will create opportunities for young Canadian scientists and for scientists around the world to work in a cutting edge research environment. Dr. Henry Friesen has said that this initiative "sets Canada up to be a world centre", to use his words.

Dr. Michael Smith, Nobel Laureate in 1993 who is now carrying on his work in British Columbia has stated: "The creation of the

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CIHR is a clear indication of a commitment to strengthen Canada's research capacity. This is a wonderful time to be a part of this country's research community as we enter the next millennium".

• (1035)

That is the kind of impact this legislation can have. That is the kind of atmosphere of excellence we want to create here in Canada.

[Translation]

Our goal is to make Canada the country of choice for researchers from around the world. And we want to make our own students and researchers feel that there is nowhere else they would rather be because there is nowhere else that they can achieve so much. The CIHR goes a long way to achieving that objective.

This legislation is good for health research. It is good for jobs and it is good for Canada. Because at the end of the day, its beneficiaries will not just be the research community, or our young scientists, but Canadians, from all walks of life and from all parts of the country.

[English]

It is Canadians who will have more information about preventing disease and promoting health. It is Canadians who will benefit from new treatments and products coming to market more quickly. It is Canadians who will benefit from a health system that is making the most efficient use of their health care dollars.

I hardly need to remind the House that when it comes to health research, the obstacles to progress are often formidable. We also know that the human impulse for exploration and for discovery is unstoppable.

There has been much discussion in the House and elsewhere about what some call a brain drain. There are numbers exchanged back and forth in the debate about whether Canada is or is not suffering a loss of human capital and its best brains. It is difficult to know what the true facts are because the debate becomes so clouded by politics. One thing we do know for certain is that if we are to keep the best and brightest in our country, if we are to create an environment in which excellence is encouraged and its achievement is permitted, if we are to make Canada, as the Prime Minister has said the place to be in the 21st century, then one of the essential steps we must take is to invest in research and create a research environment where people will want to stay and where people will want to come.

That is what the Canadian institutes of health research is about. A doubling of federal funding for health research, a co-ordination of every one of the disciplines involved in health inquiry, a new approach to organizing and carrying out scientific inquiry for

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health purposes, all of this has been inspired by excellence. I truly believe that the legislation now before the House can make a measurable difference not only in the research environment, not only in keeping people in Canada and bringing them from abroad to do their best work, but at the end day in improving the health of Canadians and the capacity of our health system to respond when they are ill.

Many years ago, maps of the world had whole sections of the globe that were referred to only as *terra incognita*, because at the time, no one knew what was there. Over the decades and centuries, brave men and women ventured forth and discovered what was there. They gave names to those places and pushed back the frontiers of human experience and human knowledge.

Today there is still much *terra incognita* in human knowledge and understanding. Nowhere is the process of exploration more exciting or more important than in the field of health research. Canada intends to be at the forefront of that field. As Canada's Minister of Health, through this legislation I say to the world that we intend to be the best. We intend to do it best. We intend to demonstrate to the entire world that Canada is truly the place to be.

• (1040)

I commend this legislation to the House and urge all members of all parties to support it. It is a measure that goes beyond politics. It has nothing to do with partisanship. It is truly in the interests of Canada. I encourage all my colleagues to approach it in that spirit, to pass it through this place to committee, to hear the witnesses, to make sure we have it right and then to send this legislation on so that the institutes can open their doors and commence to function on April 1 next year.

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, I listened with interest to the comments of the Minister of Health. Our objectives are very similar. We in the Reform Party are happy to see that finally the government has decided over the last two years to put money back into research.

Our objectives are the same in trying to strengthen research. We recognize that research is the backbone of our economy. It gives Canadians a cutting edge to provide not only our citizens but also people around the world with a better, safer, healthier future.

I also want to compliment Dr. Henry Friesen for the work he has done. He has been innovative in trying to merge or change the Medical Research Council from what it was into a new, dynamic unit which will ensure that more money is put into the cutting edge of research rather than swallowed up in bureaucracy.

We in the Reform Party are happy to say, as far as we can see at this point, that it will also provide an opportunity to revamp

research units to make them more effective. It also links up existing research units across the country. Those linkages enable people in the scientific field to be work more effectively. Having previously worked in research, I can say that effort is welcomed to be sure.

We will support the bill up to committee. If the bill will improve the health and welfare of Canadians, research in Canada and make sure more money will be put into the hard edge of research rather than into the bureaucracy, then we in the Reform Party will support it because it is a good thing. If the accountability is there then we will support it. However, we want to hear from the specialists and the researchers.

Of course, we do have some concerns. One of those concerns was lobbed by a very well respected scientist in the country, Dr. John Polanyi, our 1986 Nobel Laureate. Dr. Polanyi made a very good point. He and other researchers around the country fear that research will be industrialized, that the only way individuals will be able to get their research funds is through a small group of people at the top who will dictate to them what they can and cannot do. I am sure the minister fully recognizes that this is not a healthy thing in research. No one wants it.

When I met with Dr. Friesen, he assured me in the context of the structure now that there would be peer review, that the money that would be spent would go to the most effective corners of research and that there would be outside, independent analysis on an ongoing basis as to where the research funds would go. We support that. At the end of the day we, and I hope the government does too, want to make sure that taxpayers' dollars in research, as in everything else, will be used in the most effective fashion possible.

In the organization of the CIHR it was stated that 95% of the moneys would be used for the hard edge of research and at a maximum 5% of the money would be used for bureaucracy. That is a good thing. We will make sure that the government holds up to that promise. It is most important that the money gets down to the hard edge and is not swallowed up by a bureaucracy.

I must admit that when I looked at the organizational structure, my fear was that would be exactly what would happen, that the organization being put forward was just another effort by the government to create a large bureaucratic structure that would swallow up a large amount of money at the expense of the hard edge of research. Our fear was that the extra money that was put into research would not go into research but would go into developing this rather grand bureaucratic scheme.

• (1045)

However, in speaking with Dr. Friesen, many of the people on the advisory boards will be volunteers selected from their peers.

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They will be the best of the best so that they can select, advise and channel our research funds from the federal government to make sure we get the best bang for the buck.

Whatever happens with the CIHR, it should be an arm's length institution so that the scientists who work there and scientists across the country will be able to do the basic research that is so important in developing groundbreaking findings in which Canada has historically been a world leader.

We need that basic research and it needs to be supported. It is not immediately obvious to those who work in research that their findings and their work will actually lead to an economic benefit in the short term. That is not what research is about.

It is true that much of the money that is invested has to have an economic benefit. We have to show effect and responsibility for taxpayer dollars, but there is a balance. On the one hand we have to make sure that the money goes to the type of research which will accrue a benefit, but on the other hand we cannot disallow or prevent the basic scientific research that exists in this country which will enable us to make those large groundbreaking research efforts in the future. Our concern is whether that will be allowed.

Our other concern is that we must ensure the independence of researchers. We must ensure that they have the intellectual independence and freedom to pursue the study and groundbreaking research that is inherent to the university setting.

Another option the government has in the industrial research setting is to provide the tax incentives which will enable industry to do that research.

One of the things that Reform has always said is that because of the high taxation levels the government imposes upon the corporate sector it is not able to do the required research. When we speak to the people who want to do this research they say "We would love to do the research but we cannot do it because our taxes are so high. Furthermore, we cannot retain the top notch scientists that we need".

The Minister of Health explained that he wants to retain those people. Reform believes that we should retain those people. They are some of the best and brightest in Canada and in the world. In fact, almost 10% of our population lives south of the border, not only because of the money but because of the opportunities that are provided within those research institutes. These people go south because they have an opportunity to live and work in cutting edge environments. It is not because they have more money in their pockets, although for some that is certainly a benefit. More importantly, as researchers, in their hearts they truly believe they can do more for humanity by working in an environment where they have the tools which enable them to be the best they can be.

Canada does not provide that now. What I hope the Minister of Health will do is speak to his colleague the Minister of Finance and say "Cut your taxes". If we cut our taxes, the corporate and industrial worlds will be able to engage in the research that will help Canada move forward. By doing so, we will improve our economy, retain our best and brightest, reduce our brain drain and strengthen our economy.

Another thing the Minister of Health needs to look at, and this is related to the research aspect, is the situation in health care in Canada today. We have had a debate recently on this issue and I think it is important to put it into context.

We talk about the basic humanity of health care, and about preserving, maintaining and ensuring that Canadians get the health care they need. However, the cold hard reality is that in 1999 Canadians are not receiving it. We have a two tiered system of health care in Canada today. There are those who receive health care and those who do not. Every tenet of the Canada Health Act is being violated. It is a myth to say that we will support the status quo because the status quo is killing Canadians.

● (1050)

One of the principles of the Canada Health Act is accessibility. That principle has been broken. Having 200,000 people on waiting lists for surgical procedures is not humane. It is not good health care.

If the minister wants to do something about it he needs to talk to the Minister of Finance and say "Return the \$21 billion you took out of health care so that Canadians can get the health care they need when they require it".

The second principle is universality, but we are not all covered. In fact, 84 essential procedures were delisted within a period of eight months in 1997. That is continuing to occur in the provinces because the provinces do not have the money to pay for what is demanded.

Reform recognizes the cold, hard reality. We have a situation today that is different than when the Canada Health Act was formed in the 1960s.

The Canada Health Act has noble, important principles that we would like to support. In fact, we do support them, but the reality is that in 1999 the situation is different. We have an aging population. The population of those over the age of 65 will double in the next 30 years. These people use 70% of our health care dollars.

Among OECD nations Canada consistently ranks in the lowest third for medical technology because governments do not have the money to buy new technology, to buy the MRIs that will give Canadians the health care they should be getting.

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The minister likes to talk about publicly administered health care. The cold, hard reality is that in 1999 the federal government only supplies 11% of health care. For every health care dollar that is spent the federal government only contributes 11 cents. Fifty per cent comes from the provinces and 30% comes from the private sector.

That means that people who have the money will get physiotherapy. If they have the money they will get home care. If they have the money they will get new drugs. If they do not have the money they will not get those things.

As a physician I have worked with these people. It is cruel and inhumane to watch a sick, elderly spouse take care of a sicker spouse without the help of home care because they do not have the money to pay for that home care.

We have cut into the muscle and bone of health care in Canada today. Patients are being discharged earlier and sicker. Who pays the price? It is the sick patient, the poor and the middle class who pay.

We would like to see the principles of the Canada Health Act strengthened, but we have to look at the reality of today. We have to ensure that the poor and the middle class have accessible, affordable, universal health care where we can get the best bang for our buck.

Money does not grow on trees. That is the reality. It is easy for people to say that anybody who opposes this wants an American style two tier health care system. That is utterly false. There are no members on either side of the House, particularly members of the Reform, who want an American style two tier health care system. Everyone in the House abhors that with every bone in their body. That would mean that people could not get health care, in particular the poor and the middle class, because health care would be determined by the money they have.

There are 200,000 Canadians on waiting lists who are suffering. It is inhumane to tell a person of 70 years, who may only live for five more years, that they have to wait a year before they can get their hip replaced because of the waiting list and there is no money to pay for it. That person will spend 20% of their remaining life in severe pain. That is not humane medicine.

That is not what Tommy Douglas wanted. That is not what the Canada Health Act is about. The Canada Health Act does not support that. We do not support that. I am sure that every member in the House does not support that.

• (1055)

I encourage the Minister of Health to ask Dr. Friesen and other scientists to look at what we in the Reform Party would like to do.

We have to see the reality of today: an aging population, more expensive technologies and fewer people working to pay the taxes that will provide the base for public health care. We want to strengthen our public system and we want to look at the best models to do that.

Let us not throw the baby out with the bath water. Let us not criticize provincial premiers like Mr. Klein who is not satisfied with thousands of suffering Albertans on waiting lists. He wants to find ways to make sure those people get health care when they need it. If the Minister of Health wants to get on his high horse, rip out \$21 billion from the provinces and tell Premier Klein that he cannot provide health care for people on waiting lists, then damn him. It is the people out there who are suffering.

There are people who would try to polarize and poison this issue and prevent debate. When they say that we want an American style two tier health care system they are doing it for political advantage. Who pays the price? The poor and the middle class are not getting health care today and they will not get it tomorrow. We want to change that. We want to make sure that all Canadians have equal access to good quality health care and that there is enough money in the system to provide that health care.

If the minister wants to improve health care, I would suggest he do it through the CIHR. He could look at existing studies that have been done by Canadians on the head start program. If there is one fundamental thing that can be done to prevent many social ills, it is to look at an early intervention program using existing resources. I am talking about prevention, not the expensive management of problems.

There are models such as the Moncton program, in which the Minister of Labour was a leader, the Perry preschool program in Ypsilanti, Michigan, and the Hawaii head start program. What have they done? With a minimal amount of money, and with \$6 saved for every dollar invested, they have reduced child abuse rates by 99%, they have reduced youth crime by 60% and they have reduced teen pregnancies by 40%. The benefits accrue all the way along. There is less dependence on social programs, less dependence on welfare and fewer kids dropping out of school. In my province of British Columbia 30% of kids drop out of high school. It is a recipe for economic disaster.

In May 1998 the House passed my private member's motion calling for a national head start program. Reform has given to ministers and the government a plan of action to save thousands of children's lives and to save the taxpayer potentially billions of dollars. I would personally like to see the ministers of justice, health, HRD and finance get together to look at adopting this plan. It has a 25 year track record. It is affordable to the taxpayer. It will save the taxpayer money. More importantly, it will save the lives of Canadians, especially our children.

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That is what the government could do in its children's agenda. It could have this early intervention head start program for all Canadians, using existing resources. It could use the medical community at time zero. It could use trained volunteers in the middle, which is what they did in Hawaii. It could use schools for the first few years of schooling. That strengthens the parent-child bond, improves parenting, makes sure kids have their basic needs met and avoids a lot of the trauma that is so devastating to children when their brains are developing.

Current research shows very clearly that in the first eight years of life a child's brain is very sensitive. When a child is subjected to abuse, sexual abuse, drugs, the witnessing of abuse or even more subtle things such as improper nutrition, improper parenting, a lack of boundaries and discipline, then that child suffers intellectually and psychologically, which has a profound impact upon that child's ability to empathize, sympathize, cognate and have appropriate interpersonal relationships with other individuals.

• (1100)

One of the most devastating occurrences in the country today, particularly in some communities, is the issue of fetal alcohol syndrome. It is a hidden tragedy. It is the leading cause of preventable brain damage in children.

The average IQ of persons with fetal alcohol syndrome is 68. They cannot cognate. They cannot rationalize. They cannot understand. They cannot learn like we can. They are poisoned before they are even born.

The government has done nothing about that and it needs to do something about it. I have a bill in the hopper on that issue too. It is a way of preventing the devastation that is wrought on these children, a way of preventing them from having their brains poisoned so they will have a chance to grow up on a level playing field, to grow up to be integrated and productive members of society instead of never getting a leg up in society and never being the best they can become.

Another issue that the minister should look at, for which I place full blame on him and his colleagues, is the issue of smoking. In 1994, mere months after the government was elected to office, the Liberals reversed a trend in smoking that had been going on for the previous 15 years. For 15 years prior to that smoking consumption had been progressively going down. Yet because of a smuggling issue the government was faced with a problem, how to deal with the smuggling of cigarettes because of the different prices in Canada and the U.S.

How could it do that? The government had two options. The first one, which was proven to work, was to put an \$8 per carton export tax on exported cigarettes. That would have cut the legs out of smuggling in cigarettes completely, as was proven in 1991-92.

The government also saw from that experience that when an export tax was put the tobacco companies, those purveyors of death said it could not do that because, if it did, they would leave town and be very angry.

Instead of doing the right thing, standing up to the tobacco companies and saying that it would put on an export tax because it is important to decrease smuggling, the government compromised the health and welfare of Canadians, particularly children, by dropping the tobacco taxes substantially and reducing the price by virtually 50% along with the provinces in central Canada. Now we are reaping what was sown in 1994.

In the last few years in Ontario there has been a dramatic increase in consumption. This is not news. In 1994 Health Canada warned the Minister of Health at the time that more than a quarter of a million children would be picking up cigarette smoking as a direct result of the government's decrease in tobacco taxes and that half those children would ultimately die of tobacco related diseases.

Government members did not do the right thing and put on an export tax. Rather they comprised the health and welfare of every Canadian, particularly children. They put their tail between their legs and dropped the tobacco taxes, knowing full well that it would commit a quarter of a million children to smoking and that half those children would wind up with chronic obstructive pulmonary disease, early heart disease, peripheral vascular disease, strokes, numerous types of cancer and numerous other problems.

That is the legacy of what the government did in 1994. It introduced the single greatest devastating health care act to affect Canadians in the last 50 years.

The facts today are proving what we said in 1994. If the government wants to truly deal with smoking and kids, it will deal with education but it will also put tobacco taxes back where they were in 1994 and put an export tax of \$8 on each carton.

This would accomplish two things. First, it would decrease consumption among kids and, second, it would cut the legs out from any smuggling initiative. That is what the government needs to do and ought to do, yet it has not.

• (1105)

Another issue I would like to raise is the issue of the manpower about which the CIHR need to warn the government very carefully and closely. We have a significant manpower shortage.

If we look at the nursing population, in the next 11 years there will be a lack of 112,000 nurses in the country. There are nurses today that have graduated, and I was asked last night why we do not hire more nurses. Why are they going down to the United States? They are going to the U.S. because governments do not have the money to provide jobs for them.

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It is not that there is not a demand for them. There is a huge demand for them. As testimony to that are the 200,000 people on waiting lists, but the reality is that governments do not have the money to pay them. Therefore they are going south where they can try to get jobs.

Another issue is the area of medical specialties. We will have an enormous lack of medical specialists in the very near future: surgeons, internists and specialists in dialysis. This is what the government has to face and deal with now so we can train people to care for Canadians as we get older and to care for our children. This is a critical shortage that no one is talking about. The CIHR may want to warn the government of this impending disaster.

In summary, we will support the CIHR bill up to committee stage. We will be very interested in seeing what the government has to say about it and, more important, what the researchers have to say.

I would also stress that the government has to look at the reality of 1999. We have an aging population, more expensive technologies, and less money to pay for what we want. There is also a greater demand for things that are not covered today such as home care, drugs and dental services.

I might add that when the Canada Health Act was constructed the whole body was taken into consideration except for the mouth, the entry into the body. By ignoring that, a great deal of morbidity was caused among the poor and the middle class of the population who do not have the money for proper dental care. It is another unseen and silent problem within society today.

We also have to recognize today that we have a multi-tiered system. People who can afford it get the services. They queue jump or the rich go south of the border. Whereas the poor who would like to have physiotherapy when they are rehabilitating but cannot because they do not have the money, are forbidden to get it.

The Minister of Health continues to ignore that if people need physiotherapy, home care, certain drugs, or care that is essential to their health, they are actually prevented from getting it in 1999 because they do not have the money and it is not covered. The number of services not covered are expanding as time passes, and they will increase. The gap between what we demand of our health care and our ability to supply it will also widen.

Let us find a way in 1999 to live up to the ideals of Tommy Douglas, to live up to the ideals of the Canada Health Act, and to provide an affordable, accessible universal health care where no Canadian will be economically disadvantaged by becoming sick. We do not want that.

The reality today is that not only are Canadians waiting longer for surgery. It has become so appalling that in the province of

Quebec many patients have to wait two months for radiation therapy for cancer treatment.

Can we imagine the shock of being diagnosed with cancer, with breast cancer or prostate cancer, and being told by a doctor that we will have to wait two months to get radiation therapy? Is that good care? That is not good care and no one in the House would support it. That is what is going on today. That is what we have in 1999.

The province of Quebec is so desperate, as is my province of British Columbia, that it is sending people south of the border at a cost that is far greater, five times what it would cost in Canada.

• (1110)

Premier Klein said that he would not accept the fact that Canadians were sick, that the poor and the middle class had their health care withheld, that they suffered and were sent to the United States where they had to pay five times what they should pay for service. Premier Klein is looking for a way to provide for the care of these people without destroying the health care system and to make sure they get care when they need it.

At the end of the day the only thing that really matters is sick people get health care when they need it. It should not harm them financially in any way. It should be affordable to the taxpayer. That is the common objective of the Reform Party, and I would suggest all members on all sides.

We must have the courage to move forward. We must have the courage to recognize the reality of today. We must have the courage to open our minds to dealing with new and innovative, modern and effective solutions to make sure that sick Canadians get health care when they need it. That is our objective as Reformers. I am sure it is the objective of members across party lines. We would like to see it happen and we would like to see it happen now.

[Translation]

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Mr. Speaker, I am pleased to take part in the debate on Bill C-13. I will start off by stating that we are, of course, in favour of the bill.

I can clearly remember the 1993 and 1997 election campaigns. In 1993, Bloc Québécois leader Lucien Bouchard called upon the government to make considerable investments in research in general, but in health research in particular. He based this on an OECD report to the effect that Canada was lamentably behind in this area.

I would like to focus on three major principles in my speech. I will try to explain what the Canadian Institutes of Health Research are, and why it would have been simpler, even if we are in favour of additional research in this area, for all this to have gone through the

provinces. We will have the opportunity to remind hon. members of the billions cut from transfer payments to the provinces, nearly \$7 billion of them to health. These \$7 billion cuts were imposed unilaterally.

When the time comes to make cuts, co-operative federalism no longer applies. The Minister of Health and the Minister of Finance do not sit down with their colleagues to find out how the wealth can be divided while destabilizing the provinces' finances as little as possible. That is not how it was.

I will remind the House as well of the requirements of the Government of Quebec and the members of the Bloc Québécois, since we will be moving amendments to Bill C-13.

Why will we have to move amendments? My colleagues know why—the members for Rosemont, Chambly and Jonquière—the role of the Bloc Québécois is to work for an independent Quebec. It should not be too long now before that is achieved.

Second, work will have to be done to improve the government even more. There is no need my telling members that this work is exhausting, such a heavy task it is.

We support the principle of Canadian institutes of health research. Obviously, because of the environment, health research has changed. The field is increasingly complex and requires increasingly sophisticated technologies.

Some claim that, with the sophistication of the technologies, between 1950—if I am not mistaken, the year you were born or were about to be born, Mr. Speaker—and now, our life expectancy has increased by one year every four years. It is extraordinary to think that people lived to an average age of 40 at the turn of the century, and by the 1960s were living to an average age of 60.

• (1115)

The average age of people today, if we take men as our example, is 76 years. We are talking of men who do not smoke excessively, eat fairly well and look after their health determinants. I will come back to this.

In the case of women, the situation is even more interesting, and I am sure no one here will be upset by it. Life expectancy for women is closer to 83 years. People can hope to enjoy the company of the women in their lives, on average, for 83 years.

All this reminds us that the major health determinants, technologies and environmental and health research are increasingly complex.

We also have increasing requirements for more resources to buy equipment and to carry out health research. While a few years ago scanners and equipment for health research and development may have cost \$2 to \$3 million, such equipment can now easily cost \$10

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million, \$15 million, \$20 million or \$25 million, not to mention the fact that the life cycles of this equipment are getting shorter and shorter.

The health sector has changed and it is a good thing that Canada and the provinces can face new challenges.

We support the establishment of Canadian institutes of health research and we also approve the four major research areas in which they will be involved. As the minister pointed out, an acting governing council has been established. It would have been a good thing to have the provinces take part in the appointment process for the acting governing council, and that this be spelled out in the bill. I will get back to this governing council, which will make extremely important decisions.

The lawmaker was right in not specifying in which areas health research institutes will be established. However, the acting governing council will become permanent and will have the power to decide in which sector these health research institutes will be set up.

There will be four major areas and I will talk about them, because hon. members are dying to find out about them.

The first area in which Canadian institutes of health research can conduct research is a very important one, namely basic research in the biomedical field. I should point out that at least 60% of all biomedical research conducted in Canada is done through companies located in Quebec. This is not surprising, since research in brand name pharmaceutical products relies on tax incentives that were devised by the Quebec government and that apply in Quebec.

On average, research helps produce about 20 new drugs every year. I could talk at length about research cycles.

I do not want to name any pharmaceutical companies because I have too many friends in that field to give preferential treatment to one over another, but between the time a molecule is isolated in research and a drug is patented for use against a disease, 10 or 20 years may well have gone by. This is a highly complex process that requires millions and millions of dollars. It can easily take close to \$300 million to get a drug onto the market.

Biomedical research is one of Quebec's strengths. I am sure the Parliamentary Secretary to the Minister of Health agrees. I believe there are even some companies located in his riding in the east of Montreal, and I am sure he agrees with me that it is very important for funding to be available to ensure the continuation of research in this field.

What does this mean, concretely? I would hate to be like Professor Calculus in Tintin, talking around in circles, without giving our viewers any concrete examples. What exactly does it mean to get a drug onto the market?

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• (1120)

I will give the example of AIDS. As hon. members know, AIDS came on the scene in the early 1980s. At that time it was dubbed the gay plague, a figure of speech but a very evocative one, because it was so closely associated with a specific group.

A whole generation of people lived with the AIDS virus, for which there were then no drugs. Now, the battle has been won. AIDS has gone from a fatal disease to a chronic illness.

Generally speaking, people are no longer dying of AIDS. Triple therapy, which is a combination of drugs, came along. It is, of course, still an ordeal to be a person living with AIDS. It is an ordeal for these people personally and for their natural helpers, but nonetheless it is possible now to live with AIDS. This is in large part due to biomedical research.

I would like to see all parliamentarians join with me in offering our most sincere congratulations to BioChem Pharma, a Quebec company responsible for a number of drugs that have contributed to our winning out over AIDS and no longer dying of it. AIDS has gone from a fatal disease to a chronic illness.

That initiative required an investment cycle of several millions of dollars. This makes it all the more important for governments to provide tax incentives.

I am not saying we should not discuss the balance to be achieved between the role of the patent drug industry and that of the generic drug industry. On the contrary, such a debate should take place.

The hon. member for Rosemont will certainly address this issue in his speech. We in Quebec feel we have achieved that balance; we do not hesitate to encourage, through real and significant tax incentives, the development of the patent drug industry, which is one of Quebec's finest industries.

Public authorities, and particularly the health department masterfully steered by Pauline Marois, one of the best health ministers we have ever had at the National Assembly, do not hesitate to put on the list of available medication generic drugs that are equivalent to brand name drugs, when these may save taxpayers some money.

So, one of the research areas to be considered for Canadian Health Research Institutes is that of biomedical research in which, as I pointed out, Quebec is a leader.

Clinical research is the second area. Applied clinical research is a very important area, since it plays a fundamental role in the discovery of new drugs.

Here, I would like to digress for a moment. I am not very proud of the government in that area. I have a natural tendency toward fair-play. I tend generally to remember the good things the government does, when they happen, but I must also recognize the bad ones.

Let us assess the entire drug licensing system. I have been interested in this since 1993, when I elected to represent the people of Hochelaga—Maisonneuve in the House of Commons with a very solid majority. Not as solid as that of the member for Chambly, but I was still proud of my majority.

I want to say that the system of licensing drugs is not up to par in Canada. Changes are necessary, since it is not uncommon for companies to choose to submit their clinical monograph in the United States in order to get their drugs approved, even though the research was done in labs here, in Quebec or in Ottawa.

I ask all parliamentarians to take note and to help me put pressure on the government so that we may soon review the drug licensing system, which has two great shortfalls.

When we look at what happens in the States, relatively speaking—we all know that the population of the States is ten times that of Canada and that the money invested in health research is not the same. In relative terms, ten times the number of people are working on drug licensing in the States as in Canada.

• (1125)

The system of organizing work at the health protection branch is not the most effective to ensure a reasonable time between the submission of a clinical monograph and the arrival of the drug on the market, to ensure the wellbeing of our fellow citizens.

There is as well an important third area of research, health systems services. Health systems raise questions for all levels of governments. I understand one of the roles of the Canadian health research institutes—there will be between ten and fifteen—in addition to biomedical research and applied clinical research, will also be the business of analysing health systems and services.

Politics aside, all governments, be it the government of Ralph Klein in Alberta, Lucien Bouchard in Quebec, or Mr. Tobin in Newfoundland, are wondering whether we have organized our health system for maximum efficiency and effectiveness, so that it can deliver the best possible services to the public. They are asking themselves some questions.

For instance, all governments have envisaged some sort of ambulatory care formula—virage ambulatoire in Quebec—for ensuring that the public has health services when needed, but that

stays in institutions are kept to the shortest time possible. This is what the shift toward ambulatory care is all about: getting people back to their normal surroundings as quickly as possible.

Health systems are also facing a number of problems which, if managed effectively, could suggest promising solutions.

As I pointed out, for instance, people are living longer, with the result that there will obviously be tremendous demands on the system at some point, because it is inevitable that, between the ages of 60 and 90, we will in all likelihood require varying degrees of health care. Of course some are in better shape than others but the demand on health services does not generally come from people in their 20s, 30s, 40s or even 50s.

If I were to ask all hon. members here to raise their hands if they needed to call upon the health services between the ages of 30 and 50, I do not think there would be many hands to be seen, for this need generally arises in one's 50s, 60s, 70s, 80s or even 90s. In fact, the elderly no longer belong to a single group known as the third age. A new term has been coined, the fourth age, because people are living longer and longer.

The Bloc Québécois caucus is always pleased to salute our seniors. We invest a great deal of time in our fellow citizens of mature years, whether they are in social housing, in specialized resources or in their natural surroundings. We are always pleased to salute them.

Besides biomedical research, clinical research and research into health systems, the fourth area that will be supported by the Canadian Institutes of Health Research is that of cultural society and population health. This is something that needs considering.

It must be admitted from the outset that people do not all start off life on an equal footing. It is an error to think that a person born in Anjou and a person born in Saint-Henri start off life the same, will age in the same way, will cope with life in the same way. It is wrong to think so, and this leads us to the whole matter of health determinators.

We are now aware that all is determined before the age of five. That is what is called early childhood, and the more stimulation a child has, the better his or her early interpersonal relationships, the stimuli in life, the better his or her personal growth will be.

• (1130)

I have no hesitation in paying tribute to the government, which has invested considerable sums in help in early childhood. It is of course a provincial responsibility, but I must recognize that the government has done an excellent thing, and I think all my colleagues have benefited. I refer, naturally, to the community action program for children, the CAPC.

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I recognize it. I said so earlier. I can be critical, but I can also be motivated by honest fair play. The CAPC is a good program. I am sure that my colleagues will offer the government a good round of applause.

Some hon. members: Hear, hear.

Mr. Réal Ménard: The determinants of health are found in well designed programs to meet the needs of a specific clientele, infants in this case. I repeat, it is between the ages of 0 and five that everything comes into play. This is when the brain develops. This is when we learn to take in information and to create meaningful relationships with people, which will last a lifetime. This is what determines our intellectual directions.

There is no need for me to tell members that I had the good fortune of belonging to the category of children receiving a lot of intellectual stimulation. I thank all those who have made the process possible, especially my mother and my twin brother.

In my early childhood, while we were not rich, we were not lacking for affection. We lived in fairly close proximity. My identical twin, René, and I have fairly different characters. He is active in sports. My only sport is jumping to conclusions, but I do train a bit at the gym. I must say I was very happy then. I remember those moments with great joy. He went to École Victor-Doré, because he had cerebral palsy, and I went to a regular school, but at the end of the day, we kept each other abreast of the day's events.

I think that contributed a lot to my intellectual development. It is in fact my intention before June to invite my twin brother René and to introduce him to my colleagues, even though some have thought that people are not quite ready for two Ménards in the same political party.

I will continue by saying that the health research institutes will reposition research. It is extremely important to make sure that the areas to be covered by health research information will indeed be covered.

A strategic repositioning will take place in health research to solve major medical issues. While we are pleased about the progress made in science, we are aware that some answers have yet to be found.

Since my two colleagues are here, I am taking this opportunity to stress that one area of research in which we will have to invest in the coming years is that of heredity, genetics, the human genome.

The timing is good, because later on I will explain how Quebec has a number strengths in research. I mentioned biomedical research. There is, of course, cancer research. Quebec has very definite strengths.

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There is also AIDS research. Quebec was one of the first provinces, one of the first nations to conduct research on AIDS. I am thinking about Dr. Weinberg's expertise. Dr. Weinberg is a member of the international institute for research on AIDS. He is the chair of that organization.

I know that the hon. member for Jonquière will make an eloquent presentation on genetic engineering, which is a strong sector in Quebec. This is why my colleague—who is incidentally an excellent member of parliament and a hard worker who keeps on top of her files—is very involved in making sure that the riding of Jonquière, which she represents here in the House of Commons, will get a health research institute specializing in genetic engineering. I do not want to anticipate on this topic, because the hon. member will be addressing it. She has a much better grasp of what is going on in this area than I do.

• (1135)

I have no doubt that the government will be won over by the arguments in favour of selecting her region as the hub of all genetic engineering research, because the institutes in question are not physical structures. We are not talking about mortar and brick, but about virtual structures.

Those of us here know something about the meaning of virtual because very often, during oral question period, we have the impression that the answers the government is giving us are virtual too. So we can speak with authority about matters virtual. The future CIHRs will be virtual; they will not have a new physical location, but will bring people together in a network. We are speaking of establishing networks. I will give an example of the region my colleague, the member for Jonquière, comes from. If it is decided to establish a genetic engineering research institute, research will be concentrated in this region, but there may be information from Saskatoon or Halifax, because all researchers will be able to access the network, and the most up-to-date information will be available to all members of the research community with similar concerns.

I must admit that this is the great thing about the institutes being proposed in Bill C-13.

Research will thus finally be broadened—I use this word deliberately—and decompartmentalized. Wherever researchers are concentrated, they will be able to stay abreast of what is being done by their counterparts elsewhere. This will, we hope, create a vigorous environment that will benefit the public and contribute to the development of researchers.

If I understand what the government intends to do, funding for these institutes will follow the normal curve. I think we used to learn in statistics—perhaps not so much in law—that the normal curve of distribution is bell shaped. I understand that investments

in the Canadian institutes of health research will peak at \$500 million. One has to admit that it is not a mere pittance. Indeed, it is a considerable amount. It will allow an increase in our capacity by investing in the development of researchers.

Incidentally, I would like to draw attention to a fact which the minister glossed over, but which I believe is worth mentioning, and that is the fact that the Medical Research Council will be abolished. This bill contains transitional clauses. There are basically four main granting agencies in Canada: the Medical Research Council, the Social Sciences and Humanities Research Council, the Natural Sciences Research Council, and the National Research Council, the latter being involved in supporting industrial research in the private sector.

If this bill is passed—and I understand that it is reasonably well received, although I will comment further on this later on, because the Bloc Québécois is motivated by its search for excellence as it has always been—we will have the opportunity to move amendments which I dare hope will be supported by the government.

The Canadian institutes of health research will promote interdisciplinary and integrated health research. This is important, because very few research fields are self-supporting. When research in genetics is carried out, it obviously can have some impact on research on populations. For instance, research on diabetes can change our understanding of health determinants.

It all hangs together. One of the merits of the Canadian institutes of health research would be to promote greater interdisciplinarity. As I said on many occasions because I feel it is quite crucial, this will encourage exchange of information between researchers. It will also encourage innovations in the field of research and, to conclude on this particular issue, it will further advance health research application in Canada and in Quebec.

• (1140)

Earlier, I referred to the interim governing council made up of 34 eminent Canadians. If need be, I could easily list them; there are quite a few celebrities among them.

I am thinking of Dr. Friesen of the Medical Research Council of Canada, which will be abolished. There was also Mr. Bryden, from Ontario. One of the most eminent members to whom I want to pay tribute today is Michel Bureau, of the Fonds de la recherche en santé du Québec, the FRSQ, the main granting council in the province of Quebec. He played a key role in drafting this bill. I believe I am correct in assuming that the FRSQ will appear before the committee.

I could also talk about Ms. Nadeau, associate professor in the department of psychology. Psychology is certainly one field where more knowledge is needed and it is certainly something politicians should know how to use.

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I could also mention a distinguished professor from the faculty of law whom I had the pleasure of meeting myself in my Montreal office. She is an ethics specialist. Members know how important ethics are in politics. It is even more so when one has to develop research protocols to ensure that, if humans are asked to take part in research, it will be done with all due respect.

I thank Bartha Maria Knoppers—I know she will recognize her name even though I am not pronouncing it correctly—for making herself available and for talking to me about what we should expect from the Canadian institutes of health research.

There is also Dr. Robert Perrault, medical consultant and heart disease specialist. He is the director of public health in Montreal.

This is an impressive group of people. They worked very hard. I thank them for what they did, as did the Minister of Health. I want members to know that they organized their work. The minister announced the establishment of the Canadian institutes of health research last February. They formed a number of committees.

They formed these committees to be more effective, and I would like to list them. They organized their work using as their starting point a legislation committee. One of their mandates was to advise the minister on enabling legislation. I will return to that later.

They also had a subcommittee on planning the institute, a third one on programs and a fourth very important one on peer review. Hon. members must realize that all committees that are to award fellowships must be governed by the principle of excellence. Fellows must be selected on academic merit, the intrinsic merit of the research is what determines a recipient, not political affiliation. That has nothing to do with it.

Peer committees are therefore important. Peers must be the ones to make decisions. They must examine the documents. Care must be taken to ensure that, in each sector in which a research institute is created, the most knowledgeable people at the leading edge of research in that sector are the ones to assess applications. That is what peer review is all about.

There was a fifth committee as well, focused on knowledge. Then there is partnership and marketing. I will take it upon myself to point out to hon. members, although I cannot imagine them not knowing this, that there are two major categories of research.

There is basic research, which deals with theory and has no connection with marketing. This is research for the sake of research, like art for art's sake.

Then there is applied research, which of course has a very specific goal. It is very often sponsored by the private sector. It is aimed at a very precise application.

• (1145)

The last committee, and I already touched on this, is the ethics and policy committee. It is concerned with people who will be taking part in the research as guinea pigs, let us not mince words. Its area of expertise concerns the need to respect their status, on the need for a policy of informed consent always and on the need to ensure that people taking part in research projects know the effects of the products tested.

Could the Chair please tell me how much time I have left? I think I have used up half of my time, but I want to make sure that I do not forget some critical elements. Anyway, if I have something to add, at the end of my 40 minutes, to fully cover the subject, I will ask for unanimous consent to have more time. But it would make things easier for me if you could tell me how much time I have left.

The institutes will be headed by a governing council and there will be a president and advisory committees. I believe that it is important to see a few things. I do not know if the cameras can close-up on this acetate, but that would be very instructive.

You are indicating that I have only six minutes left. I still have many things to say. However, I am confident that there will be unanimous consent to allow me to continue.

Each of the research institutes will operate as follows: there will always be a secretariat, and divisions on basic activities, on clinical activities, on health systems and on culture and health, which are to some extent the determinants. The same model will apply for everyone.

I would also like to speak—I did not realize it would go by so quickly—of a number of things, and, in particular, of one thing that must be considered. The government cut \$21 billion in transfers to the provinces. That is a cut of nearly \$7 billion to health care and social services. This was money the provinces were counting on.

Even though we are pleased about the Canadian institutes of health research, even though for all the reasons I have given we will support the project, would it not have been simpler for the government to allow the provinces to assume this responsibility? Before establishing the Canadian institutes of health research, should the government not first have returned transfer payments to their 1993 level?

I want all parliamentarians in this House to realize that the Government of Quebec was deprived of \$1 billion in transfers. That is \$1 billion annually to manage a department of health, as Pauline Marois is doing with vigour. I will show correlations and demonstrate in specific terms what the cuts mean.

If we take all the cuts made since 1993 in Quebec's budget, we are talking about 20% of the cuts in all the hospitals of Quebec,

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about the closing of half of Greater Montreal's hospitals, about hospitalization costs for 370,000 persons, about the salaries of half the nurses, about all the operating budgets of all Quebec's CLSCs and, lastly, about the cost of all the youth services offered by the health care system.

The government cannot ask us to discuss such a bill if we are not able to remind the government that it acted like a highwayman, like a common thief. It had no respect for the provinces; it deprived them of resources. This is a government, in health care, that did what the worst offenders hesitate to do, it misappropriated funds. I repeat, and there is a consensus among opposition parties, this is a government that has literally stolen from the provinces. It should know that anyone who does that is called a thief.

• (1150)

I hesitate to mention this, but I felt it was my duty to do so. This will not, however, prevent us from supporting the bill in principle.

We will be introducing amendments because, when I read the bill, I nearly had heart failure, and I am in good shape. In law, the preamble to a bill has an interpretative function. It is not insignificant.

It states:

Whereas Parliament recognizes the role of the provinces in health care and that the Government of Canada collaborates—

Does it not take some nerve to mention “the role of the provinces” in a bill?

Needless to say that the first thing we will do in committee is introduce an amendment emphasizing the central role of the provinces under the Constitution. Is there anything more well established, since the days of the Tremblay commission ordered by Maurice Le Noblet Duplessis, is there anything clearer in the minds of Quebecers than the prerogatives of the National Assembly and the nine other legislatures when it comes to the health sector?

The very least we are entitled to expect of a bill such as this is that it would state clearly that the provinces have a preponderant role.

I note that my time is running out. Mr. Speaker, I seek unanimous consent to speak for approximately five more minutes. If my colleagues agree to grant me an additional five minutes, I will be most grateful, because there are things I feel bound to share with the House and I think that, as a general rule, when I rise to speak, it is value added.

We are going to support the bill. We are going to work hard in committee. We have submitted a list of witnesses, but I would need another five to ten minutes to fully address the issue. So, if you would be so kind as to ensure, in a spirit of open co-operation, that I am not deprived of my time, I would be very grateful, Mr. Speaker.

[English]

The Acting Speaker (Mr. McClelland): The hon. member for Hochelaga—Maisonneuve has asked for the unanimous consent of the House to extend his speaking time by five minutes. Is there unanimous consent of the House?

Some hon. members: Agreed.

Some hon. members: No.

[Translation]

Mr. Réal Ménard: Mr. Speaker, I am sure there is a mistake. Would you check again please? I am sure that there is unanimous consent because we are now working in a spirit of camaraderie. We support the bill. Please check again.

The Acting Speaker (Mr. McClelland): There is no unanimous consent.

[English]

Ms. Judy Wasylycia-Leis (Winnipeg North Centre, NDP): Mr. Speaker, I am pleased to have an opportunity to participate in the debate at second reading stage of Bill C-13.

At the outset, I will indicate that my colleagues and I in the New Democratic Party support the spirit and the intent of the bill. We appreciate the fact that this legislation represents a strategic repositioning of health research in Canada. In our view, it does seek to broaden the idea of health research and it appears to advocate and promote a new way of dealing with health research in the country today. It promotes a multidisciplinary, multisectoral and cross-regional approach to health care. It provides us with a way to look at the social, cultural and environmental determinants of ill health. These are all very important objectives and we support the intent of the bill in that regard.

We do, however, have some concerns with respect to the specific wording of a number of clauses in the bill. We look forward to a thorough analysis and debate at the committee stage of the bill. We also look forward to hearing the views of folks across the country concerning the bill. In that process, we hope that we can actually improve the bill and come back with a piece of legislation that has solid support right across the country.

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(1155)

Obviously, when one looks at a bill like this and addresses the whole matter of health research in Canada today, one has to ask the question whether or not it meets certain fundamental objectives.

Our task today is to take this legislation and square it with the government's agenda as a whole because the bill on its own, in isolation of a broader approach that looks at the absolute necessity of looking at health care in its most broadest sense, is doomed to fail unless we have a complete agenda.

Before I proceed to raise criticisms or make some constructive suggestions around this whole approach, I will also join with members in the House in acknowledging the work of those who helped create this evolution in the country around health research, and those who worked so hard in helping to draft the bill we have before us today.

I certainly want to add my thanks and congratulations to Dr. Henry Friesen, who has provided leadership to the country as head of the Medical Research Council for a long period of time, and who has worked very hard to move that model toward the one we have today, and who in fact talked himself out of a job.

I also want to acknowledge the work of the interim governing council that spent hours and hours on deliberations that led to the bill before us today. I understand that the work is just beginning. If one looks at the purpose of the bill, which is to create virtual institutes of health research, the interim governing council has already received somewhere in the neighbourhood of 150 proposals for such institutes. It will be the task of the new permanent governing council to weed that number down to, as I understand it, 10 to 15 institutes.

There are enormous challenges ahead for those experts who have been involved in the process, and very significant challenges for those who will have to take this legislation and implement it in a meaningful way that addresses the concerns of all Canadians.

All the best research in the world will come to naught unless we have the political will, the federal government leadership to actually implement the findings of research and to act on research that is pursued in the country.

Today, we are in an interesting position. We are on the eve of the 10th anniversary of the Ed Broadbent resolution in the House of Commons, supported by all members from all sides of the House, calling for the elimination of child poverty by the year 2000. We know, by all accounts, that rather than looking forward to an improved situation as we enter the new millennium, the situation has become much worse.

As my leader has said many times in the House, we have not only failed to stop poverty among children in the country, the government has also been responsible for seeing a huge number of children added to the rolls of poverty. We know that since 1989, one in seven children lives in poverty. Since 1989, 500,000 children have been added to the rolls of the poor.

Let me add something from a Winnipeg perspective. I come from a constituency that has a very hard-pressed community. In the inner city of my constituency, in the heart of Winnipeg, in a neighbourhood called Point Douglas, new statistics released this past week show that 60% of children live in poverty. Six out of ten kids in my community go to school with empty stomachs, are not able to learn and are likely to suffer health consequences.

My point here is that if we do not make the links between health research and action, we will not address the root causes of ill health and the spread of disease.

● (1200)

The government has had study after study showing the direct links between poverty and ill health. The minister himself released a study this past summer at the health ministers conference in Charlottetown showing that in many respects we have a much more serious situation than we have ever had when it comes to children, young people and aboriginal people. The facts are there.

We know from other centres, for example the centre of excellence in Winnipeg, the Centre for Health Policy Research and Evaluation, that there is a direct link between ill health and levels of income. The more money people make, the more income they have, the better their health. Knowing that, why has this government stood still? Why has it not initiated serious policies to address this matter and reduce poverty especially among children?

The Minister of Finance has told Canadians of the tremendous surplus of close to \$100 billion over five years. Considering the benefits of the current economic situation, why has the government not moved to use some of that money to address poverty, to put meaningful policies in place, to look at a national child care program and meaningful early childhood development programs? On that score there has been virtually nothing. There has been no translation of a very significant research finding into action.

Another example that comes to mind shows the absolute imperative of translating research findings into action. As members know, today the Minister of Health is meeting with the tobacco industry's most celebrated whistleblower, Jeffrey Wigand.

Yesterday the Minister of Health released thousands and thousands of pages of documents that had been under lock and key in Great Britain. The documents show that the tobacco industry over the last number of years has deliberately targeted young people and has ensured the products they create will get nicotine into the

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system faster to ensure young people are addicted more quickly and that there is a lucrative market for the sale of cigarettes.

Hot off the wire I understand the Minister of Health has announced that he is hiring Jeffrey Wigand as an adviser to him and his department on matters pertaining to tobacco. Bravo. Good for him. I hope that is true. I hope that means the government is finally serious about acting on programs that will curb tobacco addiction and smoking among young people.

The government has known for a long time about those statistics and it has done nothing. In July 1997 I wrote to the Minister of Health and suggested to him that considering the gravity of the situation it would make sense to translate the results of the research findings into action by introducing higher taxes on cigarettes. This is something the government repeatedly refuses to do. I suggested to the minister that he had an obligation to launch a lawsuit against the tobacco industry as was done in the United States as a result of the work of Jeffrey Wigand and others in exposing the malicious intent of the tobacco industry.

I suggested subsequently that he not simply point to B.C. as an example of something being done in this country in that regard, but that he should actually take up the charge, show leadership, work with provinces like B.C. I am sure all provinces are interested in pursuing this. I said that he should put together a national suit against the tobacco industry to recoup costs to our health care system caused by that kind of irresponsible profit seeking agenda of the tobacco industry. To date, there has been nothing. This is a perfect example of where research and good findings do not translate into action. What we need today to go along with the bill is a clear commitment to act on those findings, to show political will and provide leadership.

• (1205)

Today we have heard, and it is inevitable that we are going to get into this discussion, that this is tied inextricably to federal funding and national standards for health care. Clearly if we are serious about pursuing a holistic approach to health research and translating those results into improvements for our system as a whole and for the betterment of the health of all Canadians, then it is inevitable that we focus on the state of federal financing for health care. It is inevitable that we demand once again that the government look at its abdication of responsibility and its failure to ensure the full restoration of cuts in transfer payments for health care that it initiated when it came into power in 1993. It advanced this very specifically in 1995 with the implementation of the CHST. This elimination from our health care system was the single biggest cut in funds in the history of medicare.

It is very important that we address that point of view. I am tempted to call the Reform members on their attempts to disguise

their true agenda. I think many of us in the House feel a sense of indignation when we know that the health critic for the Reform Party will stand up today and talk about the need for universal health care and ensuring that the most vulnerable citizens in our society have access to health care, all the while advancing a two tier American style health care system.

We are seeing a clever disguise from the Reform Party. I do not think there is any question about that. All we have to do is look at some of the quotes from the member himself going back a couple of years. The member for Esquimalt—Juan de Fuca said in 1996, “In fact a two tiered health system will strengthen the public system, not erode it. In a two tiered system those who choose to go to a private clinic will receive faster and better care than their counterparts in the system. Is this an unequal system that provides for different levels of care? Yes”. His leader, the hon. member for Calgary Southwest, did the same when he said, “If they are willing to pay, they could get themselves a higher standard of care and quicker access”.

That is the true agenda of the Reform Party members. That is really what they are talking about. For them now to try to disguise it and to suggest that their support for Ralph Klein’s privatization initiative will not do anything to contravene the principles of the health act and will not deny access to Canadians is absolutely fallacious and dishonest.

We in the House must work together to convince the government that it has to increase transfer payments for health. It has to show leadership. It has to ensure that we have an increased budget and a significant and stable funding base for health research, if we are truly going to improve the status of Canadians and be true to the principles of medicare.

There are some very specific concerns in Bill C-13 which I would like to quickly enunciate in the time I have left. One of our biggest concerns, and I am sure we will hear more about this in committee, is whether or not this legislation advances our agenda for independent scientific investigation into the root causes of ill health.

Time and time again we have been faced with cutbacks in funding and an approach on the part of the federal government to deregulate and offload wherever it can. Academics, researchers, universities and think tanks are put in a very difficult position of having to increase their reliance on corporate donations, meaning pharmaceutical manufacturers and private insurers. All of this undermines the very independence that is so necessary for the integrity of the system. It creates very serious possibilities for conflict of interest.

• (1210)

There is a litmus test to be applied to the bill. Does it ensure that we advance down the path of truly independent research? Does it

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involve a significant level of funding to ensure that we do not broaden the whole agenda to a series of private-public partnerships which will undermine the very objectives we have in mind as we pursue this bill? In that regard, we have three very specific concerns.

A clause in the bill refers specifically to "facilitating the commercialization of health research". In our view that is vague and potentially dangerous phrasing. It would be our hope to hear from witnesses in committee to determine whether or not it would be worthwhile to reword that clause to ensure that the public interest is clearly paramount and that any kind of commercialization agenda is secondary to the public good. That is one concern.

The second concern has to do with the governing council as outlined in the bill. Our concern is that it is very loosely worded and not clearly prescribed in the legislation. Again this allows the possibility for control by the industry, particularly pharmaceutical manufacturers for setting the agenda.

It would not be unique or new to suggest that specifics on the governing council should be entrenched right in the piece of legislation. That can be done expeditiously at committee. We should be ensuring that the appointment criteria for members of the governing council are specifically defined and that the public voice be absolutely dominant in that configuration.

Finally, we have a concern about the whole issue the minister raised today pertaining to ethics. He suggested that the vague wording in the bill which says "will take into consideration ethical issues" is sufficient. It is certainly our view that it is too vague. It leaves too many possibilities again for corporations, pharmaceutical companies and other research institutions to pursue research that might be less than ethical.

I think that we will hear suggestions in committee about the need for an independent arm's length body that is directly accountable to government. Given the changes happening in our society today around reproductive technologies, xeno transplantation, human cloning, we will hear that we absolutely need an ethical framework for determining research of the future. We need an independent body to help us sort through what is the appropriate way one uses human research subjects, how one notifies individuals involved in this process and what protective measures can be put in place to deal with those concerns.

To wrap up, I would suggest that this bill is worth looking at in detail at committee. I hope the concerns I have mentioned will be addressed. All of us are interested in strengthening this bill so that there is a central focus on the causes and prevention of ill health, in particular the social, economic, cultural and environmental determinants that have a very direct impact on health and well-being in this country.

Mr. Greg Thompson (New Brunswick Southwest, PC): Mr. Speaker, I know the hon. member was in the House listening intently this morning to the minister and the other members who spoke.

The health critic for the Reform Party concentrated a great deal on comments he and his party made last week in regard to a two tier health system. If I am not mistaken, the hon. member for Winnipeg North Centre is very much opposed to that, as am I. I find it really strange that a member of parliament from an opposition party would stand in the House defending himself more than actually speaking on the bill that we are debating.

• (1215)

Basically, I would like the member's comments on the Reform Party's position with regard to a two tiered health system.

Ms. Judy Wasylycia-Leis: Mr. Speaker, as the member who posed the question, I too feel offended by the way in which the Reform Party critic has portrayed his position to the public across Canada today.

I think, as I said before, that this is a clever disguise or a clever ruse for fooling the public, because the record speaks for itself. The Reform Party has time and time again been on the record saying that what this country needs is a parallel, private, for profit system, that what this country needs is a two tier approach to health care, that what this country needs is an avenue by which those who have the money can pay for the services that they need. It says this without addressing what happens to the universality of our system and without addressing the long term effects on comprehensiveness and accessibility.

I think it is appropriate that on the very day that we are discussing this issue and hearing that kind of doublespeak from the Reform Party that we look back to the architects of the Canada Health Act, Monique Bégin, Tom Kent and the daughter of Tommy Douglas, Shirley Douglas, all of whom are speaking out on this issue. In fact, as we speak a press conference is being held with some of those architects who are very, very concerned about Ralph Klein's proposal, very concerned about Reform's position and in fact have said that medicare, based on equal access to comprehensive care, will barely survive the beginning of the new millennium without dramatic corrective action on the part of the federal government.

First, the federal government must intervene immediately and stop the Klein government from contracting with for profit hospitals.

Second, the money cut from the federal transfer payments must be restored for investment in the public health system.

Third, the federal government must exclude health and social services from all trade agreements.

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The architects of the Canada Health Act believe that the kind of proposal we are hearing from the Reform Party would be absolutely contrary to the principles of the act, would be a fundamental shift away from medicare as we know it today and would end up costing Canadians much more down the road.

I am glad to see that the Conservative critic for health care is with us on this one and we look forward to pursuing a consolidated, united position, holding the federal government to account and demanding that federal transfers increase and that we preserve the principles of medicare.

Mr. Reed Elley (Nanaimo—Cowichan, Ref.): Mr. Speaker, I have a great deal of respect for my colleague from the New Democratic Party. We have co-operated on a number of issues over these past couple of years as we have sat together on the health committee.

Of course on this whole debate on health care many proposals will be made. Many proposals are already being made. However, the fact of the matter is, and I think my hon. colleague will agree with me, that we have seen an abysmal lack of leadership on behalf of the federal government, which is supposed to be the custodian of health care in this country, to take any kind of initiative and to actually renew health care.

If proposals which have come from the Reform Party, or any other party, the member's own party for that matter, are not debated in a sensible way, where emotion will not run riot, we will not get answers.

In view of those kinds of comments, I ask my hon. colleague if she is prepared to lay at the feet of the government the responsibility for the demise of the health care system. Is she prepared, along with Canadians right across this country, to offer concrete solutions that are not embedded in 1960s philosophy, but really take into account what is happening in Canada today?

Ms. Judy Wasylycia-Leis: Mr. Speaker, first of all I am quite prepared, as the Reform member suggested, to hold the federal government to account for the crisis we are facing in health care today.

● (1220)

He knows that we have constantly spoken out about the cuts made to transfer payments by the government and how that has put enormous pressure on the federal system and opened the door to private sector health care. He knows that we have called the government to task for signing an agreement with Alberta in 1996 which allowed for the growth of private clinics in that province.

Yes, I agree that we are seeing an appalling and abysmal lack of leadership from the federal government. However, I would also say that we are seeing an appalling lack of leadership from the leader of

the member's own party. In fact, just two days ago the leader of the Reform Party in response to a question said "I think there is room from the federal angle to open up the Canada Health Act so that if the provinces want to pursue other options, including greater involvement of private resources, they have the freedom to do so". What the Reform Party, Ralph Klein and Mike Harris are talking about is retreating, going back to the old way of doing things before we had medicare when if we had the money we could get the care we needed and, if not, tough luck.

The member is saying that we are in a crisis today and we agree with that. The question for all of us is, how do we solve the problem? I would suggest that the only way to solve the problem is to work to innovate and strengthen our public system and ensure that the medicare model is preserved, not destroyed as the Reform Party would have us do. He asked for alternatives and solutions. I suggest to him that there are many.

The National Forum on Health has made some very important observations about how to reform the system within the public model. It has talked about the need to look at a continuum of care and to move toward a community based model of holistic health care. It has talked about including home care, continuing care and drug care under our plan. That would address some of the costs and the pressures coming from the private sector. The New Democratic Party has put together a long set of recommendations and a very thoughtful analysis of this situation. I would be happy to share them with the member.

I would ask him to join with us in holding the government to account and preserving our publicly administered, universally accessible system, and not take one more step down the path of destroying and dismantling medicare.

Mr. Greg Thompson (New Brunswick Southwest, PC): Mr. Speaker, it is a pleasure to take part in this debate today. I remind the House that this is the first major health bill to come before this parliament. I think many of us were anticipating this and looking forward to the debate. I want to remind the viewing public that we are debating an act to establish the Canadian Institutes of Health Research, what I will refer to as the CIHR, and to repeal the Medical Research Council Act.

The fact that this is the first major debate on a health bill before the House is significant. We have had many debates on health care in the last couple of years, but no bills of any significance have come before the House. I want to remind the House of some of the issues we have spoken about in regard to health care.

One of them, of course, was the hepatitis C issue, which the government completely mishandled. We went on for days and days seeking a fair, just and compassionate solution for all hepatitis C victims, and a generous solution on the part of government in terms of assistance to those victims. We fought and raged for days, but

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the government held its position. Today not one hepatitis C victim has received any support from the federal government. In fact, a huge number of them were left out of the package.

We also debated at length in the House the draconian cuts to health care, which goes back to the previous speech given by the NDP member. We are talking about a government which took \$17 billion out of health care. I see you shaking your head, Mr. Speaker, but it is true. This year during the budget debate the government proclaimed that its budget was a health care budget, that it would return \$11.5 billion of the \$17 billion it took out. That will bring us back to the levels which existed 10 years ago.

• (1225)

The government does not have a lot to brag about. However, this bill is worthy of debate and it is worthy of support. I want to state very clearly from the beginning that I support it and the Progressive Conservative Party supports it. I think it is a very worthy initiative.

Because it is the House of Commons I guess we have to be a little political, but I want to mention some of the issues on which the government has swallowed itself whole from time to time. I will talk about the hypocrisy of government. One item I will talk about is the Drug Patent Act, which was brought into the House about 10 years ago when I was a member of parliament on the government side.

Mr. Speaker, do you remember that? You stood in the House and raged for hour after hour, condemning the government for bringing in the Drug Patent Act. I want to remind the public of that for one very good reason. The Drug Patent Act had a purpose behind it. It relates to the very bill we are talking about today. The bill that we are speaking about, of course, will bring research scientists together so that we will have a network of the scientific community sort of singing from the same song book, exchanging and sharing information, with some funding from the federal government.

The minister today mentioned the term brain drain. He said, and I agree with him, that this act will do something about the brain drain. That is what we had in mind when we brought in the Drug Patent Act in the early 1990s because what Canada was missing was a great deal of expertise in terms of scientific and medical research. Those people were leaving the country in big numbers and drug companies had no patent protection in this country in comparison to other industrialized countries in the world. We brought in legislation which provided them with that protection.

The argument of the day was, why would companies invest millions and possibly billions of dollars in research if someone else could steal their patent within a handful of years? It was a very deliberate attempt by our government of the day to bring in protection for the research community in this country and it has worked. This bill should go some distance in reinforcing that.

It will be remembered that the government promised to rescind or take away the Drug Patent Act, to change it dramatically.

Obviously it has not done that because it would not be in its best interests. However, in opposition I suppose it was politically a pretty popular thing to say at the time and, of course, I have reminded you of some of the speeches you made, Mr. Speaker.

Taking office is something like a lynching in the morning. It sort of focuses the mind. That is exactly what happened when the Liberals took office in 1993. The government then decided that maybe this was not such a bad idea after all, and we still have it.

The government has tagged on to some of the initiatives we took in the past. Being totally honest, some of them were not very popular and some of them are still debatable. However, some of them were worth embracing and certainly the present government has done that, and I commend it for doing so. The government has gone one step beyond adopting what previous governments have done in actually grabbing and taking ideas right out of an election platform.

• (1230)

I would like to speak about Jean Charest's plan for Canada's next century. That is the platform on which I ran in the 1997 election. I will step through some of what we were talking about. I want you to listen carefully, Mr. Speaker, to see whether or not you agree with what I am saying. There is a direct link between the present bill and what we had in our platform in 1997. I am accusing the government of lifting the idea right out of our platform in 1997.

Mr. Charest spoke about health care for the future on page 27 of his plan. He talked about our health care system needing flexibility. He said we should continue to adopt new medical treatments. He said specifically that new pilot and experimental programs would provide Canadians with state of the art, cutting edge services and treatments and new technologies to improve the access to care in rural and remote areas of the country. The minister spoke specifically of rural areas today. He said there would be programs to test new integrated delivery systems aimed at providing health care based on the highest quality and best practices. Again, the minister mentioned that this morning.

Mr. Charest also spoke of the development and maintenance of a Health Canada worldwide website on the Internet to provide a state of the art health care information system, including advice on the prevention and treatment of illnesses to help hospitals and researchers link their knowledge bases. He spoke very specifically about linking the knowledge bases in the country. In fact that is what the new agency will be doing. He spoke about working closely with the provinces and territories to reduce unnecessary health care expenditures that result from duplication and reinvest the savings back into the fund.

This is almost word for word what we were saying in the 1997 election campaign. The Progressive Conservative Party said that it would create a national institute for health with memberships

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drawn from the health care field. The board would be co-chaired by the federal minister and provincial territorial ministers.

To conclude, we said we would co-ordinate the gathering and distribution of information on research and new medical technologies with an emphasis on disease control, ensuring that Canadians benefit from the best and the latest medical advances; assist in the development and publication of national health care targets and goals; and measure, evaluate and publish progress toward achieving these targets.

I think the message is pretty clear. The government obviously thought it was a good idea and it is adopting it. We are pleased to support it because the idea really came from our platform in 1997. I guess that is one of the advantages of being in power. They can just take whatever part of whatever works and call it their own. Maybe there is nothing new in that at all.

Canada has had a history of advances in medical science. I want to go through some of the names. The minister mentioned this morning Best and Banting. I would like to mention a couple more. One is Sir William Osler, who wrote the medical textbook *Principles and Practices of Medicine*. He introduced the idea of clinical care. Another is Dr. Wilder Penfield who established the Montreal Neurological Institute and made many discoveries in the area of brain functions.

Today we have that same excellence taking place in the country. One thing I ran across in *The Economist*, of all places, was a procedure. Maybe that is not the best word to describe it, but it was out of the Ontario Cancer Institute. It devised a way of using high frequency ultrasound to check within a few hours after the first dose of chemotherapy being administered to find out whether or not the anti-cancer treatment is working. The article went on to explain that most cancer treatment, despite the billions of dollars that are poured into it, is by guess and by hazard in terms of whether or not the treatment is actually working.

• (1235)

Dr. Gregory Ozamota and his colleagues devised a new method of detecting whether or not a cancer treatment is working within hours of administering it so that patients in the future hopefully will not have to go through some of the tough medicines, the harsh chemicals in terms of treating cancer, only to find out that the treatment is not working. That is an advancement that is taking place today in Canada. This new institute will foster that type of advancement.

Canadians, as I have mentioned, are not strangers to huge advances in medical science. Despite our small population base of 30 million people, we have had some very notable achievements within the country.

One of the things the new institute will do is sort of bridge the gap between what a scientist wants to do, or is driven to do, and the need within Canadian society for that service. There will be a

linkage between the two so that we will not have a scientist going out on his own pet project, to simplify it, without any payoff to the greater society at the end of the day. Funds will be channelled in such a way that there will be a real identified need within society for the research to be ongoing. That is an important distinction to make, an important point to make.

The theoretical side of science and the absent minded professor are always talked about. I read an article not long ago about Einstein. It mentioned that sometimes scientists are so focused that they are focusing on their research without focusing on the greater need of society or where the research will actually take them. The new institute will give some of our scientists a little more direction to reach the goal at the end of the day.

The story goes about Einstein that he was so indifferent to his surroundings that on more than one occasion he arrived in his laboratory in his pyjamas. I am not sure if that is happening today in Canada, but focusing our funding in the directions as outlined in the bill is a very important part of the new institute.

Another thing we would like to see happen to which the minister has alluded in the past is the drug approval process. I think it can happen. The other day it was brought to my attention that there is a new drug out called Rituxan. It is a cancer treating drug that has been tied up by red tape in the drug approval process. I want to point out what has happened in other countries. This drug has had great success in the treatment of some cancers. In just about every industrialized country in the world this drug has already been approved and is on the shelf. I will give an example of some of those countries.

• (1240)

In Australia, Rituxan was submitted for approval in May 1997. It was approved in October 1998 and the launch date of the drug in that country was October 1998. Germany applied on March 21, 1997. The drug was approved on June 2, 1998, and went on the market on November 26, 1998. The United States moved a little faster. The drug was submitted for approval in February 1997 and approved on November 6, 1997. The launch date was December 15, 1997.

I have no way of knowing whether or not the information I have is correct. It was provided to me by the department. Rituxan will not be approved for use in this country until late in December, if in fact it does happen. That is two years after the United States. Many of our patients are going to the United States to get this drug.

I am hoping, and the minister has alluded to it, that the process in Canada can be improved upon. It is not that we want to do it in a hasty fashion because no one wants to see that happen. However, I get the feeling we get tied up in red tape and are not sharing information with other Canadian jurisdictions which might possibly lead to a speed up in the approval process. This is something I think we can look forward to.

There are many things we cannot mention, obviously. A Reform member went to great lengths today to distance himself from some remarks he made with regard to a two tier health care system in Canada. I might possibly face some questions on that point, but I was a bit dumbfounded by some of the comments made by the member last week, and this week in attempting to distance himself from those remarks. I mention this only in the context that we are debating a very important initiative by the government. I do not think we should be sidetracked by other issues despite the difficulties some members from time to time get themselves into when they pronounce policies and positions that are not sustainable.

With that I will sit down and entertain questions and comments from other members.

[*Translation*]

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Mr. Speaker, I have listened to our colleague's speech from inside and I gather that, before all parties can agree on a bill that would finally grant additional funding to health research, many concerns need to be raised, particularly with respect to the will to ensure that no research institute designation will be made with no regard to the provinces.

I would like to ask our colleague, through you Mr. Speaker, whether his party would support an amendment that would explicitly give, within the bill, a more active role to the provinces when it comes to the establishment of Canadian institutes of health research.

[*English*]

Mr. Greg Thompson: Mr. Speaker, I think most of us will bring forward amendments on the basis of what we see in the bill. I think the point the member is making is a commendable one. It is one that we certainly have concerns about. I am glad that he did get on his feet because the structure of the Canadian institutes of health research lends some questions to the integrity of the system.

• (1245)

The minister tells us and the bill spells out that the CIHR will be led by a president and a governing council, who together will be responsible for the overall direction of the institutes. Members of the governing council will reflect the highest standards of scientific excellence and so on. It goes on to explain what they will do.

One of the concerns we have is that every one of these appointments will be by governor in council. In other words, cabinet will decide who these people are. I think that process has to be re-examined as to how these appointments are made. Are they there at the pleasure of the government? The act tells us that indeed they are at the pleasure of the government, up for review every five years. That is a major issue we should examine in committee and have more explanation on. As to the institutes themselves, nobody knows. It is not spelled out in the bill.

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I will talk about Dr. Chopra from Health Canada who sued Health Canada under the Human Rights Act. He was one of the scientists who testified on the shredding of documents that had to do with the BST beef hormone issue. The word is the independence of this body and the independence of the governing council and the president. That is a very important issue that the bill has to address and that we need more clarification on by the minister.

If the treatment that some people have received from the government and the Department of Health is any indication of what might come, this whole process will have to be examined a little more closely and a little more transparently. We have gone through the difficulty of where one person basically is making the decisions. It is the Prime Minister of Canada who decides who the president will be and who the members will be. There is a real danger in doing that. I hope we can move beyond that.

I thank the member again for allowing me to get back up based on his question. The other consideration is the review process, who is accountable and the measuring stick. Are we going to wait five years to determine whether or not the new body is functioning efficiently without any reporting to parliament other than tabling the document?

It is not a question of coming into parliament and reporting to the committee on the structure and whether or not it is working. It is simply blindly giving the government a blank cheque to set up a process which I think should be reviewed very thoroughly every year for the next five years to determine whether they have done it right or not. Those are some very important points that have to be made and that will come out in committee.

My party, along with the Bloc and his members, will be bringing forth some amendments that we think will strengthen the bill.

At the end of the day, we support the initiative. We think it is very credible. With some of these little deficiencies, if the government is willing to look and listen, I think we can strengthen the bill dramatically. We will then have a bill that will indeed work for all Canadians.

[*Translation*]

Mr. Bernard Patry (Pierrefonds—Dollard, Lib.): Mr. Speaker, I am very pleased to speak on Bill C-13, the Canadian Institutes of Health Research Act. I am particularly pleased because, along with many other hon. members, I have been working on this issue for more than a year. We were very happy to hear about the establishment of these institutes in the 1999 federal budget and we are also very pleased to have this bill before the House today.

• (1250)

I believe the establishment of the Canadian institutes of health research is a truly visionary and forward-looking initiative that will

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directly address one of the major concerns of Canadians: to increase our knowledge of health issues in order to try to get rid of illnesses and health problems affecting so many Canadians.

Bill C-13 is a huge step in the right direction, since it will ensure Canada's competitiveness in the knowledge-based global economy.

In fact, this bill, along with the 21st century chairs for research excellence in universities across Canada that were announced in the Speech from the Throne, will give Canada a competitive edge as we move towards the next century. Canadians will be world leaders in the generation of new knowledge.

[*English*]

I am also pleased to speak about the bill because of its importance to the city of Montreal and to the people in my riding of Pierrefonds—Dollard.

Montreal is a world-class health research centre. Health research and development is playing a major role in revitalizing our economy, creating jobs for our citizens and securing a future for Montreal in Canada in the new economy.

Montreal is home to some of Canada's leading centres of academic research. McGill University and the University of Montreal are at the leading edge of Canadian health research. Research at those universities is at the highest standards of excellence. McGill and the University of Montreal are the second and third largest recipients respectively of the Medical Research Council's MRC funding in the country.

Researchers in those universities are extremely competitive in funding competition. Their research is at the highest standard. Concordia and the University of Quebec in Montreal should also not be forgotten. Their research in the social aspect of health is opening up new fields of knowledge about our health.

Given the excellence of science in Montreal and the quality of our research, Montreal is the most successful of any city in Canada in MRC funding competitions. The MRC invested \$59.6 million in 1998-1999 in Montreal alone.

[*Translation*]

In Quebec, the Medical Research Council, or MRC, is allocating \$76.5 million for health research. That amount is proportionally a greater part of the MRC's budget than Quebec's population is in relation to Canada's.

I should also point out that the federal government and the provinces are co-operating in the area of health research.

In Quebec, the MRC is actively funding research, while the provincial organization responsible for health studies, namely Quebec's Fonds de la recherche en santé, is developing programs that complement those of the MRC. These two bodies have

established close relations which have obviously benefited health research in Quebec.

I should also point out that the chair of the Fonds, Dr. Michel Bureau, has been actively involved in the development of the concept of health research institutes.

Since the MRC will be integrated into the research institutes, and since these will further promote health research in Canada, Bill C-13 is of paramount importance for Montreal and for all of Canada.

[*English*]

Researchers in Montreal are working on new discoveries and treatments that will benefit people across the country. The Montreal Neurological Institute, the Institut de recherche clinique de Montreal and the Royal Victoria Hospital are all world-class centres of research addressing the key health concerns of Canadians.

Private sector companies such as Merck Frosst and Astra have secured worldwide research mandates at their research centres in Montreal.

I will give one example of research in Montreal. Many people might not know that one of the leading experts in the area of genomic research is actually working in Montreal. It is widely accepted that genomics, the decoding of human genetic structure, potentially unlocking the keys to the treatment of disease, is the leading edge of health science.

Dr. Tom Hudson is a major participant in the work of sequencing the human genome. He is an associate physician at the Montreal General Hospital and a director of Montreal's Genome Centre. He is also the associate director of the Whitehead Institute at the Massachusetts Institute of Technology, one of the leading genomics research centres in the world. He is also under 40 years old. In fact, last year he was named one of Canada's top 40 people under 40.

● (1255)

Instead of leaving for multiple opportunities in the United States, Dr. Hudson splits his time between Montreal and Boston working tirelessly to advance science in Canada.

Bill C-13 will support people like Dr. Hudson and continue to provide opportunities for him in Canada.

[*Translation*]

This investment in research has an extraordinary impact on Montreal and on all other Canadian cities. All researchers hire laboratory technicians, graduate students and other staff, thus creating more jobs in this innovative sector of our economy.

Research spinoffs may be the most critical factor for Montreal.

It is generally agreed that health industries will be one of the key sectors of a knowledge-based economy. The pace of innovation is very fast, and new research methods, such as genomics, are opening the doors to new areas of knowledge.

As hon. members know, basic research is the foundation of health industries, because it helps produce innovative goods and services. This research activity is the engine of our economy while also ensuring our competitiveness.

[*English*]

One only needs to look at the example of BioChem Pharma in Montreal. BioChem Pharma has its roots in a research grant years ago at McGill University. This research led to the discovery of 3TC which is one of the drugs which has turned HIV into a more manageable disease. In fact, 3TC is now the leading HIV-AIDS treatment in the world. BioChem Pharma now employs over 1,000 people in Montreal providing an innovative force to our economy.

There are hundreds of small Canadian start-up companies that are seeking to move the knowledge gained from research into products and services that meet unmet health needs. I think of Neurochem, which is looking at treatments for Alzheimer disease. There is Methylgene, which is developing leading edge anti-cancer compounds.

The interesting aspect is that these are companies located not in Boston, not in San Diego and not in Seattle. They are based in Montreal.

The *Globe and Mail* recently had an article about how young people are now coming to Montreal to participate in the innovative economy. It mentioned the aerospace, the animation and the biotechnology sectors. Montreal is well placed to be at the leading edge of the knowledge based economy.

Bill C-13 is an important piece of legislation to achieve this goal. The Canadian institutes of health research represent a major investment in the knowledge and innovation needed to drive our innovative economy forward.

It is also important to note that it will fund research, first and foremost, that will seek to improve the health of Canadians. The objectives in the legislation make that clear. It will fund research that will promote the highest standards of ethics in research. It will work in partnership with all sectors of the research community to advance Canadian science. It will also work to promote economic development and the translation of research into benefits for Canadians.

[*Translation*]

The creation of a system of virtual research institutes is an important innovation for Canada's scientific community. It will

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bring together researchers and networks, ensuring that the results of research can be used and further developed more quickly.

The creation of institutes in sectors essential to Canadians will focus research, bringing together studies from different disciplines and making it possible to attack today's complex health problems.

Increasingly, cancer research is predicated on genetic studies and cellular studies, but it also requires analysis of the environment's impact on cancer, as well as studies on the most effective treatment of cancer patients in the health care system.

Bill C-13 will make it possible to channel research strategically.

Last month, with other MPs, I attended a breakfast meeting at which Dr. Patrick Lee of the University of Calgary spoke about some very encouraging observations he had made in his cancer research.

● (1300)

He has discovered mechanisms in reoviruses that can destroy cancerous cells. The new cancer treatment he has come up with has made headlines worldwide. Breakfast with Dr. Lee was a fascinating affair; I was delighted to hear about the work he is now doing in Canada. He turned out to be an excellent ambassador for Calgary, Alberta and Canada.

Bill C-13 will support people like Dr. Lee, who are truly on the cutting edge of health issues that concern Canadians.

[*English*]

In closing, it is important to mention that the Canadian institutes of health research is first a question of health and its funding will be through peer review. This is the only determinant for excellent science.

[*Translation*]

I have no hesitation in supporting this bill, which will represent a major investment in the health of Canadians and in a more effective and innovative health care sector. I urge members of the House to support it as well, so that Canadian institutes of health research can begin their important work for the well-being of all Canadians.

[*English*]

Mr. Reed Elley (Nanaimo—Cowichan, Ref.): Mr. Speaker, I am certainly pleased today to join the debate on Bill C-13, the Canadian institutes of health research bill.

At this time of an overall failing health care system in Canada, I am pleased to see some encouraging news contained in this bill. I also wish to offer a critique of Bill C-13 and to offer some points on what I believe are the bill's shortcomings. I raise the points of concern only in an effort to improve the bill. Overall I believe that the bill is worthy of further support and my colleagues in the

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Reform Party would want to give that support at least up to committee level.

As I understand the bill, it is intended to take the place of the Medical Research Council and provide a more direct and systematic approach to research in Canada. Furthermore, the primary objective of the Canadian institutes of health research is to excel and build upon internationally accepted standards of scientific excellence and research through the creation of new knowledge and its translation into improved health for all Canadians.

One of the primary methods that will be used is that of virtual institutes through the Internet and other high tech communications. The institutes will be made up of experts in their selected fields.

The promise of addressing a portion of the Canadian brain drain is a worthwhile discussion. I would agree that one of the reasons we are losing our best and brightest from Canada to the United States is the research dollars that are available. To lose our best means that while they may have been educated in Canada, we are losing them to a foreign country. The consequences of this failing is like a row of dominoes. As the first person leaves, the process becomes easier for the next person, and so on and so on. Before we know it there is a flood of people leaving Canada which is virtually impossible to stem, unless there is a major change in the reasons that people are leaving.

Why are people leaving? May I suggest that it is the lack of incentive to contribute to our own medical and health research, a lack of financial support for the employees and institutes that they work at, and higher taxes.

We need to take corrective action. With some constructive fixing I believe that the bill could be one small piece of the solution to the brain drain, particularly in the medical professions in Canada today. I believe there are a number of concerns and ways that the bill can and should be improved.

I note that by the end of the second year the CIHR will have a proposed budget of \$500 million. This is up from the current budget of \$300 million. The addition of \$200 million is a substantial amount of money. However, I believe it to be prudent to put some reasonable restrictions on the use of this money.

I fail to believe that without legislative regulations the intent of today's debate will carry over to reality tomorrow.

• (1305)

It is imperative that we set out a framework for the governor in council to work under. Therefore, I believe the administration costs arising out of the CIHR need to have a cap. Currently the Medical Research Council administration portion of its \$300 million budget is 4.5%. May I suggest that this level could be maintained and

perhaps even capped at 5%. To allow otherwise often leaves open the door for future abuse of taxpayers' dollars.

Under Bill C-13, clause 26(2), the CIHR "may borrow money, issue debt obligations or grant or receive a security interest only with the approval of the Treasury Board". I fail to see why the CIHR needs to have this capability. With an annual budget approved by parliament, it is imperative that all ministries, departments and crown corporations live within their allocated budget needs. The future for any organization is built upon the available resources. I can see no benefit in allowing the CIHR the ability to borrow money even with the approval of Treasury Board.

Remaining on the issue of finances, I would draw attention to clause 26(1)(f), whereby the CIHR may for the purpose of achieving its objective, license, assign, sell or otherwise make available any patent, copyright, industrial design, trademark, trade secret or other like property right held, controlled or administered by the CIHR. While I do not disagree with the premise of this clause, I would like to see the financial benefits accrue back to the Canadian taxpayer. In other words, when the above types of licensing agreements are granted, the revenues revert to the CIHR and this lowers the financial burden on the Canadian taxpayer.

I agree that individual Canadians do not need to take a back seat to anyone or any other country when it comes to research and development. They simply need the chance and the environment to continue and complete their work. While I believe that Canadians are willing to fairly contribute and ensure that innovative medical research is undertaken in Canada, it is fair to say that those same Canadian taxpayers want to see a return on their tax dollar investment.

I am also interested in the individual projects themselves. It appears there are two distinct and different ways of selecting the projects. One approach is for the governing council to ask for proposals on a given area of research. The governing council would then review the submitted proposals and select them according to peer review.

The advantage of this approach is that the issues of the day will be sure to receive a given amount of research resources. The disadvantage however, is that without strict guidelines, the governing council runs the risk of being swayed by the political agenda of the day. We must remain vigilant on this and ensure that politics do not interfere and compromise our medical research.

In consultation with health officials, it was confirmed that there is an alternate route for those who wish to submit proposals. Anyone may draft a proposal and submit it to the governing council for peer review and selection. The advantage of this process is that new cutting edge medical research will find a forum for peer presentation. Individuals without connections to major universities

and other research centres need to have an opportunity to present projects for research funding.

While meeting with the minister's staff regarding the selection of the individual projects themselves, it was indicated that there would be a balance between these two alternatives. I am pleased to support this aspect of the bill, but believe that the advantages and disadvantages need to be accounted for in the regulations. This could easily be included within the operating guidelines and subject to review by the Standing Committee on Health.

Most recently, the present government has been in the debacle of definitions concerning pay equity. The issue of scientific merit enters into this debate. It is important that the preamble also include a statement that indicates "Whereas parliament believes that health research should provide support for research on the basis of scientific merit". This should be interpreted as research funding based upon the validity of the project, not on the basis of employment equity groups.

One aspect of this bill that requires strengthening is the matter of ethics. We all recognize today that technology has made great leaps forward. The minister has stated that this is an important part of the bill. I believe it can be further strengthened.

• (1310)

It was not that many years ago that some of the routine procedures used today would have seemed like science fiction: organ transplants, fetal surgery, gene therapy and open heart surgery, to mention only a few. Much can still be learned in these matters. They routinely occur in many parts of the world today.

I do not wish to use scare tactics and I certainly cannot predict the future, however I believe it would be in everyone's best interests to strengthen the ethical portions of the bill. Let us have a process whereby when new issues arise which have not yet been contemplated that researchers do not find themselves lost in a morass of bureaucracy. Let us ensure that the future is safe from deviation and questionable ethical decisions. Let us ensure that these decisions are not left in the hands of any one person or indeed in the hands of the bureaucracy.

One other aspect of the bill which I feel is important to draw further attention to is clause 21. It states:

The Governing Council shall review the mandate and performance of each Health Research Institute at least every five years after it is established and determine whether its mandate or the policies respecting its role and functioning should be amended or whether it should be merged with another Health Research Institute or terminated.

The importance of this particular clause lies in the history of other government programs. All too often a valid government program has been initiated with no end in sight. It just goes on and on.

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It is imperative that when this bill is enacted that clause 21 remain or even be strengthened. When a program has outlived its usefulness, then it is time to eliminate it. The program may act as a catalyst, however the program should not be an industry in and of itself. Where a government program is not worthy of further funding, then we simply must end the program and move on to something else that is bigger and better.

The CIHR information states that there will be 12 to 15 institutes. I would ask that the future governing council and Minister of Health bring this matter before the Standing Committee on Health for input and development. If the CIHR is to work effectively, it must not only have the support of the government, but the support of the taxpayers as well. In order to accomplish this the research must be seen to be without political interference, without the view by the public regarding validity and necessity and with the broad based support of Canadian medical researchers.

While I favour the concept of private-public relationships, stringent regulations must be built into this legislation. We must be certain that such a partnership does not become an opportunity for the government of the day to have the private sector do its bidding. For any such program to work, there must be a transparent, accountable process. Clause 4 states:

The objective of the CIHR is to excel, according to internationally accepted standards of scientific excellence, in the creation of new knowledge and its translation into improved health for Canadians, more effective health services and products and a strengthened Canadian health care system, by—

One manner in which the bill sets this out is in subclause 4(l):

(l) ensuring transparency and accountability to Canadians for the investment of the Government of Canada in health research.

Let us remember that the Government of Canada represents the taxpayers of the country. As such, the taxpayers will not accept any more Shawinigan shenanigans. I want to stress to the government that it should get it right this time. When the bill states "transparency and accountability", let us have clear regulations set out for the research institutes involved. Let the bill and regulation adhere to standard acceptable accounting procedures. Let the recommendations of the auditor general be attended to immediately and not on a never-never plan.

While I believe that the intent of the bill heads us in the right direction, I want to stress that since its introduction and the subsequent briefing, there has not been sufficient time to draw together an independent body of medical researchers to vet the promises and premise of the bill.

• (1315)

I realize that the Medical Research Council has played a large role in this development. However, I feel it is imperative that those

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outside the system also be given an opportunity to review the bill and to give their input.

If the CIHR is intended to promote health and medical research across the country then let us take sufficient time now to ask researchers if it is in their best interest. If the researchers who will be involved find that the proposed system will not work or will work better in some other way, let us find out now and change the system at its inception, not partway through the process. Hopefully we can do this at the committee stage when the bill comes to committee.

One aspect of the bill I have not yet addressed is the high level of taxation that exists in Canada today. While the bill addresses one part of the brain drain, even though the Prime Minister refuses to take his head out of the sand and acknowledge the serious problem, it is clear that high taxation is a problem for medical research in the country.

As we go through this debate I would call upon the finance minister to take direct action on the high rate of taxation rampant in Canada today. Enough of the smoke and mirror shows with promises one day, only to be reneged on the next. We need lower taxes so more Canadians will stay in Canada to begin with and those in the medical profession can do the research we so urgently need.

No less of a body than the International Monetary Fund has stated that Canada needs to devote the majority of the surplus to lower our debt and taxes. I ask that the finance minister heed these words and assist in the elimination of Canada's brain drain, particularly in the medical professions.

Over the last 20 years our health system in Canada has been failing Canadians. It is common knowledge that the government has torn \$21 billion out of the Canadian health care system in the last six years. It is only prepared to put back a small portion of that \$21 billion into it. Canadians are paying a very real price for this failing. The failing rests squarely on the shoulders of the health minister, the finance minister and members of the Liberal government.

Now is the time to fix it. Now is not the time to lay blame where blame does not deserve to be laid. Premier Klein is not the problem. He is attempting to solve a problem in his province that has its root cause in Ottawa. By finding innovative solutions the failing of the Canadian health care system can be reversed and better health for Canadians will come about. The status quo is not acceptable. We must move forward and seek out real, new and innovative solutions. This bill may be a part of that but we know that we can all do better.

In conclusion, I reiterate that at this time the Reform Party will support the bill up to committee level. I believe that I have enumerated ways in which the bill could be improved and strengthened. Let us work together collectively to build a better health care system, seeking ways to improve it and certainly seeking ways to

improve medical research that is so important to the health of Canadians.

[*Translation*]

Ms. Jocelyne Girard-Bujold (Jonquière, BQ): Mr. Speaker, I am very pleased to take part in the second reading of Bill C-13, the Canadian Institutes of Health Research Act, to quote its short title.

I am very happy to speak about the institutes of health research, because this is an issue very dear to me, that I have been following now for a long time.

In fact, as early as December 1997, I wrote to the federal health minister to inform him of a genetics research project being proposed by a research team from the area I represent. I asked him to assess the merits of this research project to determine if a grant was warranted.

• (1320)

In June, I once again wrote to the health minister to invite him to take the opportunity, while he was visiting my region, to meet a research team interested in working at a proposed research institute that could meet its needs.

Also, in October, in a letter sent to the health minister, I asked if the federal government could provide some clarification about the proposed establishment of a health research centre in my riding of Jonquière. I stressed in that letter that I was very open to any investment in a specialized research centre.

[*English*]

Mr. Greg Thompson: Mr. Speaker, I rise on a point of order. I am sorry to interrupt the hon. member because I am listening intently to the debate, but we have two government members and we do not have quorum in the House. This is the first major health bill in the House in this parliament. The government should be ashamed of itself.

The Acting Speaker (Mr. McClelland): That aside, is the hon. member for New Brunswick Southwest calling for a quorum?

Mr. Greg Thompson: Mr. Speaker, that is exactly what I am doing. That is what I request that you do.

The Acting Speaker (Mr. McClelland): We have a request for quorum.

And the count having been taken:

The Acting Speaker (Mr. McClelland): Call in the members.

And the bells having rung:

• (1325)

The Acting Speaker (Mr. McClelland): There is now a quorum. Debate shall continue.

[*Translation*]

Ms. Jocelyne Girard-Bujold: Mr. Speaker, I thank my Progressive Conservative colleague for calling to order this government,

which tables bills and goes on to show its “keen interest”. As we have seen, it had to be called to order. Hear, hear.

I will now start where I left off. Last October, I sent a letter to the health minister asking that the federal government give some clarification on an investment project to establish a health research centre in my riding of Jonquière.

In this letter, I indicated that I would be very receptive to the idea of investing in a specialized research centre. In a release in relation to this letter, I made the following statement “If the government wants to announce major investments for health research in Jonquière, I will be very happy. My party and myself have long been asking that Quebec get its fair share of investments in research and development. Good for us if our region benefits from those investments.”

I will conclude this recapitulation by saying that, last week, I sent the health minister another letter, in which I deplored health care cuts imposed by the Liberal government since 1993 and the longstanding lack of equity in the distribution of federal R and D investments in Quebec.

• (1330)

I added that, naturally, consistent with the provinces’ jurisdiction over health, we supported the idea of receiving a fair share of these new investments.

The reason I am taking this time to give a history of my remarks and positions on this issue is that I want to make it very clear that the Bloc Québécois and myself have long been supportive of the idea of reinvesting in research.

I also want this debate to be exempt from any partisan comments. Following the dubious attempts of Liberal and Progressive Conservative members to make political hay with this issue—I could give a history of that, but I would probably run out of time—I stated that this initiative should be judged on its merits from a scientific point of view.

That is why I said, back in July, that it was clear to me that researchers in the Saguenay—Lac-Saint-Jean region were the players, not Liberal or Progressive Conservative members. I added that without researchers there would be no such initiative and that it would be thanks to the excellence of the projects and the quality of the team of researchers, and nothing else, that the region could emerge as a winner.

As for the legislation before us today, the House probably knows by now that the Bloc Québécois agrees with its principle. I believe every member recognizes that health is the most precious gift we have and that research in this area will result in improving the quality of life of our fellow citizens either by preventing diseases or by curing those who are suffering from diseases.

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While the intent of the bill is laudable, it is nonetheless ironical to see the federal government suddenly so concerned about health issues, when we know how drastically it has cut transfer payments for health to the provinces since 1993 and reduced funding to the granting councils that allocate money to scientists in the health field.

I remind the House that in 1993 the federal government unilaterally and irresponsibly withdrew from health care networks when it introduced the Canada health and social transfer. In fiscal 1999-2000, Quebec’s shortfall in social transfers is estimated to be close to \$1.7 billion, \$850 million of which is lost every year in the health field. Since 1993, the cumulative shortfall in the health field alone amounts to nearly \$3.4 billion.

The Liberal government claims times were tough and it was fighting the deficit. To this I say that people did not stop being sick, and it is health workers and the sick who have been hurt by federal cuts.

Diseases did not suddenly disappear when the Liberals came to power, and yet they slashed research grants. By so doing they delayed new discoveries and medical technologies that would help us take better care of our fellow citizens at a time when ageing will require more resources.

I am wondering where all these Liberal members who come parading around in my riding were, when their government was making these drastic cuts to health care.

• (1335)

Did they fight to make sure that the health of the population be considered a priority and be spared from these cuts? I have not seen them very often, in hospitals or emergency wards in Quebec, praising the health budget cuts made by their colleague, the Minister of Finance.

An hon. member: Oh, oh.

Ms. Jocelyne Girard-Bujold: Mr. Speaker, I would appreciate it if the hon. member opposite would let me make my speech. When she makes her own, I will listen.

While we agree with the intent of the bill, we do not accept everything in it. The Bloc will put forward amendments to make the bill more acceptable.

For example, just to give members a general idea, in its preamble, the bill does not recognize the provincial governments’ exclusive jurisdiction in the area of health but presents them as mere collaborators with the federal government. Here they go again with their mania in the area of health.

It should have been stated in the preamble that it is the provinces’ responsibility to manage health services within their territory and that their agreement is needed in order to encroach

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upon areas under their jurisdiction. We will ask that this be specified.

Clause 14 of the bill provides that the governing council is responsible for the management of the Canadian institutes of health research as a whole, unless it decides to delegate some of its powers, duties and functions.

In the bill as it currently stands, provincial governments do not have the authority to choose the research institutes and they do not have their say in the strategic direction, objectives and policies of the institutes.

Furthermore, even though clause 5(c) says that the institutes of health research are to consult other stakeholders, including the provinces, to collaborate and form partnerships with them, the wording of the clause is very vague and clearly dilutes the importance of the provinces by putting them on the same footing as other stakeholders.

So, effectively, nothing will allow the Quebec government to ensure that the institutes of health research will respect its health priorities.

Moreover, it is important to point out that, throughout the bill, reference is not made simply to health research, but the more general phrase "issues pertaining to health" is used, opening the door to an involvement that goes beyond the simple research realm.

I will say once again that it is not the establishment of institutes as such that is a problem for the Bloc Québécois, but the fact that there is a possibility of direct encroachment on provincial jurisdictions in the field of health services to the public, without serious consultation with the provinces.

It would seem that the federal government wants to put in place parallel structures instead of supporting approaches taken by the provinces. If this is not its intention, the federal government should take advantage of the hearings on this bill and co-operate with the Bloc Québécois to make it clearer, to the satisfaction of the provinces.

Through the Canadian institutes of health research, the federal government must not try to get involved in areas that come under provincial jurisdiction while forgetting that it is in large part responsible for the indecent cuts and the dire straits faced by the provinces in health care.

It is important that the legislative framework be properly developed, because it must not infringe on provincial jurisdictions, but rather complement these.

• (1340)

For instance, in Quebec, there is a science and technology ministry that is currently finalizing a new scientific policy and

which identified its strategic areas in health research, namely mental health, cancer, genome and biotechnology.

During the committee hearings, we are determined to ask the federal government to respect the particularities and the strengths specific to researchers in Quebec regions, in order to build upon their success and their skills in areas where they excel. The federal government should not designate any institute of health research in Quebec without the consent of the Government of Quebec.

Improving the network for researchers in order to facilitate information transfer is desirable. However, this should not lead to federal criteria being applied or provincial areas of jurisdiction being infringed upon. This is why it is crucial that the Quebec government, which has jurisdiction over health issues, take part in selection and management, in these institutes.

I will attend the hearings of the Standing Committee on Health concerning this bill and ensure that representatives of the provincial governments and the researchers in outlying areas like the Saguenay—Lac-Saint-Jean are heard, so that this bill can serve the interests of science and reflect Quebec's priorities before serving the federal government's political goals.

In the Saguenay—Lac-Saint-Jean area where I live, we already have prominent scientists who, these last few years, have been carrying out research in genetics and the human genome. We also have researchers like Michel Perron, who is part of Groupe ÉCOBES. Mr. Perron studies populations. As the hon. member for Hochelaga—Maisonneuve said this morning, I think that the expertise of the researchers from the Saguenay—Lac-Saint-Jean region has reached quite a high level. Their expertise should be recognized through a health research institute. I will do what is humanly possible to see that they get recognition for their work.

The Bloc Québécois is offering its support to the federal government so this bill will really promote health research while respecting federal and provincial jurisdictions and improve the health of all Quebecers and Canadians.

[English]

Mr. Lynn Myers (Waterloo—Wellington, Lib.): Mr. Speaker, I am pleased to rise in the House today to discuss this very important legislation dealing with the Canadian institutes of health research as introduced by the Minister of Health earlier today.

As Canada enters a new century, the Government of Canada, along with the research community, recognizes that there is a tremendous opportunity to transform the funding of health research in Canada.

In 1998, a national task force on health research drew on the views of leaders and stakeholders in the granting councils, the

teaching hospitals, the universities, the health charities, the provincial health research agencies, the health institutes and the business community. The task force proposed a major transformation in our approach to health research and recommended the creation of the CIHR.

By creating the CIHR, the Government of Canada has taken the first step toward creating a national health research strategy aimed at engaging all health research partners. This will position Canada very well as we move into the 21st century and, as such, is a very exciting proposition.

• (1345)

Canada's health research community has been given the chance not only to create Canada's premier health research enterprise, but also to do something very important for our country. In the next few months, the vision of a cutting edge, integrative and collaborative health research community in Canada will take shape and thus become a reality. That too is very much in keeping with what Canadians want.

The CIHR represents a revolutionary approach to health research in the country. It will reposition health research in a strategic way, funding and co-ordinating all federally supported research around an integrated health research agenda. This integrated approach will help to identify gaps in current research and lead to new strategies to address research shortcomings.

A priority of the CIHR will be to make a good link between health policy and good health research, in step with national health objectives, which is very important. It will incorporate the best of current approaches and practices to capitalize on existing strength while avoiding disruption of the excellent research work already under way.

There is a growing appreciation among stakeholder groups that an environment is needed where all sectors of health research are simultaneously welcomed, where areas lacking in capacity can be bolstered, and where all health researchers are encouraged to work together to solve complex and multifaceted health problems. The opportunity to exchange ideas and findings with fellow investigators is rare in the research world. Through this collaborative approach, research results will be shared to greater advantage and ultimately the creation and application of new knowledge will in fact be accelerated.

Canada's diverse health research community has rallied around the CIHR because they know that by transforming Canada's health research sector, everyone wins. They continue to play a key role in building this new organization as participants in a national dialogue in the CIHR development, leading up to the establishment of this key organization. In fact, this whole exercise to create and design the CIHR has been done in a very transparent and open manner.

The CIHR will bring together Canada's best investigators from a full spectrum of health research under a single umbrella to form a

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national brain trust of health researchers. This multidisciplinary approach will be organized through a framework of virtual institutes, each dedicated to a specific area of focus, linking and supporting researchers pursuing common goals. New synergies and networks will be forged across disciplines, including basic biomedical research, applied clinical science, health services and health systems and society, culture and the health of populations.

CIHR is an example of Canadian innovation and will mean a brain gain for Canada. New investments and better training will keep Canadian researchers in the country and maintain Canada's ability to develop world-class researchers in health in this area. The CIHR will bring the best and the brightest minds together to unlock then the mysteries of health.

As we see in the legislation, Bill C-13 will establish in law the federal government's commitment to the full range of health research inquiry. This will include an area of explosive growth, research into the social, cultural and environmental factors that affect the health of all Canadians. How, for example, does the health of Canadians who live in my part of the country differ from those who live in other parts of the country?

Through its support of both medical and social research, the CIHR will ensure that we as Canadians have a better understanding, not only of disease but also of health status. This latter field is a growing field of interest and has profound consequences in terms of health prevention.

There will be 10 to 15 virtual institutes that will support and link researchers as part of a national team based in numerous institutions where excellent work is being conducted across Canada. For example, an institute may be established to focus on aging, another on women's health or dedicated to mental health or the treatment and prevention of diseases such as cancer or heart disease.

To offer a sense of how a virtual institute might work, let me provide members with an example. Consider an institute on respiratory ailments in which a focus is on the growing incidents of asthma among Canadian children. It could bring together a multidisciplinary research agenda to address the following: basic genetic research on asthma at a hospital in a city centre; clinical trials and evaluations of asthma therapies in various provinces; research by social scientists and public health officials on factors leading to asthma in children in rural areas; or evaluate local pilot projects to improve how our health system responds to childhood asthma. Any of those or all of those would be in play.

• (1350)

This integrative approach will build on the research base in our universities, our health and research centres, our teaching hospitals, federal and provincial governments, voluntary and private sectors, and all of these working in conjunction and with each other.

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The CIHR will effectively transform Canada's research sector in this way. Research that has traditionally been performed in disciplinary separation will now be integrated across scientific disciplines.

Research that was once conducted in a context that was separate from delivery will now be performed with a view to the integrated health system. Research performed under a multitude of agendas will now be integrated into a national health agenda.

By creating a robust health research environment in Canada, the CIHR will build the capacity of the Canadian health research community and promote the discussion of ethical issues, the dissemination of knowledge and the application of health research.

As you know, Mr. Speaker, thousands of highly skilled Canadians are employed in the health sector. The CIHR will provide expanded training and career opportunities for our scientists and clinicians in all areas of research, inspiring a whole new generation of Canadians to view health research as a viable career choice. The CIHR will ensure that funding levels are competitive with other countries and that our best and brightest minds remain in Canada.

Keeping our researchers here in Canada is definitely a top priority, but this is not the only benefit of the CIHR. Canadians will benefit from the development of technologies, products and services and practices that will lead to new treatments and preventative measures. The CIHR will be a solid return on their investment.

Health research plays an important role in providing new information and analysis upon which the effectiveness of the health care system can be judged. It will contribute to the advancement of national standards and provide valuable support of the decision making process.

Collaboration and partnership will lead to the sharing of information among researchers wherever they reside and among stakeholders, thus improving dialogue across different frontiers and creating a transparent and inclusive process for the setting of the health research agenda.

A climate of innovation and discovery will stimulate research investment in the health and biotech sectors. The number of made in Canada breakthroughs will multiply and will multiply fast.

In closing, I would like to emphasize again, because it is important, that the CIHR will be focused on results, on knowledge creation, on discoveries and enhanced base of knowledge to improve the health system. It will create more highly skilled jobs in key sectors of the economy and, above all, it will create healthier Canadians.

As exciting as this venture may be for researchers, in the end all Canadians will benefit and the Canadian institutes of health

research will be very good for Canada. As a result, I urge all members of parliament to support this very important piece of legislation in the interests of all of Canada.

Mr. Gordon Earle (Halifax West, NDP): Mr. Speaker, I am very pleased to rise today to speak to Bill C-13 concerning the Canadian institutes of health research. I am pleased for many reasons, but I would like to take members back a bit.

In November 1998, when this concept was first being looked at through a task force, I had the opportunity to meet with Dr. Howard Dickson who was the scholar in residence for the Medical Research Council of Canada. We discussed this concept in quite some detail.

I also received correspondence later from Dr. Paul R. Murphy of the faculty of medicine at Dalhousie University in my home province of Nova Scotia and from Dr. Timothy H. Ogilvie, the acting dean of the Atlantic Veterinarian College at the University of Prince Edward Island. They were also interested in supporting this particular concept of the Canadian institutes of health research.

• (1355)

In November 1998, I wrote to the Minister of Health saying:

The concept of the Canadian Institutes of Health Research is a nation-building initiative, bringing together the best of Canada's researchers to work in harmony for a better health care system. It certainly seems to merit consideration for appropriate funding in the upcoming federal budget. In fact most, if not all Canadians, would support health care as the number one budgetary priority.

I am respectfully requesting that you give appropriate consideration to the need for investment in health research in Canada, and seek proper funding in the upcoming federal budget, in response to the concept presented by the Canadian Institutes of Health Research Task Force.

I am very pleased to see that the concept has moved beyond the point of just studying it and that legislation has now been brought forward in the form of Bill C-13. I am sure that most, if not all Canadians, will agree with the principle that I mentioned in the letter to the minister that health care is one of the number one concerns of many Canadians. It is in fact the top concern for many people living in our country.

I can tell the House of a personal experience. Just a few weeks ago, my 83 year old mother-in-law had a fall. She ended up going into the hospital because she broke her pelvis in two places. The sad part is that she ended up on a small cot in the the hospital hallway and for a couple of days or more was unable to be admitted into a proper room where she could be cared for. Imagine the indignity for a person her age lying out in a hallway on a small bed that she could hardly move in. These are some of the conditions that exist in our hospitals across the country because the health care system is still in a state of much needed repair.

Let us put the bill in context. I want to talk a bit about some of the background and indicate where we stand with respect to the bill.

The Speaker: My colleague, you still have plenty of time in your talk today. I thought I would break in here because it seems like a logical place. We will go to Statements by Members.

STATEMENTS BY MEMBERS

[English]

MINING INDUSTRY

Mr. Stan Dromisky (Thunder Bay—Atikokan, Lib.): Mr. Speaker, today, representatives from the mining industry from across Canada are here to meet with parliamentarians, senior officials and others to discuss current challenges and opportunities facing this important sector.

The minerals and metals industry accounts for \$45.3 billion, over 15% of Canada's exports; provides 367,000 high paying jobs to Canadians; forms the economic background of over 120 communities; and is an important bridge to the wage economy for aboriginal Canadians. The Canadian mining industry is a pace setter in productivity and a major user of advanced technology products and services.

I invite hon. members to join with me in recognizing the importance of the minerals and metals industry to Canadians now and in the years to come.

* * *

TAXATION

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, back in the 1970s, the Liberal government of the day created the Foreign Investment Review Agency, ominously known as FIRA. The agency was supposed to screen foreign investment to ensure that our sovereignty was not put a risk by big bad American companies buying up Canadian companies.

Fast forward to 1999 and we see something quite different. Today, the Liberal Minister of Finance and Prime Minister have effectively put Canadian business on the auction block at fire sale prices through their bizarre low dollar policy. Witness the Weyerhaeuser purchase of Canadian forestry giant McMillan Bloedel. Meanwhile, those that are not sold to foreigners join the thousands of other economic refugees who flee Canada's repressive taxes for the U.S. and other low tax jurisdiction, just like the executives at Nova Corp who now call Pittsburgh home.

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The Liberals trumpet their balanced approach, but it is looking more and more like the Liberal balanced approach has come to mean "if we don't drive them out, we'll drive them under".

* * *

NANCY GREENE-RAINE

Mr. Ted McWhinney (Vancouver Quadra, Lib.): Mr. Speaker, we salute Nancy Greene-Raine who yesterday was voted by newspaper editors and broadcasters as Female Athlete of the Century, in recognition of her outstanding athletic achievements.

• (1400)

She focused the eyes of the skiing world on Canada when she won 17 of the 31 races she entered in 1967. She earned the silver medal in slalom and the gold medal in giant slalom in the 1968 Winter Olympics in Grenoble, France. Her athletic achievements combined with her engaging personality have made her one of most beloved and recognizable ambassadors of her sport in Canada and around the world.

* * *

CHILD POVERTY

Ms. Carolyn Bennett (St. Paul's, Lib.): Mr. Speaker, tomorrow, November 24, marks National Child Poverty Day. I draw attention to the importance attached to this day.

Canadian children are the future of the country and are our largest investment. This means we cannot afford to turn a blind eye to the early years that pave the way for the child's future development physically, emotionally and cognitively. We must continue to make children one of our key priorities by helping families ensure that their children get the best possible start in life.

It is for this reason that we invested nearly \$9 billion last year to help families with children. It is for this reason that we are putting billions back into the hands of Canadian parents to help provide clothing, food, adequate housing, day care, dental care and toys. It is for this reason that the government committed to a third significant investment into the national child benefit in the Speech from the Throne by July 2001.

We must continue on the path toward the eradication of child poverty in Canada. Children are our future.

* * *

PARLIAMENT BUILDINGS

Mr. Peter Adams (Peterborough, Lib.): Mr. Speaker, today the book *The Carving of Canada: A Tale of Parliamentary Gothic* by Munroe Scott published by Penumbra Press will be launched on Parliament Hill. This book intertwines the story of our Parliament Buildings, Canada and its governing institutions with details of the life and work of those who created the sculptures that surround us in this place.

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The work of Eleanor Milne, former parliamentary sculptor and her associates, the creation of the frieze of history, the constitution stones and the stained glass windows of the Centre Block are described in the fashion of a campfire story.

The book brings alive the largely anonymous efforts of those people who have worked to make our Parliament Buildings such a special place. This work is a fitting addition to the works of Munroe Scott, one of Canada's most creative film, theatre, television and literary figures.

* * *

UKRAINE

Mr. Inky Mark (Dauphin—Swan River, Ref.): Mr. Speaker, 66 years ago an act of genocide took place which claimed the lives of millions of innocent people.

The Ukrainian famine genocide of 1932-33 was a manmade famine that ravaged through Ukraine. The Soviet leader of the day, Joseph Stalin, broke the spirit of Ukrainian peasant farmers and forced them under Communist rule. Ukraine was the most productive agricultural area of the Soviet Union and the Stalin regime was determined to crush all vestiges of Ukrainian nationalism.

My riding of Dauphin—Swan River has a large Ukrainian population. In fact, Dauphin is the home of Canada's National Ukrainian Festival. I would add my voice to theirs in condemning this senseless act of aggression.

Tonight a special event is being held in Centre Block to remember the victims of this horrible, inhumane act. Several dignitaries will be in attendance, including the Ambassador of Ukraine. All members of the House are invited to attend this special event.

* * *

INTERNATIONAL FUND FOR IRELAND

Mr. Pat O'Brien (London—Fanshawe, Lib.): Mr. Speaker, the International Fund for Ireland strives to promote the cause of peace in Northern Ireland by focusing on the economic and social development of the counties of the north and the border counties.

Emphasis is placed on cross-border projects which build inter-community links and dialogue, thereby reducing sectarian hatred. By encouraging and helping nationalists and loyalists to work together, the International Fund for Ireland helps them to understand that it is possible for them to live together not only in peace but even in friendship.

Canada is a founding partner of this important fund. Last June the Prime Minister saw the work of the fund personally during his trip to Ireland. He also announced Canada's latest contribution to the International Fund for Ireland of \$1 million. Today I am pleased

to welcome to Ottawa the chair of the International Fund for Ireland, Mr. Willie McCarter, and the Canadian observer on the fund, Mr. Ted McConnell.

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[*Translation*]**MÉNÉTRIERS D'ANTAN**

Mr. Maurice Dumas (Argenteuil—Papineau—Mirabel, BQ): Mr. Speaker, last Thursday, some 50 musicians of the Ménétriers d'antan did us the honour of giving a concert of traditional music in the rotunda of parliament in Ottawa.

These musicians from Laval-Laurentides-Lanaudière, most of whom are retired seniors, had been invited by the member for Rivière-des-Mille-Îles and had accepted the invitation with alacrity.

Founded in 1988 by Jean-Pierre Paiement, this group of volunteers, now under the direction of Jean-Paul Desjardins, brings together musicians playing traditional music in an effort to revive the tradition of the strolling players.

● (1405)

They perform in public places, churches, shopping centres and seniors' residences, Saint-Jean-Baptiste celebrations and festivals. They have made three compact disks, which are available on the market.

In this international year of older persons, we pay tribute today to them and their leader. May they continue to impress their audiences with their dexterity and their playing.

* * *

FARM TOURISM INDUSTRY

Mr. Denis Paradis (Brome—Missisquoi, Lib.): Mr. Speaker, over 60 people representing organizations and businesses in the farm tourism industry from my riding of Brome—Missisquoi met today in Ottawa to learn about programs that could benefit them.

They come from Bromont, Magog, Sutton, Lac Brome, Bedford and Farnham, to name but a few places. I take this opportunity to once again express my pride at the dynamism of the people of Brome—Missisquoi.

They responded enthusiastically to my invitation, and their presence speaks clearly of the importance of farm tourism in our region, and of the important place this market will have to assume in the coming years.

Congratulations to all those who continue to be innovative. They are the proof that, in the regions, we are not afraid to roll up our sleeves to make available both recreation and rural products each varied and original.

[English]

THE LATE ARNOLD SILZER

Mr. Chuck Cadman (Surrey North, Ref.): Mr. Speaker, I rise today to pay tribute to Arnold Silzer, a well respected and active member of the Whalley community of Surrey. Arnold passed away on November 11.

I first came to know Arnold personally in his role as returning officer for my constituency in the 1997 federal election. Arnold's passion for the well-being of young people can no doubt be linked to his 43 years as a teacher. As a long time member of the Lions Club he constantly advocated for youth. It was in that capacity that he worked closely with my office on the summer work student exchange program for the past two summers.

Arnold was a founding member of the Surrey Crime Prevention Society, a past president of the Surrey Chamber of Commerce, and secretary for the Whalley & Area Merchants Association.

Our sympathies go to Lois, his wife of 45 years, his children Bruce and Diane, and his grandchildren Jason, Jeremy and Chelsea, as well as to his extended family and countless friends.

Arnold Silzer, always a smile, always a story to tell and always a gentleman, will be sorely missed by his community.

* * *

ROYAL CANADIAN HORSE ARTILLERY

Mr. Hec Clouthier (Renfrew—Nipissing—Pembroke, Lib.): Mr. Speaker, it is indeed a great honour and privilege to salute the brave men and women of the second regiment, Royal Canadian Horse Artillery.

The RCHA was formed in 1905 as a fast, mobile brigade that would gallop into action with a 13 pounder quick firing gun. Also in 1905 Sir Wilfrid Laurier deemed it of vital national importance to establish Canadian Forces Base Petawawa in my great riding of Renfrew—Nipissing—Pembroke.

Base Petawawa was specifically chosen for RCHA so it could train on wide open spaces with varied terrain. It was and still is a world class military training ground. As a result the RCHA became great Canadian heroes in World War I and World War II. It was the first into the bloody battles, the first to win and the first to die.

The rallying cry was "Root, toot-a-toot, toot-a-toot, merry men and women are we. There is none so fair that can compare to the Royal Canadian Horse Artillery".

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DIABETES

Mr. Gordon Earle (Halifax West, NDP): Mr. Speaker, November is International Diabetes Month. Health Canada suggests that Canadians pay up to \$9 billion, mostly through taxes, on costs associated with diabetes and related complications including lost productivity.

The members of my family with diabetes are not alone. Over two and a quarter million Canadians have diabetes. Canadians with diabetes not only face the day to day demands of diabetes but are also four times more likely to have heart and vascular disease, 250% more likely to have a stroke, more likely to have end stage renal disease, likely to have mild to severe nerve damage, and face a 15 year shorter life expectancy.

The Juvenile Diabetes Foundation is committed to helping improve the lives of diabetes sufferers and to finding a cure. Every year over 60,000 new cases of diabetes are diagnosed in Canada. I urge the government to do all it can to support both finding a cure for diabetes and to review its support for care for those diagnosed with the disease.

* * *

[Translation]

JOURNÉE NATIONALE DES PATRIOTES

Mr. Stéphane Bergeron (Verchères—Les-Patriotes, BQ): Mr. Speaker, on Sunday, a large crowd gathered in Saint-Denis-sur-Richelieu to celebrate the Journée nationale des patriotes, which is held on the Sunday closest to November 23, the anniversary of the battle of Saint-Denis-sur-Richelieu, which ended by a Patriots' victory, in 1837.

However, the patriot movement had begun several years earlier and was then the most influential political movement in Lower Canada, with a majority of seats in the House of Assembly.

● (1410)

Unfortunately, as is often the case when peoples are subjected to oppression, the Patriots had no choice but to trade their pens and their words for forks and guns, to protect their properties, their lives and the ideals in which they believed. Several of them were killed, injured or jailed for having taken up arms against the British occupant, who even tried to have them blamed for the violence that had taken place.

History will remember that we owe it to the Patriots if we have a truly democratic and responsible government, civil and political liberties of which we are proud, not to mention the fact that our people is now on its way to autonomy and freedom.

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BLOC QUEBECOIS

Mrs. Marlene Jennings (Notre-Dame-de-Grâce—Lachine, Lib.): Mr. Speaker, this morning the daily *La Presse* reported that 18 Bloc Québécois members have asked for their annual quotas of Canadian flags and pins.

To all these members I say thank you. Thank you for showing that it is perfectly possible to be a Canadian and a Quebecer at the same time. Personally, I am proud of my flag, and my flag is the Canadian and Quebec flag.

Thank you and, more importantly, we hope that the Bloc Québécois will continue its good work in promoting Canadian unity.

* * *

[*English*]

THE ECONOMY

Mr. Scott Brison (Kings—Hants, PC): Mr. Speaker, the Liberal government's combination of a weak dollar policy, high corporate and personal tax rates, and a high level of regulatory burden are reducing productivity, restricting growth and reducing the value of Canadian equities.

Liberal policies are making Canadian businesses particularly vulnerable to foreign takeovers. Referred to by some as Canada's corporate fire sale, the list of Canadian companies being taken over is getting larger every week. Just recently, British American Tobacco bought Imasco for a whopping \$17.3 billion. Other takeover targets include MacMillan Bloedel, JDS Fitel, Newcourt, Poco Petroleum, MetroNet, Celanese, Discreet Logic and Groupe Forex.

When will the government listen to the IMF and other authorities and make debt and tax reduction priorities, not just afterthoughts? When will the government realize that we cannot devalue our way to prosperity and that Liberal policies are turning Canada into the Wal-Mart of the world?

* * *

[*Translation*]

QUEBEC'S MINISTER OF STATE FOR ECONOMY AND FINANCE

Ms. Raymonde Folco (Laval West, Lib.): Mr. Speaker, after counting on the eventual demise of the elderly to increase support for the separatist cause, Quebec's minister of state for economy and finance, Bernard Landry, has now chosen as his target the vote of immigrants to Quebec.

Bernard Landry is well known to the cultural communities. In September 1998 his comments on the majority required in any future referendum stirred up a great deal of controversy.

Great democrat that he is, Bernard Landry did not beat around the bush at all in trying to discredit the vote of the cultural communities on the separation of Quebec. Here is what he said: "Everyone is well aware that the bar is being set too high. It is like giving a veto power to our compatriots, our brothers and sisters of the cultural communities, over our national project."

Once again, Bernard Landry is sowing the seeds of division within Quebec.

* * *

[*English*]

ROYAL CANADIAN MOUNTED POLICE

Mr. Jim Abbott (Kootenay—Columbia, Ref.): Mr. Speaker, I am reading from a criminal intelligence brief dated June 15, put out by the Royal Canadian Mounted Police on the issue of computer crime and national security.

The top four highlights are, first, that the likelihood of a serious, deliberate and targeted attack to a Canadian critical infrastructure system has increased from low to medium and the impact of such an attack remains high; second, that Canada is lagging behind other information intensive countries in the area of co-ordinated information protection; third, that several government departments dealing with an increasing number of sophisticated attacks are seeking guidance, support and assistance from law enforcement agencies, only to find there is a lack of skilled and trained resources; and, fourth, that critical network systems and systems control are the Achilles heel of the nation's information infrastructure.

This criminal intelligence brief is a damning indictment of the inaction of the Liberal government and the solicitor general.

* * *

[*Translation*]

NEWLY SOVEREIGN COUNTRIES

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ): Mr. Speaker, it is an invention by the other side of this House that newly sovereign countries experience economic difficulties. This is far from the reality.

Claude Picher wrote this morning "When the former Czechoslovakia was divided, all observers felt that the Czech republic would be far better off than the Slovak. The opposite was what occurred."

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In fact, according to the OECD, the most successful newly sovereign countries have been the countries of central Europe that have had to make the difficult transition toward a market economy.

Another wrong idea being spread by the federalists is that the economic performance of the major countries such as the G-7 is better than that of countries of similar size to Quebec. The growth of the G-7 countries for 1990-98 was 1.8%, while that of countries the size of Quebec was, again according to the OECD, 3.1%.

A sovereign Quebec, as the 16th-ranking world power, would be true to this trend toward superior economic performances.

* * *

• (1415)

[*English*]

MULTINATIONALS

Mr. Bill Blaikie (Winnipeg—Transcona, NDP): Mr. Speaker, foreign multinationals gobbled up over \$25 billion of Canadian controlled corporations in Canada in 1998, an increase of 70% over 1997. For the first nine months of 1999, U.S. corporations have spent \$28 billion snapping up Canadian companies, an increase of 16% over the same period last year.

To make things worse, the federal government is planning to reduce the Canadian content required on the country's corporate boards from 50% to 25%. Consequently, Canadians will completely lose control over corporations which still have their head offices in Canada.

As if abandoning national sovereignty was not bad enough, the industry minister said that his decision is in line with recommendations from the Senate.

ORAL QUESTION PERIOD

[*English*]

ABORIGINAL AFFAIRS

Mr. Preston Manning (Leader of the Opposition, Ref.): Mr. Speaker, while the Prime Minister has been talking about democracy at Commonwealth meetings his government has been busy denying democracy at home.

The people of British Columbia have not yet been given an opportunity to vote on the Nisga'a treaty which establishes a new race based government in their province, which assigns access to

natural resources on the basis of bloodlines and which denies the Nisga'a people access to property rights.

If the Prime Minister wants to champion democracy, why does he not hold a province-wide referendum on the Nisga'a deal in British Columbia?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, there is a legislative assembly in British Columbia which voted on this issue, expressing the view of the people of British Columbia. This parliament will vote on the issue. This is the way we express democracy in Canada.

Mr. Preston Manning (Leader of the Opposition, Ref.): Mr. Speaker, the Prime Minister says that it is the duty of parliament to decide, and yet look at how the government has treated parliament on this issue. It uses closure and time allocation to cut off debate. It stacks committees and stifles committee hearings. It was not going to hold hearings in British Columbia until forced to by the official opposition. It denies free votes to its own members on any issue of government policy.

If the Nisga'a treaty is so good, why does the government have to resort to all of these undemocratic procedures in order to ram it through parliament and impose it on British Columbia?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, four out of five parties in the House of Commons have agreed on the procedure in this matter. It is clear. There will be a vote in the House of Commons. I am sure this is the way to deal with a problem of this kind.

This is an obligation that was vested in the Government of Canada by royal proclamation centuries ago. We have to respect the obligations of this country vis-a-vis the first nations of Canada.

Mr. Preston Manning (Leader of the Opposition, Ref.): Mr. Speaker, four out of five parties agreed on Charlottetown and look what happened to it. The government is alienating the people of British Columbia on every front. It taxes them to death. It has mismanaged the west coast fishery. It has bungled the people smuggling problem in British Columbia. Now it is imposing a 19th century race based treaty on the people of that province.

If the Prime Minister really believes that this treaty is in the best interests of the people of British Columbia, why does he not allow them to have a say through a province-wide referendum?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we have an obligation which was given to the people of Canada at the time the British came to Canada. They decided that treaties would be signed with the first nations who were here. This was an obligation that was given to us and it is our obligation to live up to the commitments that were made by the Government of England 200 years ago.

Oral Questions

I come from Quebec and I am defending British traditions.

[Translation]

Miss Deborah Grey (Edmonton North, Ref.): Mr. Speaker, we see that the Prime Minister thinks it is a 19th century treaty. He is offering a 19th century solution for it. It is absolutely ridiculous.

We would like to welcome him home on a quick layover. I know he has just come out of Africa. Now that the Prime Minister has finished preaching democracy, why does he not practise it here at home and let B.C. have a vote?

• (1420)

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the problem of treaties has been dealt with in every province in Canada for a long time.

It is not the first time that parliament has been confronted with the problem of implementing treaties in Canada. It was done years ago by Conservative and Liberal prime ministers, at the beginning of the century and later on as well.

We will keep the tradition that we have, which is to respect the obligations of the crown vis-a-vis the first citizens of this land.

Miss Deborah Grey (Edmonton North, Ref.): Mr. Speaker, the Prime Minister should be the first one to know that many of the treaties that have been signed have been a colossal disaster right across the country and they need to be reworked.

The Indian affairs minister seems to be quite pleased with the way he has turned out. He has said that the Nisga'a deal is just too complicated and complex for the people of British Columbia to figure out what it is all about. Is that not patronizing?

Yesterday he called my colleague for South Surrey—White Rock—Langley silly for even daring to ask a question about the democratic rights of the B.C. people.

Does the Prime Minister endorse the Indian affairs minister's contempt for the democratic rights of the people of B.C.? Does he endorse it or not?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the minister of Indian affairs yesterday gave a very good reply. He said that they do not tell the people of British Columbia what is in the treaty. They make all sorts of assertions that are not in the treaty. Just tell them exactly what is in the treaty and the people will understand.

The people elected in British Columbia expressed their views and members of the parliament of Canada will be doing the same thing very soon.

REFERENDUMS

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, the Prime Minister announced that he would not accept the rule of 50% plus one in a referendum on sovereignty in Quebec. He says his decision is based on the supreme court ruling.

Can he tell us where in the supreme court ruling he saw any reference at all to the 50% plus one rule?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, for years I have said that one does not break up a country after a judicial recount. This is a very important decision and a referendum is a consultation.

I agree with the Parti Québécois that even results of 92% in a consultation are not binding on the government. This was what Ms. Harel said in Quebec City not very long ago.

We will see what the results of the consultation are, but it is clear that a simple majority will not be enough to let Quebec go. There is no need to get excited. Things are clear and we will follow the directions of the supreme court: the question and the result must be clear. If not, there will be no negotiation.

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, the Prime Minister has just told us that he will not act in good faith.

One thing is for sure, and that is that the supreme court recognizes the equality of all before the law, and therefore one vote is not worth more than another.

Does the Prime Minister realize that, by requiring more than 50% plus one, he is according greater importance to a federalist vote than a sovereignist vote? Does he realize that a minority could impose its will on the majority? Does he realize that he is breaking one of the fundamental rules of democracy?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, 93% of the inhabitants of Mont-Tremblant voted in a referendum and the minister said that the government rejected all the democratic votes cast.

Even the CSN, where the leader of the Bloc Québécois used to work, requires a two-thirds vote by members of a general assembly before its bylaws can be changed. Where was the democracy in the CSN?

Some hon. members: Oh, oh.

The Speaker: Order, please. The hon. member for Beauharnois—Salaberry.

Mr. Daniel Turp (Beauharnois—Salaberry, BQ): Mr. Speaker, all referendums on Quebec's political future have to date been governed only by Quebec laws and have passed the test of Quebec democracy.

Oral Questions

• (1425)

Is the Prime Minister not aware that, by saying, and I quote “that 50% plus one is not enough”, he is acting contrary to a number of precedents, including the one of Charlottetown where the rule of 50% plus one was accepted by all, including the Prime Minister himself?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, since the Parti Québécois and the Bloc Québécois like to quote the supreme court, perhaps I could repeat for them what it said. It said “The referendum result, if it is to be taken as an expression of the democratic will, must be free of ambiguity both in terms of the question asked and in terms of the support it achieves. Democracy means more than simple majority rule”.

Mr. Daniel Turp (Beauharnois—Salaberry, BQ): Mr. Speaker, if democracy means more than simple majority rule, I would ask the Prime Minister, who has the support of only 38% of the Canadian electorate and of 36% of Quebec voters, which is even less, how can he usurp the powers of the National Assembly and want to impose a rule other than that of 50% plus one?

Hon. Stéphane Dion (President of the Queen’s Privy Council for Canada and Minister of Intergovernmental Affairs, Lib.): Mr. Speaker, this is comparing apples and oranges. When we vote in an ordinary election—

Some hon. members: Oh, oh.

The Speaker: Order, please. We have heard the question, now I would like to hear the answer.

Hon. Stéphane Dion: Mr. Speaker, when we vote in a regular election, we vote for a government, and in four years’ time we can choose to re-elect it or not.

When we choose to break up a country, that is just about irreversible. That is why democracies are more demanding for serious and irreversible decisions.

As regards the Charlottetown referendum, I would like to quote the current Deputy Premier of Quebec, Bernard Landry, who said at the time: “For a yes to be legitimate, it needs at least 58% of the vote to reflect those we respectfully call the anglophones and the allophones”.

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[English]

CHILD POVERTY

Ms. Alexa McDonough (Halifax, NDP): Mr. Speaker, in 1993 the then leader of the official opposition said “Mulroney has completely lost touch with reality in raising the unity question while millions of Canadians suffer in poverty”. This Prime Minister is afflicted with the same syndrome. He is eager to weigh in on a

hypothetical referendum question, but he completely ignores the fate of 1.4 million children living in poverty.

Why has this Prime Minister lost touch with the reality of 1.4 million children living in poverty?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, that was the main theme of our Speech from the Throne. It was what we had as the main theme in our programs for children.

We have created all sorts of programs, and it is not over. It is a work that is in progress, but it has been a priority of this government since we formed the government and it was the main item in the Speech from the Throne, which I hope the leader of the New Democratic Party read a few weeks ago.

Ms. Alexa McDonough (Halifax, NDP): Mr. Speaker, let me read a quote. “One child in six is in poverty. It’s shameful. We need action so fathers and mothers can give bread and dignity to their children”.

Now it is not one child in six; it is one child in five.

Who said those words? The Prime Minister. Now we have more children without bread, more children without dignity. That is the legacy of this government. That is the legacy of this Prime Minister: 1.4 million children living in poverty.

Why are these children not entitled to bread and dignity?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we have increased the national child benefit and will be adding \$1.7 billion a year by July of next year.

We are working with the provinces to develop a national action plan for children.

• (1430)

We will put more money into the hands of families with children through tax relief. We have the Canadian prenatal nutrition program, the community action program for children, the aboriginal head start program, the EI family income supplement, first nations and Inuit child care, and dependent care allowances. We have had all of those for a few years.

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NATIONAL DEFENCE

Mrs. Elsie Wayne (Saint John, PC): Mr. Speaker, in 1994 the government produced a guideline document which outlined in some detail its defence policy. Is it known more commonly as the 1994 defence white paper. Since that time the government has repeatedly and recently indicated that the success of DND could be measured by how much of the white paper was being or had been implemented.

Will the Prime Minister confirm for the House that the 1994 defence white paper continues to be the authoritative document on the government’s defence policy? Yes or no?

*Oral Questions**[Translation]*

Mr. Robert Bertrand (Parliamentary Secretary to Minister of National Defence, Lib.): Mr. Speaker, as the hon. member mentioned, the committee produced this book. We still use it in our deliberations and for the decisions we make at the moment.

[English]

Mrs. Elsie Wayne (Saint John, PC): Mr. Speaker, on pages 46 and 47, the 1994 defence white paper states:

The Sea Kings are rapidly approaching the end of their operational life. Work will, therefore, begin immediately to identify options and plans to put into service new affordable replacement helicopters by the end of the decade.

With only weeks left in the decade, does the Prime Minister have a secret hangar somewhere in Canada containing replacement helicopters? If not, will the Prime Minister finally give the House a firm date as to when he will initiate the maritime helicopter replacement program?

[Translation]

Mr. Robert Bertrand (Parliamentary Secretary to Minister of National Defence, Lib.): Mr. Speaker, to answer my colleague, members know that we have started to replace the search and rescue helicopters.

Regarding the replacement of the Sea Kings, the process has begun, and the minister will make a decision shortly.

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*[English]***ABORIGINAL AFFAIRS**

Mr. Mike Scott (Skeena, Ref.): Mr. Speaker, according to a leading constitutional expert from McGill University who testified this morning at the standing committee, the Nisga'a treaty amounts to nothing less than legislated segregation in Canada.

My question for the Prime Minister is a very simple one. Is the Prime Minister satisfied that he will go down in history as the Prime Minister who embraced legislated segregation in Canada and gave it the force of law?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we have had treaties in Canada since confederation. It is an obligation that was taken when the British settlers came to all parts of Canada. It is an obligation that we have to respect. I do not want to rewrite history. It is a system that was done in good faith by the government of the day. It made commitments to these people and we have to respect those commitments.

Mr. Mike Scott (Skeena, Ref.): I guess we will take from that, Mr. Speaker, that the Prime Minister is prepared to accept legislated segregation in the country. I find it offensive.

There has never been a government in the country during my lifetime that has done more to promote disunity in the country than this government and this Prime Minister.

Why is the Prime Minister embracing legislated segregation? Why is he not prepared to give the people of British Columbia a vote, to see whether they agree with him and whether they want to have legislated segregation in the country?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the House will vote tonight on this and the people in this House represent all the people of Canada.

The obligation that has been vested in this situation of the first nations in Canada is a responsibility of the national government as well as the provincial Government of British Columbia. We are just doing what we are obligated to do under the royal proclamation of the 1760s.

* * *

*[Translation]***REFERENDUMS**

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, yesterday, the Minister of Intergovernmental Affairs said that the 1995 referendum question was a PQ question, even though it was approved by a majority in the Quebec National Assembly. This is a disturbing statement that puts into question the legitimacy of British parliamentarism.

● (1435)

On that same basis, are we to understand that all the bills passed in this House are Liberal bills and not Parliament of Canada bills, and that, as such, they do not deserve to be respected and have no legitimacy?

Hon. Stéphane Dion (President of the Queen's Privy Council for Canada and Minister of Intergovernmental Affairs, Lib.): Mr. Speaker, one cannot break up a country or create a country without having the assurance that this is indeed what people want. The 1995 question could never have given that assurance. Everyone recognizes that now, except the PQ and the BQ.

But other Quebecers know and say that if the question is clear, they will vote to remain in Canada, and Bloc Québécois members also know it. This is why they are so insistent on preserving their ability to ask a confusing question, but in vain.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, are we to understand from the minister's answer that one of the options he is currently considering is to impose on the Quebec National Assembly a question that would have to be unanimously approved, for example, to make sure it is to his liking, legitimate, clear and appropriate? Is this what the government is getting at?

Oral Questions

Hon. Stéphane Dion (President of the Queen's Privy Council for Canada and Minister of Intergovernmental Affairs, Lib.): Mr. Speaker, would it not be absolutely preferable to agree on the procedure and to also discuss the fundamentals? But we do not agree on the fundamentals, nor do we agree on the procedure.

The Quebec Liberal Party was opposed to the question. This poses a serious problem in terms of the question's legitimacy. Everyone recognizes that, except the Bloc Québécois member, it seems.

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[English]

ABORIGINAL AFFAIRS

Mr. Jim Gouk (Kootenay—Boundary—Okanagan, Ref.): Mr. Speaker, the Prime Minister talks about his obligations. We know what happened with the GST, so here we go now with Nisga'a.

The minister and Deputy Prime Minister have repeatedly stated that there will be a vote in B.C. by the MPs who represent British Columbia. However, when asked if they would pass or reject the Nisga'a treaty based on a vote of those B.C. MPs, they both very ineloquently stated no.

Given that they have both rejected the very mechanism by which they claim British Columbians will have a vote, will they now agree to a province-wide referendum so those very British Columbians will have the vote that this government has promised them?

Hon. Robert D. Nault (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, having a referendum would suggest very strongly that there has been no consultation.

As members well know, because we have been talking about this for a number of weeks, there have been over 500 public meetings on Nisga'a in British Columbia. Over 34 cities and towns in British Columbia had hearings in the last number of months. Tonight we will have a vote by parliamentarians who were elected by Canadians. I think that is good democratic process.

Mr. Jim Gouk (Kootenay—Boundary—Okanagan, Ref.): Mr. Speaker, let us take a look at some of these hearings that the Liberals have been talking about.

We had one in Prince George last week. Four people were allowed to testify. While people from Prince George sat in the audience and were not allowed to speak, three of the four people the Liberals put on their list were flown in from Vancouver and Victoria. So much for consultation.

Will British Columbians have a real opportunity to have their voices heard by voting on a province-wide referendum in British Columbia?

Hon. Robert D. Nault (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, I do not know what we will do in dealing with how exercised the opposition is—

Some hon. members: Oh, oh.

The Speaker: Order, please. The hon. Minister of Indian Affairs and Northern Development.

Hon. Robert D. Nault: Mr. Speaker, as I was saying, I do not know what the opposition members will do in the next number of months if they are this exercised about the Nisga'a treaty because it is our intention as a government to bring in a number of other treaties from British Columbia. I hope opposition members handle them as well as they are handling this one.

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[Translation]

REFERENDUMS

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, the Prime Minister wants unanimity in the National Assembly on the question.

Why, then, would unanimity not be required here to establish the rules he wants to see established? Why would there be one set of rules for the Quebec National Assembly and another for the House of Commons?

• (1440)

Hon. Stéphane Dion (President of the Queen's Privy Council for Canada and Minister of Intergovernmental Affairs, Lib.): Mr. Speaker, all that we are asking for is a clear question. In fact, what we are asking is for is no referendum. But if there must be one, there must be a clear question. The clear question cannot address two things simultaneously. There must be no beating around the bush.

If they believe it would be best for Quebecers to no longer be part of Canada, let them ask that; let us see what answer Quebecers will give them. Let them not try to drag an answer out of Quebecers against their will with a trick question. Let them ask a clear question, out of respect for Quebecers and their rights as sovereign citizens of a democratic country.

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, we have seen the clarity of this parliament in the question asked at the time of the Charlottetown referendum. The full text of the accord was not even drafted when along came the referendum. Really now: how much more confusing could things be?

How could an elected majority in Quebec foster confusion, when here a very slight majority fosters nothing but clarity, because the eminent professor has come up with an idea?

Oral Questions

Hon. Stéphane Dion (President of the Queen's Privy Council for Canada and Minister of Intergovernmental Affairs, Lib.): Mr. Speaker, let us take the example of another recent referendum. Australia held one merely to decide whether or not to retain the monarchy. Not to offend anyone, this seems less important to me than deciding on a country. The percentage there was not 50% plus 1 country-wide, but 50% plus 1 country-wide, as well as 50% plus 1 in four out of six states.

There have been a number of similar referendums where a higher majority has been required for major issues. There have even been some countries where 100% is not sufficient, because it has been decided that the country is indivisible.

In Canada, the country is divisible, but not just any old way.

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[English]

ABORIGINAL AFFAIRS

Mr. Derrek Konrad (Prince Albert, Ref.): Mr. Speaker, the Charlottetown accord said, "Self-government agreements should be set out in future treaties, including land claims agreements".

The minister of Indian affairs knows that when the accord was defeated in a national referendum, it was defeated by Indians and non-Indians alike.

Why is the minister ignoring the express wishes of a majority of all Canadians? Why is he including self-government in the Nisga'a treaty?

Hon. Robert D. Nault (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, because it is in our constitution under section 35(1).

Mr. Derrek Konrad (Prince Albert, Ref.): Mr. Speaker, is that not great, the Charlottetown accord by inches.

In 1992 the Liberals campaigned for adoption of the Charlottetown accord. It called for the recognition of aboriginal governments as one of three orders of government in Canada. Now they say the Nisga'a treaty does not create a third order of government.

Let us clear this up once and for all. Does the recognition of aboriginal government create a third order of government? Yes or no?

Hon. Robert D. Nault (Minister of Indian Affairs and Northern Development, Lib.): No, Mr. Speaker.

* * *

[Translation]

TOBACCO COMPANIES

Mrs. Christiane Gagnon (Québec, BQ): Mr. Speaker, with respect to the documents tabled yesterday by the Minister of Health

regarding the efforts of tobacco companies to develop and maintain the desire to smoke, the minister left all his options open.

Will the minister confirm whether or not the government is excluding the idea of taking tobacco company directors or even holding corporations to court?

Hon. Allan Rock (Minister of Health, Lib.): Mr. Speaker, we have not excluded any options.

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[English]

MINING INDUSTRY

Mr. Réginald Bélair (Timmins—James Bay, Lib.): Mr. Speaker, my question is for the Minister of Finance.

In the last century, mining has been the backbone of many rural communities throughout the country. Some of the largest and most productive mines are in these communities and specifically in northern Ontario. However mining exploration has seen a setback in the last 10 years.

Is the Minister of Finance continuing to work in partnership with the mining industry to ensure that Canada remains one of the world's leading mineral explorers?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, the member for Timmins—James Bay and in fact all of the members of the northern caucus are to be congratulated for their ceaseless efforts on behalf of the mining industry.

The hon. member is quite right to raise the problem of exploration in northern Canada.

● (1445)

I can assure the hon. member and his colleagues that the Minister of Natural Resources, myself and the government will work not only with the industry, but we will continue to work with the members of the northern caucus to ensure that the mining industry enjoys a strong 100 years ahead as it has in the past.

* * *

ABORIGINAL AFFAIRS

Mr. Gary Lunn (Saanich—Gulf Islands, Ref.): Mr. Speaker, Alex Macdonald, former attorney general of B.C.; Gordon Campbell, leader of the B.C. Liberal Party; Gordon Gibson, former leader of the B.C. Liberal Party; Mel Smith, constitutional advisor to four B.C. premiers and the author of the amending formula in the Canadian constitution, have all said that the Nisga'a agreement is unconstitutional.

It is not just the Reform Party that is opposed to this agreement. Every day more British Columbians are voicing their opposition to this treaty. Is that not the real reason why the Prime Minister will not give British Columbians a vote?

Oral Questions

Hon. Robert D. Nault (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, you might have noticed that this is the witness list that the members keep saying are in favour of the treaty. However, those are the ones who are opposed. Someone is contradicting themselves over there.

We are having hearings. We are letting people come and say what they believe. From there, the legislation will come to the House.

Mr. Gary Lunn (Saanich—Gulf Islands, Ref.): Mr. Speaker, we have heard this minister talk about the hundreds of meetings over the last few years. But let the truth be known that not one word from either side has ever changed this agreement.

These meetings are nothing more than a scam by this government. It is not interested in listening to one word from one British Columbian. It holds these meetings and refuses to change one word.

Let the truth be known that the government does not believe in democracy. That is the only reason it is not allowing a vote for the people in the province of British Columbia.

Hon. Robert D. Nault (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, the obvious situation is just the opposite.

When we had the agreement in principle, we then went ahead and made some significant changes after the agreement in principle because of the consultation with third party interests. The reason we had over 286 meetings alone with third party interests was to make sure that the agreement would reflect the needs of the people in the Nass Valley.

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FRESHWATER EXPORTS

Mr. Bill Blaikie (Winnipeg—Transcona, NDP): Mr. Speaker, it is now clear that the government will not bring in a national ban on the bulk export of Canadian freshwater. Yet, on February 9 of this year that is precisely what the Liberals stood in the House and voted for when they supported an NDP motion to that effect.

Could the Prime Minister tell me why his government has abandoned its commitment to a national ban on bulk water exports and why it now labels as simplistic that which it supported only short months ago?

Hon. Lloyd Axworthy (Minister of Foreign Affairs, Lib.): Mr. Speaker, unfortunately the hon. member was not in the House yesterday because we tabled legislation—

Some hon. members: Oh, oh.

The Speaker: My colleagues, we should not refer to anyone's attendance or non-attendance. The hon. Minister of Foreign Affairs.

Hon. Lloyd Axworthy: Mr. Speaker, I am pleased to inform the hon. member that yesterday we tabled in the House legislation that provides a prohibition for the bulk removal of natural water under the Boundary Waters Treaty Act. It is a full pledge of commitment to the issue that we put forward last February.

I hope the hon. member will take the advantage of reading the legislation.

Mr. Bill Blaikie (Winnipeg—Transcona, NDP): Mr. Speaker, I have read the legislation that is why I raised the question. It does not contain a national ban on the bulk export of water. It may contain some measures but it does not contain what was called for by the House.

Why are the Liberals in full denial about the fact that they cannot act the way they said they would act because of NAFTA? Will they have the decency to tell us if they were fooling themselves all along or were they fooling the Canadian people? Either way, they should be embarrassed.

Hon. Lloyd Axworthy (Minister of Foreign Affairs, Lib.): Mr. Speaker, again, for the purpose of informing the hon. member, the legislation does provide for a prohibition of bulk removal. What it does not do is follow the recommendation of the hon. member and some of his party on the west coast, which is to turn this into a trade issue which would result in a series of trade actions that would totally impede the capacity of Canada to protect its waters.

The hon. member is standing on his head.

* * *

● (1450)

[Translation]

NATIONAL DEFENCE

Mr. David Price (Compton—Stanstead, PC): Mr. Speaker, for over a year now, the Minister of National Defence has repeatedly told the House that the maritime helicopters project, and I quote: "is ready to go soon". The statement of requirements has been ready for some time now.

Has the Prime Minister again scrapped this project so vital to the safety of our soldiers?

Mr. Robert Bertrand (Parliamentary Secretary to Minister of National Defence, Lib.): Mr. Speaker, I would point out to the member that the health and safety of Canadian armed forces personnel is of paramount importance to us.

As I said earlier, and I repeat, a decision is in the works. It is on the minister's desk, and it is up to him to make a decision. I expect it will be made shortly.

[English]

Mr. David Price (Compton—Stanstead, PC): Mr. Speaker, in a briefing note to the minister obtained through the Access to

Oral Questions

Information Act, it states that the procurement time for the replacement of the Sea King from direction to delivery will be eight years. The document then states, "The current estimated life expectancy of the Sea King has been extended to 2005".

Can the Prime Minister outline for the House what the Department of National Defence will do between the year 2005 and 2008? That is three years with no maritime helicopters in the air.

[Translation]

Mr. Robert Bertrand (Parliamentary Secretary to Minister of National Defence, Lib.): Mr. Speaker, I have answered this question several times, as has the minister.

The minister has said repeatedly that the health and safety of our members is paramount and that no Sea King will be permitted to fly if it puts our soldiers' lives at risk.

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[English]

THE ENVIRONMENT

Ms. Aileen Carroll (Barrie—Simcoe—Bradford, Lib.): Mr. Speaker, I understand the Minister of the Environment has recently returned from Bonn and the council of parties negotiations on council change.

Could the minister please update the House on what progress is being made internationally on this very important issue?

Hon. David Anderson (Minister of the Environment, Lib.): Mr. Speaker, indeed, there was progress in Bonn.

There was substantial progress on the mechanisms whereby developed and developing countries can collaborate to achieve some of the Kyoto agreements.

There was substantial progress with respect to the enhancement of the capacity of developing countries to achieve Kyoto.

There was a clear indication from the developed countries that they are taking serious measures to achieve Kyoto which only illustrates the importance of the Prime Minister's decision that Canada also takes this matter very seriously.

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ABORIGINAL AFFAIRS

Mr. Reed Elley (Nanaimo—Cowichan, Ref.): Mr. Speaker, the Deputy Prime Minister also has a peculiar sense of democracy. There are obviously serious side effects from spending too much time at the cabinet table.

Last Friday, he said "Having referendums on matters is not consistent with our democratic approach to parliamentary government".

I would like to ask the Prime Minister, aside from shutting down the debate, rigging the committee process and ramming the Nisga'a bill through the House, what other weapons are in this government's democratic arsenal?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, four parties in the House agree on the process. Three other parties in the opposition agree that this debate has to be concluded in the proper fashion so we can do justice to the obligations we have vis-à-vis the Nisga'a nation.

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[Translation]

NATIONAL PAROLE BOARD

Mrs. Pierrette Venne (Saint-Bruno—Saint-Hubert, BQ): Mr. Speaker, rather disturbing revelations were made yesterday to the effect that a parole board commissioner, Ms. Thériault, had regular telephone contacts with the riding and Ottawa offices of the Minister for International Trade.

My question is for the Prime Minister. Given that the National Parole Board is an administrative tribunal, does the Prime Minister consider that the fact the Minister for International Trade has frequent communications with one of the commissioners is in compliance with the ethics code?

Mr. Jacques Saada (Brossard—La Prairie, Lib.): Mr. Speaker, National Parole Board commissioners have absolutely no right to discuss any file concerning the board with anyone outside this organization.

These are extremely serious allegations. Either the hon. member has evidence to support his claims and, if so, he should provide it, or else he does not have such evidence and should therefore exercise caution.

* * *

● (1455)

[English]

TOBACCO INDUSTRY

Ms. Judy Wasylcia-Leis (Winnipeg North Centre, NDP): Mr. Speaker, the health minister has been out doing photo ops today and cozying up to the insider. He is hoping a little of the insider's reputation as a fighter against tobacco will rub off on the minister. Meanwhile, 21,000 kids started smoking this month.

No one is going to make a movie about the health minister taking on big tobacco.

When will the health minister follow British Columbia's lead and take on big tobacco in the courts?

Hon. Allan Rock (Minister of Health, Lib.): Mr. Speaker, we shall do our duty. We are assisting British Columbia by providing it

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with the very documents we published yesterday and more. Those documents will help us to understand the adversary. They will help us to understand that the big tobacco companies have all along been focusing on young people and people who have been trying to quit.

Speaking of the insider, let us remember what he said. He said, "I work with them. I have seen firsthand how they target children. It is horrifying. Just leave the kids alone". I say, "let us get them to leave the kids alone".

* * *

NATIONAL DEFENCE

Mr. Bill Casey (Cumberland—Colchester, PC): Mr. Speaker, my question is for the minister of defence.

First, we had a series of weaknesses in the Sea King helicopters that embarrassed the Canadian air force. We then had the Hercules aircraft that took four attempts to get from A to B. Now a private contractor has discovered that our Aurora aircraft are so corroded they can only fly at one-third of their design altitude.

I do not know if there is any point where the government gets so embarrassed that it takes action or not but surely it must at this.

My question is for the minister of defence. What are the exact steps the department of defence will take to address these shortcomings in our aircraft in the Canadian Air Force?

Mr. Robert Bertrand (Parliamentary Secretary to Minister of National Defence, Lib.): Mr. Speaker, on November 18, as a safety measure, a flight restriction was imposed on the Aurora fleet restricting the aircraft to non-pressurized flights under 10,000 feet. This precautionary measure was taken as a result of the discovery, during a regular overhaul, of corrosion on the external skin of one of the aircraft which could potentially lead to an in-flight depressurization.

Given that the Aurora's surveillance role requires the aircraft to patrol at low altitudes, below 10,000 feet, the impact of the Aurora's operation is minimal and the aircraft will continue to fly on its regular missions.

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NATIONAL UNITY

Mr. John Nunziata (York South—Weston, Ind.): Mr. Speaker, Canadians are sick and tired of the destructive unity debate. At a time when polls suggest that support for sovereignty in the province of Quebec is declining, the Prime Minister wants to bring in rules for the next referendum, which is not likely in the foreseeable future.

Why now? Why is the Prime Minister stoking the fires of separatism? Is he not concerned that his move will backfire and in fact increase support for separation in the province of Quebec?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Absolutely not, Mr. Speaker. It is very important for everybody to know exactly what the rules are. The supreme court decision said that it was the responsibility of the political people to make the decision about the clarity of the question and the clarity of the majority. That is what we are doing. We are making sure that everybody knows what is going on before the fact not after the fact.

* * *

ABORIGINAL AFFAIRS

Mr. Preston Manning (Leader of the Opposition, Ref.): Mr. Speaker, when treaty No. 6 was signed, the minister responsible swore up and down that it was in the best interest of the Blackfoot people. When treaties Nos. 7 and 8 were signed, the government of the day insisted that those treaties were in the best interests of the aboriginal people. They were dead wrong in both cases.

Why does the government insist on going down the same road of race based segregation by imposing the Nisga'a treaty on the aboriginal and non-aboriginal people of British Columbia?

Hon. Robert D. Nault (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, it is very clear that the Prime Minister has said that the government has a legal obligation to aboriginal people to negotiate and to modernize treaties in order to bring effect to them in today's world.

Our position is very clear. I would like to know, for a change, what the Reform's position is on this.

* * *

● (1500)

[Translation]

VALÉRIE HOULD-MARCHAND

Ms. Caroline St-Hilaire (Longueuil, BQ): Mr. Speaker, in the past, there have been glaring injustices in Canada's amateur sport. One only has to think about Sylvie Fréchette, the Villagos twins, the Duchesnays and many others. Because of that, some Canadian athletes are now competing for countries other than Canada, and this could eventually be the case for Valérie Hould-Marchand.

How long will the secretary of state ponder the situation? Will he wait until Valérie decides to swim for another country before taking action? Please order an inquiry now.

Hon. Denis Coderre (Secretary of State (Amateur Sport), Lib.): Mr. Speaker, one does not pull on a flower to make it grow faster.

I have been saying from the beginning that this government has acted seriously. We proposed a mediation process, followed by

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arbitration. With regard to arbitration, Ms. Hould-Marchand herself said she does not want that. I will consult with both sides. We will check the facts, then I will make a decision.

* * *

[English]

RIGHTS OF CHILDREN

Ms. Wendy Lill (Dartmouth, NDP): Mr. Speaker, over 50 community groups have condemned Canada for its treatment of children with disabilities under the UN Convention on the Rights of the Child.

In Canada children with disabilities are not getting enough early intervention, teachers' assistance, physio, occupational or speech therapy. Their families are not getting enough income support, home care, respite care or parental leave, and it is getting worse all the time.

This report says that the government does not care enough for the half million children with disabilities. When will the government start meeting our international obligations and make life better for children with disabilities?

Hon. Jane Stewart (Minister of Human Resources Development, Lib.): Mr. Speaker, I am glad to report to the House and to the hon. member that at a recent meeting between the federal government and provincial counterparts of social services that the issue of children with disabilities was on the agenda.

It was very clear from that meeting that all governments need to make sure when they are building policies in support of our children that they are inclusive and that they do recognize the special needs of Canadian children with disabilities.

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• (1505)

[English]

CANADIAN INSTITUTES OF HEALTH RESEARCH ACT

The House resumed consideration of the motion that Bill C-13, an act to establish the Canadian Institutes of Health Research, to repeal the Medical Research Council Act and to make consequential amendments to other acts, be read the second time and referred to a committee.

The Deputy Speaker: When debate was interrupted before question period the hon. member for Halifax West had the floor. He has 16 minutes remaining in his allotted time.

Mr. Gordon Earle (Halifax West, NDP): Mr. Speaker, as I was saying earlier in my speech, I am very pleased to touch upon the topic of the Canadian Institutes of Health Research. I was about to give a bit of background with respect to the bill.

The objective of the Canadian Institutes of Health Research bill is to establish institutes to excel according to internationally accepted standards of scientific excellence in the creation of new knowledge and its translation into improved health for Canadians, more effective health services and products, and a strengthened Canadian health care system.

We know that health care and health research go hand in hand. Without proper health research it is very difficult to have good health care. The health care that one receives has to be related to research and properly applied.

As was indicated earlier by the hon. member for Winnipeg North Centre, we support the bill up to committee stage, at which time we will probably make some suggestions aimed at improving it. We will try to improve it with the best interest of Canadian citizens in mind.

I want to add my voice to the record in giving thanks to Dr. Henry Friesen and many others who contributed to bringing the bill forward.

Let us look at what happened between 1994 and 1997. We know that the government continuously cut its investments in health research. Between those years the per capita funding of health research fell from \$9.14 to \$7.92. Canada became less competitive in its funding levels compared to other industrialized countries including the U.S., the U.K. and France.

These cuts had several effects. They drove researchers, including established professors, recent graduates and post-graduate students, across the border in search of sustainable funding. We have heard much about the brain drain, and this is an area in which many of our skilled and talented people have moved from Canada because of the cuts that were made in research.

Coupled with the large scale withdrawal of federal funding and poor social programs, cuts in health research diminished the capacity of our health care system to care for patients and stifled the application of new research findings.

Coupled with the withdrawal of federal funding in post-secondary education, cuts in health research drove university administrations to foster commercial research partnerships with industry. These partnerships in many cases decreased academic freedom due to an emphasis on applied research, a trend on self-censorship among university researchers and a privatization of research findings for the purpose of profit.

We know the difficulties that research can get into if it is so closely tied in with corporate and commercial sponsorship that it loses its academic freedom and independence to come forth with accurate findings.

The bill is being brought forward to establish the Canadian Institutes of Health Research. This has been done in an attempt to correct some of the past mistakes. The government has now endorsed a new model of health research funding, the CIHR. By and large, as I said, we welcome it as a replacement for the Medical Research Council.

• (1510)

We understand there will be new money and we support those efforts. By doubling the 1997-98 levels of research funding to \$500 million in the year 2001-02 Canada will regain some ground it lost to the cuts over the past six years.

We think the legislation in its support for researchers and academic programs will help alleviate the problem of a brain drain in Canada, but the legislation needs to go further. Our reservation is that the funding levels under the CIHR will still remain disproportionate to the funding in the United States and other industrialized countries. We would recommend increased spending of \$750 million annually, or 1% of the total annual health care expenditure.

Research in a social context is another very important area. The multidisciplinary, multisectoral and cross-regional approach of Bill C-13 will ideally contextualize hard research, acknowledging the social, cultural and environmental influences on health. Our reservation is that this emphasis needs strengthening so that there is a central focus on the causation and prevention of ill health, in particular on social and environmental determinants.

We know there are many problems in society that have to be addressed. I think, for example, of the high incidence of teen suicide. I would mention that in my riding of Halifax West and in the province of Nova Scotia a very strong effort is taking place right now to create a chair on mental health for adolescents. This is an area that is very important because we know that if young people who are suffering from problems do not get help then things just go downhill from there. We know the kind of research that has been set up has to support those efforts and move forward in a way that will help our young people.

The goal of the legislation to apply research and to connect health researchers to health providers is a significant development. Again we have a bit of a reservation because we know that to make this initiative more than an empty gesture on the part of the government the social transfers to the provinces need to be restored. How will new research results be applied without adequate health care funding, equipment and the staff to do so?

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I mentioned earlier in my remarks at the end the unfortunate circumstance that my mother-in-law met and the kind of service she received when she was admitted to hospital. This was because of the cuts in health care funding where there is inadequate staff and inadequate facilities to accommodate the kinds of situations we see today.

My hon. colleague spoke earlier about commercialization. I will not repeat the remarks she made in that regard, but she also talked about the governing council that will be set up under the legislation. A governing council will be appointed to set the priorities and the goals of Canadian health research in all institutes. Each institute will have an appointed institute advisory board to set institute specific goals. The appointment criteria of these boards, however, are not specific and are insufficient.

Appointees, I might note, at the discretion of the Prime Minister need only reflect scientific excellence and relevant background. What guarantees do Canadians have that industry or pharmaceutical interests will not override the public interest? We recommend that the appointment criteria be specifically defined and that a public voice be dominant. This is very important.

In this regard I received a letter in June of this year from Dr. Stan Kutcher who is with the Association of Chairs of Psychiatry in Canada. He pointed out with respect to these health institutes that they would like to see an institute of mental health and mental illness established as well. There is another whole area that has to be considered with respect to these institutes.

As well, with respect in particular to the governing council, I received a letter from the Palliative Care Association of Nova Scotia in which it indicated that it would like to have someone on the board of that governing council. Again, there is a lot of interest in this particular concept and a lot of support from the various associations and the various communities. They want to have a say in how these institutes will work so that their concerns will not be overlooked.

• (1515)

We talked about ethics a bit earlier and the importance of ethics in this whole concept. To us and many in the bioethical community, including the National Council on Bioethics in Human Research, the consideration of ethics is inadequate. It has to be a dominant part of this legislation. Ethics, particularly in dealing with human research subjects, should override all research projects. We think this is a very important point that has to be taken into consideration. This protection should be entrusted to an independent, arm's length body which will be directly accountable to government.

As we look at this whole issue of health research institutes, we realize that health care is not something that is looked at in a vacuum. There are many things that tie into proper health care. It brings to mind many other concerns in our society that we must

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deal with in a meaningful way if the creation of these health institutes is to be meaningful.

For example, something we have heard a lot about recently is child poverty. We know that tomorrow we will celebrate the 10th anniversary of the all-party motion passed in 1989 to eradicate child poverty by the year 2000. We know that poor children have health problems. Again, there is a tie-in. If children are living in poverty, they are due to have health problems. When we think about the creation of the health institutes we have to take into consideration child poverty.

Homelessness is another very serious issue that is confronting our society. Many of the people who are experiencing homelessness are people who were institutionalized. They were released from institutions without the proper supports being in place. The cuts that have taken place do not allow the proper follow-up facilities for a lot of these people and they end up on the street. This is another area that ties in very closely with the whole concept of health care and research.

If we look at the problems of health in our aboriginal communities we see high incidents of diabetes and various other diseases. We see a shorter life expectancy among our aboriginal people. All of these issues are very serious health concerns.

There is the high incidence of teen suicide in aboriginal communities and a lot of other communities throughout the nation. These are all things that have to be looked at very closely if we are to make a very meaningful inroad with respect to health care.

Then we have the environmental issues. We see spraying taking place. People who are sensitive to chemicals are quite often prisoners in their own homes. There is one lady in my riding who is not able to go out during certain times of the year because the people next door spray their lawn with pesticides and chemicals to which she is very susceptible. It is almost life threatening for her and for many others.

These are very important issues, all of which can be dealt with through proper scientific research and proper health research. That is why these institutes are very important, but we must see the connections and we must be able to bring the whole thing together in a meaningful way.

I also think of the example of gulf war syndrome. We hear about a lot of soldiers coming back from tours overseas and the sicknesses they are experiencing because of exposure to various toxins and substances. In many cases they are trying to get help, but they are not able to get the kind of help they need. These are very serious health concerns which come to mind as we discuss this issue.

I also think about the anthrax vaccinations. We are putting substances into the bodies of our soldiers who go overseas. They do

not have the right to say no, they do not want to be vaccinated, because they will be court martialled for disobeying an order.

These are all issues that tie in very closely with the whole concept of health and these are all things which we have to give very serious consideration.

I am very pleased to have had the opportunity to speak to this bill. As I indicated earlier, having followed it from its inception, I see it as a very important tool to enable our society to move forward in a progressive way to address some of the health concerns of Canadians. However, we must do it with a sense of fairness so that the people who will be affected will have an adequate say in how these things move forward. We want to keep in mind fairness in representation on the boards, fairness in process, transparency and all of those very important things that go along with making our country truly a democratic system.

• (1520)

Mr. Greg Thompson (New Brunswick Southwest, PC): Mr. Speaker, the member mentioned not knowing how many institutes there will be. I think that is worth more explanation by the member because we are all concerned about it. We are working in a vacuum, with not a whole lot of transparency.

We support in principle the bill, as I have mentioned before. However, I think that is something that has to be brought out in committee. We deserve more explanation than what we have been given in the bill and by the minister today.

The member touched on the fact that the appointments will be made by the Prime Minister. When we are talking about the governor in council appointing the president of the CIHR, we are talking about the Prime Minister appointing the president. Governor in council means a political appointment by the Prime Minister.

There has to be a better way to do that. Not only will the Prime Minister be appointing the president, he will be appointing the council as well. We are moving into the next millennium and we are still doing it the old way. Can something new not be considered in the appointment of these senior positions? Surely to goodness we can move beyond just simply appointing through patronage. I hate to say the word patronage, but is there not some way that we can move beyond the old way of appointing people?

Mr. Gordon Earle: Mr. Speaker, I am very pleased to comment upon the issue of fairness when it comes to appointments and the issue of ethics. As members may know, I introduced in the House a private member's bill on a code of ethics for parliamentarians. A key part of that bill involved the whole concept of an ethics counsellor who would be independent and who would be accountable to parliament, not to the Prime Minister or to any minister of the House.

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That to me is an essential part of the democratic system, that we have accountability, as well as openness, transparency and fairness. That is something which has to be built into this legislation as well.

The hon. member was quite right in pointing out a concern about how the appointments will be made. I would certainly support the idea that these appointments should be made in a manner that will be fair, open and transparent and will be accountable to the people who will be the end users of this new service.

I commend the hon. member for making that point. In my remarks I mentioned some of the groups that had written to me expressing their wish to be involved in the governing council. I mentioned the palliative care community wanting to have representation on the governing council. There are many other groups which are concerned about this as well.

These are the details we will be bringing forward at committee stage to try to bring forward amendments to ensure that kind of fairness.

Mr. Greg Thompson: Mr. Speaker, I think we are on the right track in examining the bill.

I point out clause 17 of the bill to the hon. member, which is found at page 9. The Prime Minister will be appointing the governing council. Clause 17 states:

The governing council may

- (a) appoint, layoff or terminate the employment of the employees of the CIHR; and
- (b) establish standards—

That is the point we are making. I hope that the Canadian public is listening.

What this will lead to, and I think the member might agree with me, is the difficulty that Health Canada has had in the past. I bring to the member's attention the case of Dr. Chopra, who was one of the scientists who testified on the shredding of documents which had to do with the BST hormone issue. Basically he was silenced by the government. He was told to shut his mouth and go away quietly. But he did not. He appealed through the human rights tribunal, which sided with him. That was a huge victory for him and other public servants.

• (1525)

We want some safeguards built into the system so that we will not be confronted with the same type of situation where there is some independence being exercised which is arm's length from government. I cannot see that in the bill as presently written.

The member might agree with me. Obviously it is one of the changes that we would like to see in the bill and possibly entertain

in the next few days as we go into committee. Maybe the member could comment on that specific section of the bill.

Mr. Gordon Earle: Mr. Speaker, indeed I will comment on that particular section. I think the hon. member has drawn out a very valid point about which we ourselves have concern.

As he mentioned, there is a governing council, and if we look at clause 7 of the bill, the governing council shall consist of not more than 20 members, one of whom shall be the president. When we go to the next subsection we see that each of those members will be appointed by the governor in council, which means cabinet, which means the Prime Minister, and that is where the concern comes in.

When we look at clause 17, which the hon. member cited, it does not really matter what powers that governing council has if it is not independent from those who appointed it. That is the point. There has to be a clear method of appointment which allows for independence. That is why I mentioned earlier in my speech that we recommend that the appointment criteria be specifically defined and that a public voice be dominant.

We feel it is very important, and I am sure the hon. member who asked the question will agree that the public should have a say in how these things function. Therefore, I am hopeful that we can change the appointment aspect at committee stage so that we will have a proper method of appointment which will enable a true public voice to have a say over these councils.

Ms. Carolyn Bennett (St. Paul's, Lib.): Mr. Speaker, I will be sharing my time with the member for Oak Ridges.

It seems like a long time ago, our first caucus in Collingwood, where indeed all members of the Liberals caucus were very, very worried about the state of medical research in this country. It was January 1998, and since that time we have come to a day where members of parliament like myself are almost on a daily basis receiving extraordinarily wonderful letters from members of the research community in our country.

I would like to quote Dr. Challis, from the department of physiology, in the faculty of medicine at the University of Toronto:

The mood of the research community at the University of Toronto has never been so positive. The announcement, in the February budget of more funding for health research and the creation of CIHR, the reference to health research in the Speech from the Throne and the Prime Minister's announcement of the 21st Century Chairs for Research Excellence have contributed immensely to our confidence in performing vital research in Canada.

In my view, the legislation is well balanced and enables the Governing Council to make all decisions necessary in terms of funding programs, creation of institutes, appointment of scientific directors and advisory board members.

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He continues with his thanks.

It was shortly after that Collingwood caucus that I had the opportunity to go to Winnipeg to meet with Jon Gerrard, who had previously been the minister for science and technology and who, on a napkin in the local deli, described to me his vision, with that of Dr. Henry Friesen, of what the Canadian Institutes of Health Research could look like.

Today we look at all of the concerns that were expressed and what was not happening in the previous model. There are concerns about a pure medical model in health research. We did not have an evidence based practice. The social determinants of health, poverty, violence and the environment were not being adequately dealt with in our present system. There was just not enough money for even the pure biomedical research that would actually get us a cure. These were huge concerns back in the spring of 1998.

• (1530)

From that day until February 1999 when we signed the health accord and the social union contract there have been commitments to move toward accountability, transparency and best practices.

It means that we get to finally move to the whole issue of what we do to keep the country healthy and how we move to be truly accountable in the outcomes of health care delivery. The solution is clear.

[Translation]

With regard to Canadian institutes of health research, Bill C-13 speaks of health research as the way to the future. A national coalition made up of the industry, the volunteer sector, the scientific community, universities and colleges, governments, hospitals, health care centres, venture capital, the research council and consumers, supports the CIHRs.

It is very important to take this opportunity to transform research, to fragment it into a truly integrated system.

The goal of the CIHRs is very clear. Their mission is excellence in accordance with recognized international standards of scientific excellence in the development of new knowledge and in using it to improve the health of Canadians, provide better health products and services, and strengthen the health care system in this country. The challenge is huge.

[English]

It is truly important that we move in a system that is integrated in terms of research. There will clearly be cross-cutting research themes, the basic biomedical science that must be peer reviewed and must be appropriately funded, and the applied clinical research

that we must have to know whether what we are actually doing enables better outcomes.

The research in health services and health systems delivery is imperative in the fact that we no longer spend money in a way that does not work. We have to move to true accountability and stop the unnecessary surgery, unnecessary prescribing and unnecessary testing that are costing the government a huge amount of money.

There is the whole idea of society, culture and health of the population which can be a part of any integrated system of research. As well, there is the cross-country processes of peer reviews, knowledge management, ethics and partnerships which are so important.

It is clear to all researchers in the country, to all voluntary health sectors, and particularly to consumers that this is indeed a benefit for Canadians. CIHR will indeed help improve the health of Canadians and their families with new health discoveries, treatments and practices, and a much better understanding of the broad determinants of health.

The improvements to our health system and services will mean the ultimate sustainability of our health care system. It is a made in Canada solution for made in Canada research and products and an amazing opportunity for Canadian research excellence to be put forward on a global frontier.

Mr. Greg Thompson (New Brunswick Southwest, PC): Mr. Speaker, the member who just spoke has all kinds of credentials in the medical profession. We understand and appreciate that.

I am sure she would want to refer to page 9, subclause 17(1) which deals with the governing council. I remind her that the governing council will be appointed by one person, the Prime Minister of Canada. In part the subclause reads:

17(1) The Governing Council may

- (a) appoint, layoff or terminate the employment of the employees of the CIHR; and
- (b) establish standards, procedures and processes governing staffing, including the appointment, layoff, or termination of employment—

It goes on and on. If we turn to page 10, subclause 20(1) reads:

The Governing Council shall

- (a) establish, maintain and terminate divisions of the CIHR, to be called Health Research Institutes;
- (b) create an Advisory Board for each Health Research Institute. . .and
- (c) appoint a Scientific Director for each Health Research Institute;

• (1535)

The question again goes back to the arm's length relationship with the government and the independence we would like to see in these institutes. I cannot see where there will be any independence. The strong arm of the Prime Minister will be on the very body that is being created.

Is there not a new, a better way, a more creative and more intelligent way to set up a body that will move us into the 21st century in terms of medical research?

Ms. Carolyn Bennett: Mr. Speaker, I reassure the hon. member that the research community has been extraordinarily consulted in the setting up of these institutes.

The interim governing council of the institutes has had subcommittees working on all matters from programs to peer review ethics, to knowledge management, to institute design, partnerships and commercialization. The subcommittees will be reporting and there will be a process by which there will be public feedback on those matters.

To repeat the letter I received from a researcher at U of T, the legislation is well balanced and enables the governing council to make the necessary decisions. It is important we understand that there will be a scientific advisory capability and a filter by which true scientists will be made heads of the institutes, true scientists will be put in positions of authority. It will be a process that scientists, and particularly the interim governing council, will be extraordinarily comfortable with. It really is important that it work.

Mr. Gurmant Grewal (Surrey Central, Ref.): Mr. Speaker, Canadians thought or at least assumed that medical or health research was already being done by the Medical Research Council, or at least that is what the Medical Research Council was supposed to do. Now the Liberals are creating the new research institute called the Canadian Institutes of Health Research to do probably the same job and same work as the Medical Research Council was supposed to do.

Why are we reinventing this wheel? Can the member shed some light on this and answer this question? Why was the previous organization not doing its job properly and why is the new organization expected to do the same job in a better way?

Ms. Carolyn Bennett: Mr. Speaker, the hon. member needs to understand the difference between health research and medical research. What is very clear is that medical research in the old biomedical model was not satisfying all our needs in understanding all the determinants of health.

The Social Science Research Council was doing the work on poverty, violence and the environment. The Medical Research Council was merely looking at biomedical kinds of research.

It is imperative as we move forward that we have an integrated way of looking at all these issues because we know that poor people do not live as long. What are we to do to sort that out and figure out what we can do about it?

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The National Forum on Health was very clear about the social determinants of health and how we have to move in these trends from hospital to community care, from doctor to multidisciplinary and to patient as a full partner in care, and from traditional to complementary medicine.

There was no place in the old Medical Research Council for these kinds of questions to be answered and they are the questions that Canadians want answered. We now have a solution as to how to do that without compromising the extraordinarily important biomedical research that needs to be done. In so many issues we just really want a cure.

Mr. Bryon Wilfert (Oak Ridges, Lib.): Mr. Speaker, I am pleased to speak in support of Bill C-13, an act to establish the Canadian Institutes of Health Research.

Members of the House have had the opportunity to hear about the important transformation CIHR will bring to health research in Canada. Increased funding will make more resources available to find Canada's best researchers in making the discoveries that will make a difference to the lives of people around the world.

The structure of the institutes will provide a mechanism for developing a strategic vision for research in thematic areas that will meet the needs and priorities of Canadians.

● (1540)

It will be the focal point around which all partners in the health research process will gather, including those who fund research, those who perform it and those who use its results. CIHR will provide the support that is needed to make Canada the place to be for the best and the brightest health researchers in the world. The result will be better health for Canadians, a better and a more efficient health care system, and economic growth and job creation in the burgeoning life science sector.

If my hon. colleagues will excuse what is sometimes a trite phrase, let me say that the whole of CIHR will be much greater than the sum of its parts. The reason for this is the way that CIHR will mobilize resources in every region of the country.

CIHR will make its impact felt in the regions through mobilizing increased funding for health research in research centres across Canada. It will make its impact felt through its direct effects on the efficient and cost effective operation of Canada's health care system. It will make its impact felt by building the research capacity platform in centres across Canada and it will make its impact felt through a new focus on community.

Through its focus on partnerships CIHR will take the increased federal investment in health research and make it grow even more. Partnerships will bring more research funders to the table to

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embark on jointly funded collaborative projects. These projects will result in an even greater level of research activity in many centres across the country.

The Medical Research Council of Canada has had tremendous success with its partnership programs, so much so that for every federal tax dollar invested in health research \$1.36 was spent on health research. I have no doubt that the integrated and co-operative structure of the CIHR will continue this successful leveraging of our tax dollars to create an even better dividend for Canadians. The CIHR is designed to work in partnership with provincial and territorial health departments, with our universities, with our health science centres and with our research agencies.

As every member of the House is aware, responsibility for delivering health services is the responsibility of the provinces, but CIHR will have the potential to have a strong positive impact on provincial health care systems. Creating new knowledge is important, but CIHR is designed to facilitate the process of translating research results into application and innovation.

CIHR will establish links with provincial and territorial health service agencies and with those responsible for delivery of health information and health care in each province. Through these links CIHR will help provinces acquire the evidence they need to make important decisions about how best to deliver health services to their residents.

Bill C-13 is an extremely important piece of legislation for the people of my riding of Oak Ridges and for the residents of the city of Toronto. It is about our health. It is about innovation in our community and it is about our position in the knowledge based economy. Toronto has had a long and proud history in health research. Torontonians have a tremendous record of contributing to the health of Canadians and to people around the world through their research discoveries.

I think most obviously about Frederick Banting and Charles Best, researchers at the University of Toronto who through their investigative spirit and genius discovered insulin, a discovery which has saved millions and millions of lives in Canada and around the world. There is little doubt that it is among the greatest Canadian achievements of the past century. To this day it evokes tremendous pride among people in my riding and among people across the country. The University of Toronto has named one of its research centres the Banting and Best Institute in honour of this historic achievement.

More recently I think of Lap-Chee Tsui, a world renowned researcher at the Toronto Hospital for Sick Children, who discovered the gene for cystic fibrosis. His research in genetics and genomics is truly opening up a new world of knowledge about our health which promises new and effective tools to promote health and treat disease.

• (1545)

Toronto's research community is dynamic and vibrant. It has researchers across the full spectrum of research, from basic molecular biologists to social scientists looking at the broad determinants of health.

The University of Toronto is Canada's largest research university. Given the quality of its science and the excellence of its research, it is the most successful university in the MRC's peer review funding competitions. This past year the University of Toronto and its affiliated institutions received \$55 million in research funding from the MRC.

The research infrastructure in Toronto contains some of Canada's most prized research institutions: the Hospital for Sick Children, the Mount Sinai Hospital, the Toronto General Hospital, the Centre for Addiction and Mental Health, the Institute of Clinical Evaluative Studies, just to name a few. The health research conducted in Toronto is of the highest standards of scientific excellence.

The objective of the CIHR as set out in Bill C-13 is to excel according to internationally accepted standards of scientific excellence in the creation of new knowledge and its translation into improved health for Canadians, more effective health services and products and a strengthened health care system.

While its standards of excellence may be international, its impacts will be felt in every region of the country, whether it is in Toronto or in the maritimes. For example, in Halifax at Dalhousie University a doctor is studying stimulant use among adolescents. In Montreal Dr. Thomas Hudson of the Montreal General Hospital is examining the genetic causes of common human diseases. It is also going to flourish in Vancouver where at the University of British Columbia Dr. Janice Eng is studying balance and other problems experienced by patients with Parkinson's disease. It will flourish in centres right across the country.

I commend the bill to the House. I hope all parties will support this very important initiative of the federal government.

Mr. Greg Thompson (New Brunswick Southwest, PC): Mr. Speaker, I would like some clarification and observations from the member on this issue. I know he has looked at this bill carefully.

The point I have been attempting to make and which I will continue to make is that there is a lack of an arm's length relationship between the CIHR and the Prime Minister. The Prime Minister will be appointing the president of the CIHR and the governing council of the CIHR. The governing council, after it is appointed by the Prime Minister, will appoint the advisory boards. There is linkage between every level of this organization and the Prime Minister's office. I am concerned that these people should be

able to exercise their independence and they probably will not because of the Prime Minister's hand on the very institution we are talking about today.

In addition to the other points I have made, I remind the member and I want to tell the public especially that the governing council will appoint, lay off and terminate employees and establish all the standards. It will terminate employment at will. It will determine the organization and classification of positions within the CIHR. It will set the terms and conditions of employment. The list goes on. The governing council will establish, maintain and determine divisions in the CIHR to be called health research institutes, create the advisory board and appoint the scientific director.

• (1550)

I am looking for some sense of autonomy between this organization and the Prime Minister's office. In this piece of legislation I do not see that.

These are serious concerns that have to be addressed in the committee. As I said, we are prepared to support the bill, but the major concerns in terms of how this is set up, the structural component of this institution, have to be closely examined.

Before I sit down, the other point I will make for the hon. member to reflect on is on the reporting mechanism. There is no provision in the bill, other than for the minister to table a report in the House, for the House to debate the performance of this institution. We will not have an opportunity to do that.

In five years time, the government will review its operation, but in the meantime, the control has gone beyond parliament completely. Members of parliament will no longer have the opportunity to determine whether it is meeting its mark, whether it has missed it by a mile, or whether there has to be a rejigging of the configuration of the organization. So many different things are missing from this bill that should be addressed and can be addressed. I would like to have the member comment on that.

Mr. Bryon Wilfert: Mr. Speaker, I appreciate my colleague's observations. I certainly appreciate his indication that in general his party supports the legislation.

The hon. member is quite correct that if there are specific concerns he or others may have, when the bill goes to committee they will certainly be able to discuss them.

I would indicate that the CIHR was enthusiastically supported after much consultation by a wide coalition of Canadian health research partners across the country in terms of the structure.

The hon. member pointed out some very specific concerns with regard to the Prime Minister, and if I understood the member

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correctly, the independence of this body. This is what has been suggested after much consultation. It would seem that many of the proposals and the structure itself originated in those consultations with the research community.

No doubt there will be witnesses before the committee. If there are those in the health community who have those particular concerns, as has been suggested by my hon. colleague, they will have the opportunity to present them to the committee. I presume that if the will of the committee is such, it will make amendments in its recommendations.

It is important to note that the interim governing council to the minister worked extremely closely with the health research community. I want to stress that in terms of what we have before us today.

[*Translation*]

Mr. André Harvey (Chicoutimi, PC): Mr. Speaker, I am especially pleased to work on an issue my colleague from New Brunswick Southwest is involved with. When he talks about health care, he really knows what he is doing. He has lived through things that gave him the opportunity to have a closer look at the issue.

When a government talks about research and development, it is obvious that people of good faith will find it difficult to oppose, in principle, a bill that deals with medical research and will promote the development of several regions of the country.

At the time I was sitting with my colleague from New Brunswick Southwest. We were talking about medical research, especially in the pharmaceutical field. We know what impact the bill passed at the time has had on the country as a whole, and particularly in the Montreal area. This is an example we like to give.

• (1555)

With regard to space research, I am pleased to see the government is also continuing its efforts in that direction, with all the impact research has had in areas where, a few years ago, we had absolutely no expertise. I am sure these examples will convince everyone that research is the basis for everything. This is true throughout the world. Without research, be it medical or any other type, there is no development.

I could give you other examples, one of which immediately comes to mind, namely aluminium. I will get back to the issue of health in a moment. I am pleased to see that the Secretary of State for the Economic Development Agency of Canada for the Regions of Quebec is here. There has been no job creation in the aluminium sector in Quebec. In fact, nearly 10,000 jobs were lost. The reason for that—and I am glad to see the secretary of state and the industry minister are aware of that reality—is that the lack of research in a primary sector always results in job losses.

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Nevertheless, I am happy to say this bill will ensure that several cities in Canada will have the opportunity to take their place in the area of medical research, and we all hope this will create jobs.

There is not a city in the world that did not need research or labs for its development. I am thinking of Montreal, for example, and cities like Toulouse, where the aeronautical and chemical industries played a key role in the city's development, or Boston, with its technological institute. Research created tens of thousands of jobs in these regions.

Investors are attracted to places where they know they will be able to find a pool of qualified researchers. This applies to the health sector as well as any other sector. Take cities like Grenoble or Tours, in France, whose development was boosted by research in the transportation sector, particularly with regard to the high speed train. And let us not forget Bombardier, which helped us develop an expertise that makes us one of the best in the world today.

Unfortunately, there are still too many sectors where Canada does not put enough emphasis on basic research. I am thinking about the forest product industry, the aluminium industry and the health area, except for pharmaceutical research.

Our party supports the underlying principles of this bill and the funding of research projects that will be selected because of their excellence and in accordance with international criteria. The Progressive Conservative Party will support such initiatives. We are in favour of medical research that will help Canada maintain and increase its competitiveness in research activities, which are currently creating more jobs than any other area.

In Canada, we must stop relying only on jobs in resource-based industries. There is only one way to break out of that cycle, and it is through research. In improving the health of the population, medical research will play a key role in increasing productivity.

Of course, when dealing with an issue like this one, what we in our party hope for is that, once the bill is passed and the institutes are selected, the regions will not be forgotten, and I want to commend the minister responsible for amateur sport for his work in this area.

Several regions in this country are in deep trouble, because their natural resources have all been used up and no consideration was ever given to research that would have supported processing of these resources in major industries. What is happening now is that research is being carried out in Europe and the United States. For some fifty years, research was completely overlooked in Canada.

• (1600)

Now we are faced with the need to do some considerable catching up. That is why it is our fervent hope that the government, with the assistance of the opposition parties and members, will be

able to ensure a fair distribution of the Canadian institutes of health research, and that the regions will not be left out.

We are in a position to do good things in the regions. We are not there just to be exploited. We are there to create worthwhile and well-paying jobs for local people. Introduction of this bill has created a great deal of hope in the regions of Canada and of Quebec, and more specifically in my region of Saguenay—Lac-Saint-Jean.

When this bill was introduced, many people in my region were quick to show leadership, one of the best in the country, in trying to show their elected representatives, both those in opposition and those in government, the importance of moving forward with basic research in the health field, and particularly of not neglecting the regions.

I would like to list a few of the people in my region who have worked very hard to ensure that the regions may one day benefit from this project, particularly the region of Saguenay—Lac-Saint-Jean.

These include Jean-Guy Boily, who has worked very, very hard to raise the awareness of all stakeholders about basic research, health research in particular, in our region.

There is Robert Jacques, Jean-Eudes Girard, Réjean Lafrance, Yvon Perron, Dr. Houde, the researchers at the Hôpital de la Sagamie, Michel Perron, Dr. Daniel Gaudet, Dr. Bégin and Gérard Bouchard of the IREP, the Institut de recherches interuniversitaires sur les populations. The people at the CORAMH, the Corporation de recherches et d'action sur les maladies héréditaires, also do a lot of work on hereditary disease. What is interesting is that very often in my region so little is shared that everyone runs into the same problems.

I can say that, in our region, there is very close co-operation between the private sector, the medical sector and all the researchers, among the entire scientific community. This also applies to a large part of Quebec. These stakeholders work hand in hand to introduce projects that will be structural and that will lead to worthwhile discoveries.

I dare to hope, obviously, that the government will note the efforts of our regions so they may be taken into account in the establishment of these institutes.

What is interesting, and I am pleased to point this event out, is that the government has confirmed that, next June, in the Saguenay—Lac-Saint-Jean region, and more particularly in Jonquière, an international conference will be held on genetic determinants of health.

Our region is particular on the issue of genetic research. I am pleased that it can put forward publicly all the expertise it has

developed laboriously in recent decades, very often with little support from national or provincial organizations.

I am obviously pleased to point out that we will take this event very seriously. We are not asking anything of Bill C-13. We are asking to be recognized as people who have succeeded in developing a very high level of expertise.

I am pleased to mention that the expertise developed by our region is beginning to make quite an impression both in political circles and among those who perform basic research throughout the country.

We hope the work done by CORAMH researchers on hereditary diseases in particular will be known to all.

• (1605)

The ÉCOBES group at the CEGEP of Jonquière is working very hard in co-operation with the people of CORAMH and IREP, who are internationally renowned. That is why an international conference will be held in our region in June.

Rest assured that we will submit extremely productive projects not only for Quebec, but for the whole country, and—why not—for the whole world. To many researchers, our region is an interesting laboratory for research on hereditary diseases, on genetics. We look forward to the creation of an institute for research in these areas so that we can have access to more resources.

Genetic research is no longer limited to hereditary diseases. Today, researchers are looking at genetic predisposition to cancer. God knows cancer affects all families. Every family is faced with this terrible challenge.

That is to say nothing of asthma and cardiovascular diseases. I am convinced that, if the members of the House, particularly government members, show that they are conscious of the importance of the research that has already been undertaken in our regions, particularly in the region I represent—I was not elected to represent the whole world but to represent the Saguenay—Lac-Saint-Jean region, particularly the beautiful riding of Chicoutimi, the fjord—rest assured that we will follow this issue very closely.

We are confident that the research fostered by the establishment of these institutes will benefit all Canadians.

I would like to highlight comments made by Pavel Hamet, the director of research at the Centre hospitalier de l'Université de Montréal. He was with us in Jonquière when the minister announced the international conference.

He stated that research is indeed being carried out in Saguenay and that it is of a very high level, because it has led to the discovery

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of several genetic diseases. “Moreover, he said, the Saguenay area is unique, because of its gene pool.”

It may come as a surprise to some of the hon. members, but he also said that the Saguenay is the only region recognized by the World Health Organization for its work on regional genetics.

Dr. Hamet noted that the region is home to the Institut interuniversitaire de recherche sur les populations, or IREP, as well as several researchers, and that a number of large families have yet to be studied, which the WHO considers highly valuable.

He went as far as to say that it was in our national interest to retain in the Saguenay region a group like ÉCOBES and researchers coming from the medical community like Dr. Paul Bégin and Dr. Daniel Gaudet, whom I and some ministers have had the pleasure to meet.

These issues are too crucial to be debated loudly in the House of Commons; one is even tempted to whisper when addressing them. People like animals normally cry in pain when they are suffering or have something to hide. As far as we are concerned, we have every intent to see this through and to ensure that this initiative benefits every region in the country, especially one of the greatest regions of Quebec, that of Saguenay—Lac-Saint-Jean.

Researchers like Dr. Bégin et Dr. Gaudet are also members of the research centre of the CHUL. They are major partners in many projects, including research on high blood pressure and neurological disorders. According to Dr. Hamet, other collaborative projects will be carried out in the areas of breast cancer, cystic fibrosis and neurodegenerative diseases. God knows how important it is to look into these diseases.

• (1610)

The director of research explains that, in the genetic sector, the raw material comes from our region and that structural benefits are to be foreseen.

All in all, I think it is essential that the government put some emphasis on core research. It is important in all sectors, including in the health sector.

I could obviously elaborate on that, particularly on the positive results achieved, which gave prominence to Canadian researchers who are now internationally renowned.

However, I cannot help but ask the government to pay more and more attention to a problem that has strong links with the medical and health sectors, that is poverty.

Lately, we have heard a lot about poverty and about how it is destroying Canadian families. It is important to see how the phenomenal increase in poverty is linked to health problems. Undernourished children cannot be in good health and cannot

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succeed in school. Fathers and mothers who do not earn decent salaries cannot feed their children properly and provide them with a minimum level of health.

That is why this is so important for this government, which has benefited from the structural measures put in place by the previous, Progressive Conservative government. Fairness is important in politics. We should recognize that each successive government normally makes a positive contribution that deserves recognition.

Through the structural measures it put into place over several years, the former Progressive Conservative government made it possible for the present government to do away with the deficit.

Free trade was the most progressive of measures at the time. It allowed us to raise our exports from \$90 billion to \$230 billion over five or six years. Imagine what that represents in net revenues for the government. We need only think of the GST, which will bring in \$24 billion this year. I can understand them not abolishing it. I would at least ask them to make some choices for turning things around that are important to the public.

I trust that the government will be responsive to these crying needs, that it will make investment choices in areas such as poverty that will be extremely important for researchers in the health field, and this must start at the grassroots level. That means ensuring that mothers and fathers have enough money to feed their children. People are in worse health if they do not have the bare necessities.

This is why I say yes to basic research, yes to health research, yes also to a healthier population that is in better shape because it can afford the bare necessities of life. That is why I spoke yesterday about the importance of looking very seriously at inaugurating a guaranteed minimum wage. It is time we looked at that possibility, like the European Economic Community and Portugal will soon be doing.

There are dozens and dozens of programs to feed the poor. There has been a 50% increase in child poverty over the past five years. The problem is a serious one, and it is all interrelated with health research. War has been declared against poverty with a tool that strikes me as likely to be the only one that could be effective.

These are matters on which we could concentrate for hours. We are going to focus a great deal of attention on Bill C-13 as it relates to research. As a party, we have always believed in the importance of research.

• (1615)

[*English*]

Mr. Greg Thompson (New Brunswick Southwest, PC): Mr. Speaker, I would like my colleague to comment on the structure of the CIHR. I think it is problematic, but I would like his opinion on this.

What we have is the Prime Minister appointing the president of the CIHR and the governor in council, which in turn will determine what becomes an institute. In other words, we do not know yet what these institutes are. There is no transparency as to how many there will be or what they will be.

There is a problem in terms of this arm's length relationship that we would like to see between the CIHR and the Prime Minister's office. This arm's length relationship I guess could be called independence. The member could possibly speak on this lack of independence, as I see it.

Also, regarding a reporting mechanism, none of us know whether or not the goals and objectives of the CIHR will be achieved, but there is no measuring stick and no reporting back to parliament. Once the bill leaves the House of Commons it is out there in bureaucratic land somewhere. In five years time, when this agency is reviewed, there will be no input and no ability of parliament to have any input on the structure of this new organization.

I am saying all this, believe it or not, in the context of supporting the bill. We do support the bill, but I think some of these questions of independence, arm's length from government and the reporting mechanism have to be addressed in the bill. I am hoping the member can comment on that from a Quebec perspective.

[*Translation*]

Mr. André Harvey: Mr. Speaker, I thank my colleague for his question. As I pointed out a moment ago, a bill is never perfect when first tabled. Obviously, our caucus, through our health critic, the hon. member for New Brunswick Southwest, will certainly make extremely efficient efforts to put forward amendments concerning the administrative structure.

As part of my work on this issue, I met with many specialists in medical research, and it is true that these are people able to assume a lot of responsibilities. They do not want handouts. They are able to make interesting proposals, in relation to both the areas where research should be encouraged and management.

They will certainly have an opportunity to share their views with the committee, and my colleague will be able to propose amendments. This will allow us to come to an agreement on the main thrust of Bill C-13, which is to encourage health research by establishing research institutes. It will also enable us to create thousands of research application related jobs for young people looking for structural jobs.

We are dealing with a scientific community which is used to taking charge and which did not always get the support it needed. I am convinced that my colleague's wish will be fulfilled by the government, because the government's goal should be to encourage people who can carry out good research and create jobs. Ultimately, I am sure all Canadians will appreciate and benefit from that.

• (1620)

It would be interesting to give researchers more scientific responsibilities, and also administrative ones, so that politicians can step back from the appointment process.

We are entering an era where political appointments will become less and less acceptable. I have been reviewing the Canada Elections Act. Just yesterday, we talked about returning officers. For the last hundred years, they have been appointed by each successive governing party, but we are now wondering whether it would be better to have a process whereby the best candidates would be appointed to these positions.

With respect to the establishment of institutes, the best would be to have an objective mechanism in place to appoint the people with the greatest expertise, who can deliver and achieve the goals set out in the bill.

[English]

Mr. Greg Thompson: Mr. Speaker, I rise on a point of order. I want to remind the House and the viewing Canadian public that this is the first major piece of legislation the health minister has had before this parliament, going back now over two years.

The government has hardly a presence here. I am asking for a quorum count.

The Deputy Speaker: I do not see a quorum. Call in the members.

And the bells having rung:

The Deputy Speaker: I now see a quorum. Resuming debate, the hon. member for Surrey Central.

Hon. John Manley: Mr. Speaker, I rise on a point of order. I simply want to point out that upon the quorum call, the hon. member from the Conservative Party left saying, "Okay, let's leave". It is a little disingenuous.

The Deputy Speaker: I know that the Minister of Industry may have a grievance, but I do not think he has a point of order. The hon. member for Surrey Central has the floor.

Mr. Gurmant Grewal (Surrey Central, Ref.): Mr. Speaker, I rise on behalf of the people of Surrey Central and on behalf of all my colleagues to respond to the government's proposal to replace the Medical Research Council and create the Canadian institutes of health research.

The objective, as I understand it, is to create new knowledge and then translate it into improved health for Canadians. Before I go into the details, I would like to extend my appreciation for the work of Dr. Henry Friesen, who is the president of the interim governing council, and other members of the council who have cared about

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the importance of cutting edge research and who have worked hard to put this idea together.

We want, of course, to provide Canadians with more effective health services and products from a strengthened health care system, not a weak system as the government has made it.

I hope the Liberals can do this with Bill C-13, which is one of the major pieces of legislation they have proposed before the House. I have some problems with what they say they can do, what they will actually do, and what they will cause to be done. These are the three different things I am concerned about.

Before I go into the details, I have many questions in my mind that I would like to have answered by the government members. Why are we not extending the mandate of the previous organization, the Medical Research Centre? Why are we not putting it on the right track? Why do the Liberals not give the current institution the vision and the tools to get the job done? Why are the Liberals reinventing the wheel? Perhaps it is cash-strapped because of the \$23 billion the government cut from our health care spending. Maybe it is because of the lower morale and the confidence of the health care providers in the system. Maybe.

• (1625)

Is the Medical Research Council failing because of the brain drain that the government has caused? Are doctors, nurses, scientists and researchers leaving our health care system and research facilities in such large numbers that we are falling behind in research? Maybe.

Is it that the researchers and scientists cannot afford the technology necessary and the tools required in order to conduct their research?

All these questions have remained unanswered so far in this debate. I have been listening very carefully.

Why would the government allow that to happen to our research? Did it destroy our research capabilities in order to balance the budget? Maybe.

How much democracy is going to be created with this new institute?

The government members should be answering these questions during the debate today. Canadians want to know the answers to these questions. Canadians want accountability in our research system. The Medical Research Council has 85 employees and it costs about \$14 million per year. However, instead of creating a new entity, why do the Liberals not work with the 85 scientists we already have in the system and give them the tools and the technology they need to get their work done?

The Liberals will have 20 directors to appoint if this bill passes, 20 patronage-ridden appointments which shows from their record.

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Will they be awarding these positions based on merit? Will these positions be advertised? I doubt it, that is important.

There is much work to be done on the bill and many considerations to be made. There has been very little time to consult with the various scientific communities. Who will co-ordinate, integrate and focus the research? How will this be handled? Will the applicants themselves, the people allowed to do the research, direct the bulk of the research, or will the nature of the research be directed by the advisory board forcing applicants to apply for funding in areas dictated by a central body?

Again, there are many areas that the health committee of the House will want to investigate. Witnesses will need to be called in to clarify certain aspects of the bill.

I recently received a letter from the Heart and Stroke Foundation of Canada asking to appear before the health committee of the House. They are looking forward to appearing before the committee because they want to express their support for the bill. They also have concerns that they want to put on the table. They want to bring the foundation's unique perspective to the work of the committee.

The represent Canadians in the cardiovascular community: doctors, nurses and patients. The Canadian Heart and Stroke Foundation of Canada speaks for many Canadians, including those who have died from cardiovascular diseases. We hope they will be allowed to give testimony before the committee, unlike the Nisga'a hearings in B.C. As we see, the government stacked the witnesses on the list.

The Liberal dominated committee makes it very difficult for us to work with it. We on this side of the House want to help the Liberals. We know they cannot see they do not have vision. We know they do not listen to Canadians. We will hold the flashlight for them and give them direction in their darkness. We will try to help them do the government's committee work. However, it is very difficult to work with the partisan-ridden committee system that we have in the House.

• (1630)

We would like to support this bill. We would like to support whatever we can that will improve, develop and facilitate medical and health research in Canada because we know that is very important.

This bill could address the concerns of the brain drain. It could be used to attract and retain Canada's brightest young researchers. It is going to be hard enough to keep them in Canada because they are overtaxed. It is shameful that many successful young medical science graduates would go immediately to the U.S.A. to make some serious money and pay very little tax on the six-digit salaries

they make there. It is going to be difficult for the Liberals to convince our finest young minds to stay in this overtaxing country. Maybe Bill C-13 could be used to expand what we have to accommodate our scientists.

Another issue is that Bill C-13 promises a clear and concise statement in a yearly plan that promotes the development of research in health and science. We know that the auditor general is continually calling on the government to be more transparent in its reports to parliament. There are many examples of the government not being overly forward in terms of providing the House and Canadians with the facts and figures concerning many initiatives.

The performance reports that the Liberals offer as supplementary budget estimates on a semi-annual basis are not all they are cracked up to be. They are a sham.

Let me give the example of CIDA. Parliament is quite far removed from its operations. CIDA is left running wild, out of control, while the government provides parliament with as little information as possible about the mismanagement and lack of—

[*Translation*]

Mr. Michel Bellehumeur: Mr. Speaker, I rise on a point of order. I apologize to the member, but since what he said is so interesting, I find it most unfortunate that there is no quorum.

Could you call for quorum so that the Liberal members can come and listen to what we, on this side of the House, have to say?

[*English*]

The Acting Speaker (Mr. McClelland): The hon. member for Berthier—Montcalm has requested that the Chair call for a quorum. We do not have a quorum. Call in the members.

• (1635)

And the bells having rung:

The Acting Speaker (Mr. McClelland): We have a quorum.

Mr. Gurmant Grewal: Mr. Speaker, it is such an important bill that I was surprised only two Liberal members were listening. It is an important bill. In the last few minutes quorum had to be called twice.

In any event, I was talking about the government reporting to parliament. We hope that the annual report of the Canadian Institutes of Health Research will really provide information to the elected representatives of the country so that we may decide whether our constituents' tax dollars are being spent wisely. We will be anxiously awaiting the auditor general's report.

I know that time is limited and there are many things I want to say about the bill. I cannot even pretend to deal with the process of research grants that will be administered by the new institutes. The

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selection process could attract foreign participants who would provide us with a wealth of new perspectives, experience and products.

We also know about agencies created by Tories and Liberals that are at arm's length from the House of Commons. We see the terrible waste of tax dollars squandered on million dollar dinosaur statues, pornographic movies, free flags and hundreds of thousands of dollars for constructing dead trees and many other things.

We hope that these new institutes, created to operate at arm's length from the government, will not turn into pork barrels that the Liberals will use to pay off political favours and other things. Hopefully high ranking scientists will be allowed to make decisions without interference from the government.

This reminds me of the BST hormone fiasco. The government pressed hard for scientists to approve and declare that the bovine growth hormone was safe, but the scientists refused. They ended up leaving their jobs over the issue. Liberal senators on the Senate committee dealing with this were appalled at the situation.

The effort in Bill C-13 represents our federal government's single largest investment in research and knowledge. We want to develop affordable and accessible health care. We need to work on the prevention of disease, detection of disease, health care services and treatment, new discoveries, new products and new patents. We need to meet the health challenges of the future, including new treatments for new strains of bacteria. We need to fight those new strains with new antibiotics. We need to be innovative and evaluate and improve our health care resources. We need to deepen our understanding of health care issues and services. We need to identify and fill in the gaps between what we have and what we should have. We need to confront questions of ethical standards. We need to research all of those things. We have to work closely with the provinces, territories, our universities, health institutions and numerous NGOs.

The minister talks about a cutting edge research centre. We hope he can deliver it. Canadians want to see accountability, not more bureaucracy. The minister said today that 95% of the funding will go to research and 5% toward administration costs. We will hold him to those figures. We will see if that happens.

• (1640)

When President Reagan met President Gorbachev at the first nuclear disarmament meetings, he said trust, but verify. We have to verify whether the government sticks to its promise before we start trusting.

Let us look at the record. We have seen the Liberals drop the ball on an organ donor transplant system. They did not deliver. They continue to study it while Canadians die.

We have seen the government ignore the head start program which was supported by all sides of the House. That motion was introduced by my colleague, the hon. member for Esquimalt—Juan de Fuca, who has worked hard on the issue. The Liberals have done nothing about extending the head start program from aboriginal children to all Canadian children, even though it has been a successful initiative elsewhere.

We all know about the Moncton and Hawaiian head start programs. It is said that for every dollar invested there will be a saving of \$6, there will be fewer youth dropping out of school, a reduction in teenage pregnancies and a reduction in youth crime. It increases the bond between children and their parents. These are all the things we know the head start program will deliver, so why do the Liberals not go ahead with it? We will have to wait to see what they will do on research.

Another example is smoking. We saw the government raise taxes on tobacco and then lower them because it could not do anything to stop tobacco smuggling. The Liberals caved in. They did not have the political will to tackle the problem of smoking, particularly as it concerns our children. Why not tackle the cause of smoking related diseases by working to prevent people from starting to smoke? Why do the Liberals limit work on smoking problems and merely treat the diseases that flow from chronic, long term tobacco use?

Another example is fetal alcohol syndrome. Why not stop the syndrome instead of merely dealing with the results? That is what the government has done on so many other issues. It addresses the symptoms but not the cause.

Another important issue is the drug problem. Governments at the municipal level, the provincial level and the federal level are not dealing with this issue. The federal government could contribute a lot to this issue. I have not seen any strong initiative from the federal government to deal with the drug problem. Drugs are being imported into this country and nothing is being done. Nor has anything been done to effectively treat drug users. The government is turning a blind eye to this serious issue.

Other problems stem from it, for example AIDS and HIV, but nothing is being done by this government. It believes in looking at symptoms but not treating the causes. We hope this will not continue to be the case.

We know that we need to work with, consult and include our scientific community in the work that our federal government does in the field of health. We need the input of our scientific community to direct the research. On this side of the House we hope that this bill will result in the creation of successful research institutes. We want to help the Liberals achieve this if we can.

Another example is the Surrey and White Rock Home Support Association, which is in my riding. In Surrey Central we are trying

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to establish a wellness centre for seniors. The energy behind this effort is Mr. Ron Watson and the Surrey and White Rock Home Support Association. Ron is a wizard when it comes to matters of health care. He is one person who many people in our community, myself included, look up to. The Surrey wellness centre will benefit the elderly in our area. There is a need for this type of accommodation.

• (1645)

So far the Liberals have refused to allow Surrey to use millennium project funds to get this going. The Liberals have financed dinosaur statues, tree statues, all kinds of parties and other things, but they will not allow the spending of millennium project funding on such an important project that will help our seniors. The Surrey wellness and health centre will have 1,000 beds. It will serve Alzheimer patients, geriatrics, the general population and the terminally ill.

As I said, there is a need for that facility, but this cold-hearted Liberal government has no vision and will not help us. Instead, it insists on trying to get us to build a dinosaur statue for \$1 million or have a big party. We cannot use the millennium project funds to get the home care unit going. It is absolutely incredible.

On another issue, Alberta is creating a health care system to try to keep Canadians from having to go to the U.S. to get medical treatment because the health care in this country is not working. This country has a sickness care system, not a wellness or health care system.

There is already a three tier health care system. One tier is regular treatment which is status quo and only in a medical emergency. The second tier is a waiting system and 200,000 people are waiting for various treatments. The third tier is when people do not get the desired health care and they have to go to the U.S.

In conclusion, it is very difficult to trust the government knowing its misguided priorities and propensity to mismanage whatever it does.

[*Translation*]

Mr. Bernard Bigras (Rosemont, BQ): Mr. Speaker, it is with great pleasure that I take part today in the debate on Bill C-13, the Canadian Institutes of Health Research Act.

I must say that I am all the more delighted to do so following my colleague from Jonquière and my colleague from Hochelaga—Maisonneuve, who spoke this morning and made a very good case for these institutes.

In principle, we cannot be against the establishment of these health research institutes in various areas of public health.

Naturally, my speech will focus on Bill C-13, as presented by the government, but I will also clarify the more problematic aspects of this bill.

The other matter I will address is the whole issue of research and development. There is much to say on this subject, but I will confine myself to a few points because, for a long time, Quebec, and Montreal in particular, did not get its fair share of federal grants for research and development. I will come back to that later because Montreal has been a poor cousin when it comes to investment in research and development by the federal government.

To have a strong metropolis, attract brains and stimulate productive investments, what is required is investment in that metropolis, so as to develop the various areas on which Montreal based its economic recovery. Biotechnology is one major area in Montreal in terms of recovery. Yet, we are still waiting for federal productive spending in that area.

The fact that only 16% of R and D expenditures are made in Quebec certainly raises questions. No wonder Montreal lost its title of Canada's metropolis to Toronto. It is because the federal government did not spend and did not want to invest in areas that were crucial to Montreal's development.

• (1650)

Without basic, crucial, productive and job creating investments, Montreal will never meet its economic recovery objectives. I will come back to R and D later.

I now turn to the priorities of Quebec and the Quebec government. These need to be addressed because it is not true that the federal government is the only one to promote and give priority to scientific and technological research. It would be a mistake to think that, with its bill, the federal government is the only one to give priority to an area that is crucial to Quebec's economic and technological development. So does the Quebec government.

I remind the House that the Quebec government created a ministry of research, science and technology. This ministry is working on a draft science policy which will be made public in a few months. It focuses on such critical issues as aging, and other important areas Quebec has been working on and for which it never received a cent from the people across the way.

I will come back to Quebec's priorities later on. At the end of my presentation, I will give a rather telling example of what public investments in research could accomplish.

I introduced a private member's motion to legalize the use of marijuana for medical purposes. We are still waiting for money from Ottawa to start clinical trials in phase III, which would allow us to go ahead with it, thereby allowing patients to take their drugs legally. I will also come back to this later.

The purpose of Bill C-13 is to establish institutes of health research. In his last budget, the finance minister gave some indication to this effect. Today, the basis on which these institutes will be built are set out in very concrete terms. To establish these institutes the government acted on the recommendations made by 34 university scientific experts.

They included Quebec and Canadian academics and scientists. Bill C-13, which establishes these institutes, is based on the recommendations made by these 34 experts.

Needless to say the issues that might be raised are important. They are crucial to the people in Quebec and Canada. Among other issues, there is the whole issue of population aging.

We are in a demographic situation where the population in Quebec and Canada is getting older. The aging curve is going up. To a certain extent it is harmful. In the context of renewal and of our ability to secure the future of the Quebec and Canadian society, technological alternatives will have to be developed to ensure that the life expectancy of Canadians will increase.

The issue of aging is fundamental and it encompasses various areas. Obviously, it covers every disease. I am thinking of diseases like Alzheimer and various mental diseases as well as various surgical procedures. Technology in that area is essential to increase the life expectancy of Canadians and Quebecers.

Another area of research could be arthritis. I think a lot of Canadians suffer from this disease. I know what I am talking about. One third of the people in my riding are over 55. This disease affects an increasing number of people everywhere in Canada.

• (1655)

The issue of clinical evaluation and evaluation of technologies also seems essential to us. Technologies cannot be developed scientifically without verifying their accuracy at some point and finding ways to apply them. In terms of technological development in Canada, useful applications must be sought for new technologies because, in the end, our goal is to improve the quality of life of the people we represent.

This issue of clinical evaluation and evaluation of technologies is another area in which the institutes could be called upon to work.

In budget terms, we got a surprise. It was a surprise for me, at least. But I discussed it with my colleague from Drummond, who has been the Bloc Quebecois' critic on the subject for many years. I would say that she spearheaded the entire Bloc Quebecois strategy in the request for transfer to the provinces, in the desire of Quebecers to have their loot, as one of our former premiers put it. The member for Drummond said to me "We could summarize the government's initiative in two words. I was in attendance at the standing committee and aware of all that was happening. It is a praiseworthy but virtual initiative".

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So the principle is praiseworthy, we will support it, but at the same time this is a technocratic or bureaucratic blur, something the government opposite always arranges for the various health issues.

The budget is a surprise no longer, we know it now. The minister was clear. In February 1999, it was made clear that there will be a \$65 million investment for the 2000-01 fiscal year. We also learned that there would be \$175 million more for the following year.

That is a lot of money, and we must agree. But the members on this side of the House must see to it that this money really serves the needs of the people of Quebec. I have said this, there is a policy currently being developed at the Quebec department of research, science and technology and we must make sure that these investments really meet the needs of the people of Quebec.

The mandate is clear. It is written in black and white and in the preamble to the bill. It appears a little further on in the bill: it is to organize, co-ordinate and fund health research in Canada.

As we can see, there is a willingness to organize, but there is more. Earlier, I was reading part of the preamble and I was somewhat surprised to see what it said. The preamble reads in part as follows:

Whereas Parliament believes that health research institutes should be created to coordinate, focus and integrate health research based on—

I feel it is essential at this point to tell you that there is a problem within the problem, with this notion of focus. These are the issues I want to raise, because while I said we agree with the principle, there are some problems. The first one is that the bill does not recognize the exclusive jurisdiction of Quebec and the other provinces in health and social services. This should be pointed out.

• (1700)

I will read another part of the preamble, which sheds light on the role of the provinces under this legislation. The second "whereas" reads as follows:

Whereas Parliament recognizes the role of the provinces in health care and that the Government of Canada collaborates with provincial governments to support the health care system and health research;

So, the role of the provinces is recognized, but the federal government continues to collaborate strongly and to focus, as they say in the preamble of the bill. I think care must be taken to recognize that provincial governments, including the Government of Quebec, have exclusive jurisdiction in this area.

Another important aspect of this bill, and one that I have a problem with, is that, despite any statements of policy the provinces might issue, including those from the Government of Quebec,

Government Orders

they do not have the authority to choose CIHRs. The bill makes it clear that the future governing council will have final authority. This is important, and I will read paragraph 5(c), among others, which says:

(c) consult, collaborate and form partnerships with the provinces and with persons and organizations in or outside Canada that have an interest in issues pertaining to health or health research;

In other words, the CIHR will collaborate with the provincial governments, but never when it comes to administration. The Government of Quebec will never be able to define the general direction it would like its institutes to take. I find this very worrisome from certain points of view.

Another important aspect is that the provinces are not on an equal footing with the other partners. Just now, I read paragraph 5, which made this abundantly clear. Basically, certain agencies will be placed on the same footing as a province, which has a duly elected government and which provides services. In the worst case scenario, agency X could be considered on an equal footing with a province of six to seven million people.

In this regard, I think the federal government has not really taken into account the role of the provinces in the provision of health care services. This is nothing new, because the provinces have never really been considered in the overall picture of services provided. Since 1993, the federal government has cut \$3.4 billion in provincial transfer payments for health. In the 1999-2000 budget, the shortfall in social transfer payments will be \$1.7 billion for Quebec.

It is true that Quebec and the provinces are partners, but it needs to be understood that we are not all equal partners. Some of those partners, like the provinces, have duly elected governments and certainly deserve to be involved.

I am pleased however to see that the secretary of state responsible for the economic development of the regions in Quebec has stayed to listen to my speech. He is the member for Outremont, a member from Montreal. He should be aware that various development axes and sectors have contributed to the economic recovery of Montreal.

There was, for instance, the very dynamic sector of biotechnology that has created a lot of jobs without any federal support. Given the huge amount of money announced by the finance minister for the creation of the institutes of health research, I am concerned about the money that will be spent in Montreal in these sectors. It is rather surprising.

• (1705)

The Government of Quebec currently gets only 16% of all the structuring spending in R and D. The industry minister brags about all the huge achievements made in Montreal and Quebec.

I see the industry minister across the way and, naturally, the hon. member for Outremont is agreeing with the minister. It is incredible that the man who should be protecting the interests of Montreal and Quebec would accept that only 16% of the structuring spending in R and D is handed over to Quebec, which has 25% of the overall Canadian population. This is unacceptable, and I look forward to seeing how the hon. member for Outremont will defend this position at the next election. I can understand the Minister of Industry; he is not a Quebec MP, but I have great difficulty understanding the hon. member for Outremont.

You are indicating that I have only two minutes left, Mr. Speaker. I is a pity, because I could go on for a long time.

I will conclude with something that, while not personal, is very close to my heart, the whole issue of the use of marijuana for medical purposes. I have been saying for a long time that we needed to invest in research. Canada has lagged far behind other countries for a long time, compared to what has been done in the way of research in California and in England. Canada has never been able to catch up, to resume its role as an initiator, able to provide its sick people with medication that meets a whole set of medical criteria.

I will close on that point, for I see you are about to interrupt me, but I must assure you that we are in agreement in principle. And as my colleague from Drummond has said, it is a praiseworthy bill, but one that is still a virtual one.

Hon. Martin Cauchon (Minister of National Revenue and Secretary of State (Economic Development Agency of Canada for the Regions of Quebec), Lib.): Mr. Speaker, I will take a few minutes to explain, not in great detail but in general, what the Government of Canada is doing to contribute to the development of the province of Quebec, particularly of the Montreal region, with regard to research and development.

I would like to say that my colleague the Minister of Industry and myself were somewhat taken aback by the comments made by the opposition, particularly by the Bloc Québécois, but I think this is part of a normal pattern whereby these members try to suggest to the people of Quebec that the federal government is not doing anything positive. Of course, they do not want people to see what we are really doing because it certainly does not serve their cause. What they want is to break up the country.

Some hon. members: Oh, oh.

Hon. Martin Cauchon: I hear them shouting on the other side, which obviously means it hurts.

My colleague the Minister of Industry rightfully reminded me a few moments ago that one of the best research and development tools we have in Canada is the tax credit, which is administered by

my department, Revenue Canada. This tax credit represents about \$1.4 billion for the Canadian economy as a whole, and a good part of that money is invested in Quebec.

Some hon. members: Oh, oh.

Hon. Martin Cauchon: Moreover, I would like to come back to—

Some hon. members: Oh, oh.

Hon. Martin Cauchon: If the members opposite will let me continue, I would like to talk about biotechnology.

Biotechnology, in Montreal essentially, was established with the assistance, the indefeasible support of the Canadian government and of my colleague in industry, especially through the creation of the biotechnology research institute, which gave a lift to biotechnology in Montreal.

The greatest number of researchers in the field of biotechnology in the world may be found connected with the BRI.

• (1710)

In the space sector, the Canadian space agency, which is in the greater Montreal area, is also a source of pride for the people of Quebec and our government.

On the subject of aeronautics, through technology partnerships Canada, my colleague at the Department of Industry intervened with Pratt and Whitney, Bombardier and CAE, and others. And those people over there will tell us we are not supporting development in Quebec. We are doing a lot and will continue to do so.

Mr. Bernard Bigras: Mr. Speaker, I like what my colleague, the hon. member for Outremont, is saying. Because that is what he is, first and foremost, the hon. member for Outremont. He should remember that.

The secretary of state can list all the things the federal government announced in research and development, he can talk about billions of dollars and millions of dollars—I admit that—but in terms of net amounts, Quebec receives 16 % of federal spending.

Overall, Quebec does not receive its fair share—

An hon. member: Oh, oh.

Mr. Bernard Bigras:—and that is rather unfortunate. The Bloc will always be here to demand that Quebec receive its fair share of federal spending on goods and services.

[*English*]

The Acting Speaker (Mr. McClelland): I will go first to the hon. member for Saanich—Gulf Islands.

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[*Translation*]

Hon. Martin Cauchon: Mr. Speaker, I rise on a point of order. I think this is necessary.

When it is said that 16 % of research and development funds go to Quebec, this is absolutely false. The percentage—

Some hon. members: Oh, oh.

[*English*]

The Acting Speaker (Mr. McClelland): Nice try. Does the hon. member for Saanich—Gulf Islands yield?

Mr. Gary Lunn: Mr. Speaker, I will defer to my colleague on the other side, as I hope to be the next speaker and I will raise my point then.

[*Translation*]

Hon. Martin Cauchon: Mr. Speaker, when there is a reference to the notion that 16 % of research and development funds go to Quebec—

Mr. Michel Bellehumeur: This is a debate, not a point of order.

Mr. Bernard Bigras: Mr. Speaker, on a point of order. Unless you tell me today that you just recognized the hon. member for Outremont for a second time, I want to tell you that what he just said in these few words is a point of debate. He is totally out of context. I would ask you—

[*English*]

The Acting Speaker (Mr. McClelland): Perhaps I was not clear. I recognized the hon. minister on questions and comments. The hon. member for Saanich—Gulf Islands did not yield it.

[*Translation*]

Hon. Martin Cauchon: Mr. Speaker, I rise on a point of order. I notice that the statements I am making in the House—

Mr. Bernard Bigras: Mr. Speaker, I rise on a point of order. I ask that you check to see if we have a quorum.

[*English*]

The Acting Speaker (Mr. McClelland): The hon. member for Rosemont has called for a quorum. I do not see a quorum. Call in the members.

• (1715)

And the bells having rung:

The Acting Speaker (Mr. McClelland): We have a quorum.

*Government Orders**[Translation]*

Hon. Martin Cauchon: Mr. Speaker, let me come back to the point I was making just before all the Bloc members left the House, because when we speak about the truth, about what the Canadian government is doing in Quebec, they do not like to listen and they certainly do not want the people to hear about such things. But I was about to deal with the aeronautical industry.

I mentioned Technology Partnerships Canada, which spends about 50% of its budget in the province of Quebec. The Minister of Industry approached a number of corporations, including Bombardier, CAE Électronique and Pratt & Whitney. So, it was a very significant program that created a critical mass in the greater Montreal area and helped to develop an industry that has made quite an impact not only in Quebec and in Canada, but internationally as well, and the Canadian government is very proud of its contribution to this success story in Quebec.

The Canadian Foundation for Innovation also got involved in the work of several research centres, in order to build a forward-looking, knowledge-based industry.

I recently had the opportunity to be the guest speaker at a breakfast meeting held by the Inno-Centre of Montreal. At this networking breakfast, I announced that the federal government, in collaboration with the Inno-Centre, will be spending \$4.5 million in seed money especially to help launch technological businesses. Again—

Mrs. Pauline Picard: Mr. Speaker, I rise on a point of order. I would like to know if the minister is taking part in this debate on research institutes or if he is still on questions and comments. I rose to speak when he finished his first question, but the member—

Some hon. members: Oh, oh.

Mrs. Pauline Picard: Could I please have the floor, Mr. Speaker?

[English]

The Acting Speaker (Mr. McClelland): I will take the floor. This is what happened. I am sorry, I will have to do this in English because my French just is not good enough.

When there is a member representing a party other than the party that gave the speech, the other member on his or her feet will be recognized even if it is a second or third question.

In this particular instance the member for Saanich—Gulf Islands rose to ask a question. He decided not to ask the question. The member for Outremont rose and was recognized. Even though it was his second question he was from a different party. That is the reason.

That is always the way it has been done. If other chair occupants choose to do it differently that is up to them, but I would never have recognized a member from the same party to ask a question if there is another member from a different party on his or her feet. That is the reason.

The member for Outremont has 30 seconds to ask a question.

[Translation]

The member for Rosemont will then have two minutes to answer.

Hon. Martin Cauchon: Mr. Speaker, I find interesting that the Bloc Québécois is making statements that are not accurate. It is interesting to see that when we give an answer, they do not really want an answer.

• (1720)

Some hon. members: Oh, oh.

Hon. Martin Cauchon: It is difficult to continue, because of all the shouting on the other side, which obviously means it hurts. They are obviously against any positive action by the Canadian government—

Some hon. members: Oh, oh.

Hon. Martin Cauchon: That is what we are doing and will continue to do even though they do not want us to continue to help the people of Quebec.

Recently, I attended a breakfast with the Inno-centre group, where we have invested—

Some hon. members: Oh, oh.

Ms. Jocelyne Girard-Bujold: Mr. Speaker, I rise on a point of order. I listened carefully to the Minister of National Revenue and he did not ask any question. He made a comment to say the Bloc Québécois did not agree. We never said the Bloc Québécois was against research institutes.

The minister must understand that we are on questions and comments.

The Acting Speaker (Mr. McClelland): This is the period for questions and comments. That was a comment. Perhaps it will be a question at another time.

The hon. member for Rosemont has two minutes left for his answer.

Some hon. members: Oh, oh.

The Acting Speaker (Mr. McClelland): There is ten minutes for questions and comments. The hon. member now has a minute and a half left.

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Hon. Martin Cauchon: Mr. Speaker, I rise on a point of order. We had some time to reply. I wanted to use that time to reply on behalf of the government, on behalf of my team. It is obvious that I was not able to reply in a satisfactory manner because—

[English]

The Acting Speaker (Mr. McClelland): The hon. minister in another minute can stand to respond for the government on debate, but this is questions and comments. If the hon. minister would like to pose a question, please go ahead.

[Translation]

Mr. Michel Bellehumeur: Mr. Speaker, I rise on a point of order. I believe there is a rule here in this House, to the effect that a minister or member of parliament may ask a question to the hon. member who just made a speech, but that person should be given sufficient time to reply.

The minister has a lot to say, I see. He simply should have his name put on the list of those who want to speak for 20 minutes, like everyone else in this House, and not take up the time of the member who is making a speech in reply to the outrageous claims made the minister.

Some hon. members: Oh, oh.

[English]

The Acting Speaker (Mr. McClelland): All right, that is enough. We are finished. There are no more points of order. The hon. member for Rosemount has two minutes.

[Translation]

Mr. Bernard Bigras: Mr. Speaker, it seems that facts are upsetting to that side of the House. The fact is that 16% of federal research and development money goes to Quebec, while the province accounts for more than 25% of the country's population.

An hon. member: This is not true.

Mr. Bernard Bigras: Mr. Speaker, I could have gone further. I could have provided some statistics that show precisely that Montreal, which is represented by the secretary of state and member for Outremont, among others, does not get its fair share of goods and services from the federal government. We are talking here about productive spending, about federal spending that creates jobs. Quebec comes up short, on this score.

If the minister does not agree with these figures, let us hear him say so. These are the facts. The secretary of state responsible for the Canada economic development for Quebec regions agency, who is a member of parliament from Montreal, should be in a

position to challenge what I am saying. I tell him not to start listing various small projects, but to look at the overall actual results and to assess them.

• (1725)

[English]

Mr. Derek Lee: Mr. Speaker, I rise on a point of order dealing with consultations between House leaders. There have been consultations and I think you would find consent in the House to adopt the following order dealing with the televising of a committee of the House:

That the House, pursuant to Standing Order 119(1), authorize the Standing Committee on Aboriginal Affairs and Northern Development to televise its meetings on Wednesday, November 24, in the afternoon and on Thursday, November 25, in the morning during its study on Bill C-9, an act to give effect to the Nisga'a final agreement in accordance with the guidelines pertaining to televising committee proceedings.

The Acting Speaker (Mr. McClelland): The hon. Parliamentary Secretary has put a motion before the House. We will do this in two phases. Does the hon. Parliamentary Secretary to the Leader of the Government in the House of Commons have consent of the House to put the motion?

Some hon. members: Agreed.

The Acting Speaker (Mr. McClelland): Is it the pleasure of the House to accept the motion?

Some hon. members: Agreed.

Some hon. members: No.

Mr. Derek Lee: Mr. Speaker, I rise on a point of order. Some members opposite may treat this matter a little lightly, but I would point out that all House leaders have agreed to this order. If members of the—

The Acting Speaker (Mr. McClelland): I am sorry, that is not a point of order. We asked for consent and we did not get it. That is something to be taken up behind the curtains.

Mr. Gary Lunn: Mr. Speaker, I rise on a point of order. I have been sitting in the House for the last half hour listening to this debate and to questions and comments. I have been listening to the members of the Bloc—

The Acting Speaker (Mr. McClelland): That is not a point of order, either. We have two minutes left on debate.

[Translation]

Hon. Martin Cauchon (Minister of National Revenue and Secretary of State (Economic Development Agency of Canada for the Regions of Quebec), Lib.): Mr. Speaker, I want to continue

Supply

to explain to the people of Quebec as a whole the action the Canadian government has taken.

As I said before we just intervened with Inno-centre, to the tune of \$4.5 million; this is very critical and very important for the greater Montréal area, since we are talking about action targeted at the pre-start-up level in the high technology sector, in other words the knowledge-based economy.

Of course, the people opposite do not want to hear or understand that the Canadian government plays a major role in Quebec. I want to outline the Canadian government's action strategy for the greater Montreal area, a strategy that was introduced in 1996 and involved the intervention of Team Canada as a whole in the greater metropolitan area.

Today the results of this strategy are remarkable. We are talking about close to 1,800 projects which have been approved since 1996 under our strategy for Montreal. These investments have a leverage effect and total more than \$3 billion. The contribution of Economic Development Canada alone, my department when it comes to economic development, is in the order of \$785 million. In terms of jobs created or maintained by this, we are talking of almost 20,000 jobs in the greater metropolitan area.

The Canadian government is proud of what it is doing in Quebec and in greater Montreal.

Ms. Jocelyne Girard-Bujold: Mr. Speaker, I have a question. Are we still at questions and comments?

Some hon. members: Or is the minister making a speech?

• (1730)

The Acting Speaker (Mr. McClelland): We should normally be resuming debate, but unfortunately the time allocated for the bill has expired.

[*English*]

Pursuant to order made Thursday, November 18, 1999, the House will now proceed to the taking of the deferred recorded divisions as listed on today's order paper.

Call in the members.

• (1750)

And the bells having rung:

The Speaker: Order please. So that there will be understanding in the House, there is agreement that we take the amendment relating to the business of supply as a first vote. Is it agreed?

Some hon. members: Agreed.

SUPPLY

ALOTTED DAY—NISGA'A FINAL AGREEMENT

The House resumed from November 22 consideration of the motion, and of the amendment.

The Speaker: Pursuant to order made on Monday, November 22, 1999, the House will now proceed to the taking of the deferred recorded division on the amendment relating to the business of supply.

• (1800)

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

(*Division No. 55*)

YEAS

Members

Abbott	Ablonczy
Anders	Bailey
Benoit	Breitkreuz (Yellowhead)
Breitkreuz (Yorkton—Melville)	Cadman
Casson	Chatters
Cummins	Duncan
Elley	Epp
Forseath	Gilmour
Goldring	Gouk
Grewal	Grey (Edmonton North)
Hanger	Harris
Hart	Hill (Macleod)
Hill (Prince George—Peace River)	Hilstrom
Jaffer	Johnston
Kenny (Calgary Southeast)	Kerpan
Konrad	Lowther
Lunn	Manning
Mark	Martin (Esquimalt—Juan de Fuca)
Mayfield	McNally
Meredith	Morrison
Nunziata	Obhrai
Pankiw	Penson
Reynolds	Ritz
Schmidt	Scott (Skeena)
Solberg	Stinson
Strahl	Thompson (Wild Rose)
Vellacott	White (Langley—Abbotsford)
White (North Vancouver) —55	

NAYS

Members

Adams	Alarie
Alcock	Anderson
Assadourian	Axworthy
Bachand (Richmond—Arthabaska)	Bachand (Saint-Jean)
Baker	Bakopanos
Barnes	Beaumier
Bélair	Bélangier
Bellehumeur	Bellemare
Bennett	Bergeron
Bernier (Tobique—Mactaquac)	Bertrand
Bevilacqua	Bigras
Blaikie	Blondin-Andrew
Bonin	Bonwick
Boudria	Bradshaw
Brisson	Bryden
Bulte	Byrne
Caccia	Calder
Cannis	Caplan
Cardin	Carroll
Casey	Catterall
Cauchon	Chamberlain
Chan	Chrétien (Frontenac—Mégantic)
Chrétien (Saint-Maurice)	Clouthier
Coderre	Collenette

Comuzzi	Copps
Crête	Dalphond-Guiral
Davies	Desjarlais
DeVillers	Dhaliwal
Dion	Discepola
Doyle	Dromisky
Dubé (Lévis-et-Chutes-de-la-Chaudière)	Dubé (Madawaska—Restigouche)
Duceppe	Duhamel
Dumas	Eggleton
Finlay	Folco
Fontana	Fry
Gagliano	Gagnon
Galloway	Gauthier
Girard-Bujold	Godfrey
Godin (Châteauguay)	Goodale
Graham	Gray (Windsor West)
Grose	Guarnieri
Guay	Guimond
Harb	Harvard
Harvey	Hubbard
Ianno	Iftody
Jackson	Jennings
Jordan	Karetak-Lindell
Karygiannis	Keddy (South Shore)
Keys	Kilger (Stormont—Dundas—Charlottenburgh)
Kilgour (Edmonton Southeast)	Knutson
Kraft Sloan	Lalonde
Laurin	Lavigne
Lee	Lefebvre
Lill	Limoges (Windsor—St. Clair)
Lincoln	Longfield
Loubier	MacAulay
MacKay (Pictou—Antigonish—Guysborough)	Mahoney
Malhi	Maloney
Manley	Marceau
Marchand	Marleau
Martin (LaSalle—Émard)	McCormick
McDonough	McGuire
McKay (Scarborough East)	McLellan (Edmonton West)
McTeague	McWhinney
Mercier	Mifflin
Mills (Broadview—Greenwood)	Minna
Mitchell	Murray
Myers	Nault
Normand	O'Brien (London—Fanshawe)
O'Reilly	Pagtakhan
Paradis	Parrish
Patry	Peric
Perron	Peterson
Pettigrew	Phinney
Picard (Drummond)	Pillitteri
Plamondon	Pratt
Price	Proctor
Proud	Reed
Richardson	Robillard
Rocheleau	Rock
Saada	Sauvageau
Scott (Fredericton)	Sekora
Serré	Shepherd
Solomon	St. Denis
St-Hilaire	St-Jacques
St-Julien	Steckle
Stewart (Brant)	Stewart (Northumberland)
Szabo	Telegdi
Thibeault	Thompson (New Brunswick Southwest)
Torsney	Tremblay (Rimouski—Mitis)
Turp	Ur
Valeri	Vanclief
Venne	Volpe
Wappel	Wasylcia-Leis
Wayne	Whelan
Wilfert	Wood —192

PAIRED MEMBERS

Bernier (Bonaventure—Gaspé—Îles-de-la-Madeleine—Pabok)	
Brown	Canuel
Cullen	de Savoye
Debien	Desrochers
Easter	Fournier
Lastewka	Leung
Ménard	O'Brien (Labrador)
Redman	Speller
Tremblay (Lac-Saint-Jean)	

Supply

The Speaker: I declare the amendment defeated.

Mr. Lee Morrison: Mr. Speaker, I rise on a point of order. I did not hear my name called. I would just like to confirm that my vote was taken.

The Speaker: The hon. member is recorded as having voted.

The next question is on the main motion.

• (1810)

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

(Division No. 56)

YEAS

Members

Abbott	Ablonczy
Anders	Bailey
Benoit	Breitkreuz (Yellowhead)
Breitkreuz (Yorkton—Melville)	Cadman
Casson	Chatters
Cummins	Duncan
Elley	Epp
Forseth	Gilmour
Goldring	Gouk
Grewal	Grey (Edmonton North)
Hanger	Harris
Hart	Hill (Macleod)
Hill (Prince George—Peace River)	Hilstrom
Jaffer	Johnston
Kenney (Calgary Southeast)	Kerpan
Konrad	Lowther
Lunn	Manning
Mark	Martin (Esquimalt—Juan de Fuca)
Mayfield	McNally
Meredith	Morrison
Nunziata	Obhrai
Pankiw	Penson
Reynolds	Ritz
Schmidt	Scott (Skeena)
Solberg	Stinson
Strahl	Thompson (Wild Rose)
Vellacott	White (Langley—Abbotsford)
White (North Vancouver) —55	

NAYS

Members

Adams	Alarie
Alcock	Anderson
Assadourian	Axworthy
Bachand (Richmond—Arthabaska)	Bachand (Saint-Jean)
Baker	Bakopanos
Barnes	Beaumier
Bélaïr	Bélangier
Bellehumeur	Bellemare
Bennett	Bergeron
Bernier (Tobique—Mactaquac)	Bertrand
Bevilacqua	Bigras
Blaikie	Blondin-Andrew
Bonin	Bonwick
Boudria	Bradshaw
Brisson	Bryden
Bulte	Byrne
Caccia	Calder
Cannis	Caplan
Cardin	Carroll
Casey	Catterall
Cauchon	Chamberlain
Chan	Chrétien (Frontenac—Mégantic)
Chrétien (Saint-Maurice)	Clouthier
Coderre	Collenette
Comuzzi	Copps
Crête	Dalphond-Guiral
Davies	Desjarlais
DeVillers	Dhaliwal
Dion	Discepola

Government Orders

Doyle	Dromisky
Dubé (Lévis-et-Chutes-de-la-Chaudière)	Dubé (Madawaska—Restigouche)
Duceppe	Duhamel
Dumas	Eggleton
Finlay	Folco
Fontana	Fry
Gagliano	Gagnon
Galloway	Gauthier
Girard-Bujold	Godfrey
Godin (Châteauguay)	Goodale
Graham	Gray (Windsor West)
Grose	Guarnieri
Guay	Guimond
Harb	Harvard
Harvey	Hubbard
Ianno	Iftody
Jackson	Jennings
Jordan	Karetak-Lindell
Karygiannis	Keddy (South Shore)
Keys	Kilger (Stormont—Dundas—Charlottenburgh)
Kilgour (Edmonton Southeast)	Knutson
Kraft Sloan	Lalonde
Laurin	Lavigne
Lee	Lefebvre
Lill	Limoges (Windsor—St. Clair)
Lincoln	Longfield
Loubier	MacAulay
MacKay (Pictou—Antigonish—Guysborough)	Mahoney
Malhi	Maloney
Manley	Marceau
Marchand	Marleau
Martin (LaSalle—Émard)	McCormick
McDonough	McGuire
McKay (Scarborough East)	McLellan (Edmonton West)
McTeague	McWhinney
Mercier	Mifflin
Mills (Broadview—Greenwood)	Minna
Mitchell	Murray
Myers	Nault
Normand	O'Brien (London—Fanshawe)
O'Reilly	Pagtakhan
Paradis	Parrish
Patry	Peric
Perron	Peterson
Pettigrew	Phinney
Picard (Drummond)	Pillitteri
Pratt	Price
Proctor	Proud
Reed	Richardson
Robillard	Rocheleau
Rock	Saada
Sauvageau	Scott (Fredericton)
Sekora	Serré
Shepherd	Solomon
St. Denis	St-Hilaire
St-Jacques	St-Julien
Steckle	Stewart (Brant)
Stewart (Northumberland)	Szabo
Telegdi	Thibeault
Thompson (New Brunswick Southwest)	Torsney
Tremblay (Rimouski—Mitis)	Turp
Ur	Valeri
Vanclief	Venne
Volpe	Wappel
Wasylcia-Leis	Wayne
Whelan	Wilfert
Wood —191	

PAIRED MEMBERS

Bernier (Bonaventure—Gaspé—Îles-de-la-Madeleine—Pabok)	
Brown	Canuel
Cullen	de Savoye
Debien	Desrochers
Easter	Fournier
Lastewka	Leung
Ménard	O'Brien (Labrador)
Redman	Speller
Tremblay (Lac-Saint-Jean)	

The Speaker: I declare the motion defeated.

* * *

[*Translation*]

YOUTH CRIMINAL JUSTICE ACT

The House resumed consideration from November 18 of the motion that Bill C-3, an act in respect of criminal justice for young persons and to amend and repeal other acts, be read the second time and referred to a committee, and of the amendment.

The Speaker: The House will now proceed to the taking of the deferred recorded divisions of Bill C-3, an act in respect of criminal justice for young persons and to amend and repeal other acts.

The question is on the amendment.

● (1820)

[*English*]

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

(*Division No. 57*)

YEAS

Members

Abbott	Ablonczy
Alarie	Anders
Bachand (Saint-Jean)	Bailey
Bellehumeur	Benoit
Bergeron	Bigras
Blaikie	Breitkreuz (Yellowhead)
Breitkreuz (Yorkton—Melville)	Cadman
Cardin	Casson
Chatters	Chrétien (Frontenac—Mégantic)
Crête	Dalphond-Guiral
Desjarlais	Dockrill
Dubé (Lévis-et-Chutes-de-la-Chaudière)	Duceppe
Dumas	Duncan
Elley	Épp
Forseth	Gagnon
Gauthier	Gilmour
Girard-Bujold	Godin (Châteauguay)
Goldring	Gouk
Grewal	Grey (Edmonton North)
Guay	Guimond
Hanger	Harris
Hart	Hill (Macleod)
Hill (Prince George—Peace River)	Hilstrom
Jaffer	Johnston
Kenney (Calgary Southeast)	Kerpan
Konrad	Lalonde
Laurin	Lefebvre
Lill	Loubier
Lowther	Lunn
Marceau	Marchand
Mark	Martin (Esquimalt—Juan de Fuca)
Mayfield	McNally
Mercier	Meredith
Morrison	Nunziata
Obhrai	Pankiw
Penson	Perron
Picard (Drummond)	Plamondon
Reynolds	Ritz

Rocheleau
Schmidt
Solberg
St-Hilaire
Strahl
Tremblay (Rimouski—Mitis)
Vellacott
Wasylcia-Leis
White (North Vancouver)—93

Sauvageau
Scott (Skeena)
Solomon
Stinson
Thompson (Wild Rose)
Turp
Venne
White (Langley—Abbotsford)

Rock
Scott (Fredericton)
Serré
St. Denis
Steckle
Stewart (Northumberland)
Telegdi
Thompson (New Brunswick Southwest)
Ur
Vanclief
Wappel
Whelan
Wood—149

Saada
Sekora
Shepherd
St-Jacques
Stewart (Brant)
Szabo
Thibeault
Torsney
Valeri
Volpe
Wayne
Wilfert

Government Orders

NAYS

Members

Adams
Anderson
Axworthy
Baker
Barnes
Bélair
Bellemare
Bernier (Tobique—Mactaquac)
Bevilacqua
Bonin
Boudria
Brisson
Bulte
Caccia
Cannis
Carroll
Catterall
Chamberlain
Chrétien (Saint-Maurice)
Coderre
Comuzzi
DeVillers
Dion
Doyle
Dubé (Madawaska—Restigouche)
Eggleton
Folco
Fry
Galloway
Goodale
Gray (Windsor West)
Guarnieri
Harvard
Hubbard
Iftody
Jennings
Karetak-Lindell
Keddy (South Shore)
Kilger (Stormont—Dundas—Charlottenburgh)
Knutson
Lavigne
Limoges (Windsor—St. Clair)
Longfield
MacKay (Pictou—Antigonish—Guysborough)
Malhi
Manley
Martin (LaSalle—Énard)
McGuire
McLellan (Edmonton West)
McWhinney
Mills (Broadview—Greenwood)
Mitchell
Myers
Normand
O'Reilly
Paradis
Patry
Peterson
Phinney
Pratt
Proud
Richardson

Alcock
Assadourian
Bachand (Richmond—Arthabaska)
Bakopanos
Beaumier
Bélangier
Bennett
Bertrand
Blondin-Andrew
Bonwick
Bradshaw
Bryden
Byrne
Calder
Caplan
Casey
Cauchon
Chan
Clouthier
Collenette
Copp
Dhaliwal
Discepolo
Dromisky
Duhamel
Finlay
Fontana
Gagliano
Godfrey
Graham
Grose
Harb
Harvey
Ianno
Jackson
Jordan
Karygiannis
Keyes
Kilgour (Edmonton Southeast)
Kraft Sloan
Lee
Lincoln
MacAulay
Mahoney
Maloney
Marleau
McCormick
McKay (Scarborough East)
McTeague
Mifflin
Minna
Murray
Nault
O'Brien (London—Fanshawe)
Pagtakhan
Parrish
Peric
Pettigrew
Pillitteri
Price
Reed
Robillard

PAIRED MEMBERS

Bernier (Bonaventure—Gaspé—Îles-de-la-Madeleine—Pabok)
Brown
Cullen
Debien
Easter
Lastewka
Ménard
Redman
Tremblay (Lac-Saint-Jean)
Canuel
de Savoye
Desrochers
Fournier
Leung
O'Brien (Labrador)
Speller

Mr. Guy St-Julien: Mr. Speaker, please note that I abstained on the amendment.

The Speaker: I declare the amendment lost.

The next question is on the main motion. Is it the pleasure of the House to adopt the motion?

• (1825)

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

The Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Speaker: In my opinion the nays have it.

And more than five members having risen:

Mr. John Nunziata: Mr. Speaker, I rise on a point of order to ask that you seek unanimous consent to apply the previous vote to the current motion.

The Speaker: Is that agreed?

Some hon. members: Agreed.

Some hon. members: No.

• (1830)

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

(Division No. 58)

YEAS

Members

Adams
Anderson
Axworthy
Baker
Barnes

Alcock
Assadourian
Bachand (Richmond—Arthabaska)
Bakopanos
Beaumier

Government Orders

Bélaire	Bélangier	Bergeron	Bigras
Bellemare	Bennett	Blaikie	Breitkreuz (Yellowhead)
Bernier (Tobique—Mactaquac)	Bertrand	Breitkreuz (Yorkton—Melville)	Cadman
Bevilacqua	Blondin-Andrew	Cardin	Casson
Bonin	Bonwick	Chatters	Chrétien (Frontenac—Mégantic)
Boudria	Bradshaw	Crête	Dalphond-Guiral
Brisson	Bryden	Desjarlais	Dockrill
Bulte	Byrne	Dubé (Lévis-et-Chutes-de-la-Chaudière)	Duceppe
Caccia	Calder	Dumas	Duncan
Cannis	Caplan	Elley	Epp
Carroll	Casey	Forseth	Gagnon
Catterall	Cauchon	Gauthier	Gilmour
Chamberlain	Chan	Girard-Bujold	Godin (Châteauguay)
Chrétien (Saint-Maurice)	Clouthier	Goldring	Gouk
Coderre	Collenette	Grewal	Grey (Edmonton North)
Comuzzi	Copps	Guay	Guimond
DeVillers	Dhaliwal	Hanger	Harris
Dion	Discepola	Hart	Hill (Macleod)
Doyle	Dromisky	Hill (Prince George—Peace River)	Hilstrom
Dubé (Madawaska—Restigouche)	Duhamel	Jaffer	Johnston
Eggleton	Finlay	Kennedy (Calgary Southeast)	Kerpan
Folco	Fontana	Konrad	Lalonde
Fry	Gagliano	Laurin	Lebel
Galloway	Godfrey	Lefebvre	Lill
Goodale	Graham	Loubier	Lowther
Gray (Windsor West)	Grose	Lunn	Marceau
Guarnieri	Harb	Marchand	Mark
Harvard	Harvey	Martin (Esquimalt—Juan de Fuca)	Mayfield
Hubbard	Ianno	McNally	Mercier
Iftody	Jackson	Meredith	Morrison
Jennings	Jordan	Obhrai	Pankiw
Karetak-Lindell	Karygiannis	Penson	Perron
Keddy (South Shore)	Keyes	Picard (Drummond)	Plamondon
Kilger (Stormont—Dundas—Charlottenburgh)	Kilgour (Edmonton Southeast)	Reynolds	Ritz
Knutson	Kraft Sloan	Rocheleau	Sauvageau
Lavigne	Lee	Schmidt	Scott (Skeena)
Limoges (Windsor—St. Clair)	Lincoln	Solberg	Solomon
Longfield	MacAulay	St-Hilaire	St-Julien
MacKay (Pictou—Antigonish—Guysborough)	Mahoney	Stinson	Strahl
Malhi	Maloney	Thompson (Wild Rose)	Tremblay (Rimouski—Mitis)
Manley	Marleau	Turp	Vellacott
Martin (LaSalle—Émard)	McCormick	Venne	Wasylcia-Leis
McGuire	McKay (Scarborough East)	White (Langley—Abbotsford)	White (North Vancouver) —94
McLellan (Edmonton West)	McTeague		
McWhinney	Mifflin		
Mills (Broadview—Greenwood)	Minna		
Mitchell	Murray		
Myers	Nault		
Normand	Nunziata		
O'Brien (London—Fanshawe)	O'Reilly		
Pagtakhan	Paradis		
Parrish	Patry		
Peric	Peterson		
Pettigrew	Phinney		
Pillitteri	Pratt		
Price	Proud		
Reed	Richardson		
Robillard	Rock		
Saada	Scott (Fredericton)		
Sekora	Serré		
Shepherd	St. Denis		
St-Jacques	Steckle		
Stewart (Brant)	Stewart (Northumberland)		
Szabo	Telegdi		
Thibeault	Thompson (New Brunswick Southwest)		
Torsney	Ur		
Valeri	Vanclief		
Volpe	Wappel		
Wayne	Whelan		
Wilfert	Wood—150		

PAIRED MEMBERS

Bernier (Bonaventure—Gaspé—Îles-de-la-Madeleine—Pabok)	
Brown	Canuel
Cullen	de Savoye
Debien	Desroschers
Easter	Fournier
Lastewka	Leung
Ménard	O'Brien (Labrador)
Redman	Speller
Tremblay (Lac-Saint-Jean)	

The Speaker: I declare the motion carried.

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

NAYS

Members

Abbott	Ablonczy
Alarie	Anders
Bachand (Saint-Jean)	Bailey
Bellehumeur	Benoit

• (1835)

The Acting Speaker (Mr. McClelland): It being 6.36 p.m., the House will now proceed to the consideration of Private Members' Business, as listed on today's order paper.

PRIVATE MEMBERS' BUSINESS

[Translation]

SHIPBUILDING ACT, 1999

Mr. Antoine Dubé (Lévis-et-Chutes-de-la-Chaudière, BQ) moved that Bill C-213, an act to promote shipbuilding, 1999, be read the second time and referred to a committee.

—He said: Mr. Speaker, it is with a great deal of emotion that I rise today in the House to give the most important speech I have ever given since I was elected in 1993 as the member for Lévis-et-Chutes-de-la-Chaudière. I will be dealing with the private member's bill that I have brought forward to promote shipbuilding.

In my riding, shipbuilding is the most important issue falling under federal jurisdiction, since the Lévis shipyard once had over 3,000 employees and provided jobs to close to 1,200 workers during the last two years to rebuild the oil platform *Spirit of Columbus*. At some point, the overall wages reached \$150 million a year and the economic benefits often exceeded \$300 million in the regions of Quebec and Chaudières-Appalaches.

This bill is the result of a process I started more than two years ago with Richard Gauvin, the president of the Davie workers union, in order to bring together all the stakeholders in the Canadian shipbuilding industry. Why? Because we both realized that we would never get the attention of the federal government that the Davie shipyards needed if we did not get the other Canadian shipyards on board.

Sometimes together, sometimes individually, we approached all of the stakeholders that could be of some help to us. I want to thank Richard Gauvin for his valuable contribution and I want to say hello. I know he is sitting in the gallery, along with two members of its union executive, Bernard Demers and Nelson Roy. I can assure the House that the Davie workers and their families were always at the centre of my main concerns when I was drafting this bill.

I also want to thank the management of all the shipyards I visited in Canada during the last two years for their co-operation. They helped me see that they were not competitors of Davie but partners fighting the same battle—to get the federal government to put together a real shipbuilding policy, a policy that would allow them to compete effectively with other shipbuilding yards in the world.

I also wish to thank all MPs in the ridings concerned who paved the way for me to meet with the directors of these shipyards, as well as the 100 MPs who have supported my bill this far.

Private Members' Business

People have talked about a merchant marine policy for Canada for more than 50 years, and nothing has really been done to promote shipbuilding per se.

• (1840)

Since the government did not address this in the last throne speech, today I will present three of the seven measures being called for jointly by the Shipbuilders' Association of Canada, which represents the owners of all the major shipyards in Canada; the Fédération de la métallurgie CSN; the Marine Workers Federation (CAW Canada), representing maritime workers primarily; and the Shipyard General Workers' Federation of British Columbia.

These demands are being supported by 160,000 people who have sent postcards to the Prime Minister of Canada, and to all provincial premiers who met in Quebec City on August 9.

The purpose of Bill C-213 is to promote shipbuilding in Canada and make Canadian shipyards more competitive.

First measure: A loan and guarantee program:

(a) through the establishment of a program whereby a maximum of 87.5% of the money borrowed by a company from financial institutions to purchase a commercial ship that will be built in a shipyard located in Canada

(i) is guaranteed by the federal government in the event of default in the repayment of the loan,

(ii) bears a rate of interest comparable to that available for loans from financial institutions to large and financially strong corporations, and

(iii) is repayable on terms comparable to those usually granted by financial institutions to large and financially strong corporations for the repayment of their loans;

This measure already exists in the United States, and is part of a specific program to promote shipbuilding, known as Title XI. Since 1993, the American government has approved financial guarantees totalling \$2.9 billion U.S. under this program.

My goal in this bill is to improve the loan guarantee program of the Export Development Corporation. Right now, this program is restricted to exports only, and the maximum is 80%.

But a loan guarantee program is needed because of the very high cost of ships and oil rigs and the long period of time required to build them.

In the United States, the title XI program makes it possible for American shipyards to price their ships competitively on the international markets. It provides federal government guarantees for financing or refinancing requirements in the private sector for long term construction or reconstruction projects of ships under the American flag in American shipyards.

Private Members' Business

The Canadian program should extend to Canadian and foreign owned ships built in Canada, and it should include a Canadian government guarantee for private loans and set interest rates similar to those granted to big healthy corporations.

Ships eligible under the program could include commercial ships like passenger ships, bulk carriers, self unloaders, cargos, tankers, tugs, push tugs, barges, dredges, research ships, pollution abatement ships, oil and gas drilling rigs, and floating drydocks.

A similar loan guarantee program was recently launched in Nova Scotia, but it is limited to \$85 million and is obviously restricted to the Halifax shipyard.

A second measure provides for changes to tax rules relating to lease financing. Another provision in clause 3 provides:

(b) by amending the provisions of the Income Tax Act and the Income Tax regulations to improve the tax treatment of lease financing for the purchase of a ship built in a Canadian shipyard.

Essentially, this is aimed at exempting new ships built in a Canadian shipyard from the application of Revenue Canada regulations with regard to lease financing. Lease financing has become the preferred financing option for the purchase of capital equipment. In their current form, these regulations make ownership and lease financing not very attractive, even unprofitable.

The annual depreciation that Revenue Canada would normally allow as a deduction from taxable income in other circumstances is substantially reduced in the case of lease financing. Not only does this transfer the depreciation from the first to the last years of the useful life of the ship, but it also results in a decrease of real savings from the ownership and operation of a ship, which means an increase in the operating costs of Canadian ships.

● (1845)

By exempting ships built in Canadian shipyards from the application of regulations relating to lease financing, the existing depreciation rates for ships would apply without any restrictions, and the tax disadvantage which prevents ownership or lease financing of ships would be eliminated. This exemption would not eliminate any of the taxes applicable to ships and their owners.

This is not an unprecedented initiative, because many assets are already exempt from regulations governing lease financing, such as furniture, office equipment, computers, electric appliances, televisions, radios, furnaces, air conditioners, railway cars, cars, vans, trucks and trailers. But not ships.

The third measure concerns refundable tax credits:

(c)—by amending the provisions of the Income tax Act and the Income Tax Regulations to allow a refundable tax credit for a portion of the costs relating to the

construction or refit of a commercial ship in a shipyard located in Canada or the conversion of a ship in such a shipyard

(i) to the shipowner for the construction of a Canadian ship, or

(ii) to the shipyard owner for the construction of a foreign ship.

This tax credit is drawn from a Quebec government initiative implemented in the context of 1996-97 budget measures to support Quebec's shipbuilding and marine industry.

The program could apply, without being limited thereto, to commercial ships, such as passenger ships, bulk containers, self unloaders and all those I named earlier. It would not apply to fishing boats eligible for financial assistance under other federal or provincial ocean fishing development programs.

The costs that could be taken into consideration in calculating the tax credit would include the cost of plans and specifications and the salaries of employees involved in the construction of a ship. Total construction costs ought to be in keeping with market standards in relation to the planned ship. A tax credit could be given that would be the equivalent of a maximum of 20% of construction costs of the first of a series, 15% of the second and third, and 10% for the fourth.

This credit might be considered an extension of the R and D credits in effect in Canada, so as to reflect the unique nature of shipbuilding, where the very first units in a new construction or retrofit program involve very steep development costs.

By contributing to these initial expenditures, the reimbursable credit could facilitate subsequent production, thus generating the economies of scale so essential to the prosperity of the industry.

The tax credit would be kept within the economic entity of the shipyard. It could not be transferred to other divisions of the business owned by the shipyard owner, and would be paid only once construction of the ship or oil platform was finished.

I would like to make it clear that it is not just by chance that the other four initiatives called for by the key stakeholders in Canadian shipbuilding are not part of my bill.

First of all, "elimination of the unilateral aspects of NAFTA which, while allowing the United States to sell new or used ships to Canada free of the 25% duty imposed on all other countries, totally blocks Canada's access to the American market" cannot be part of a bill. It must be part of some bilateral negotiation opened up again with the United States.

It is my personal opinion that the federal government ought never to have accepted the 1989 exclusion of shipbuilding and shipping from NAFTA. If these two areas were included from NAFTA, with the present exchange rate of our Canadian dollar, our shipyards would be overloaded with work.

The shipyard owners and the shipyard unions are also calling for “an international social clause governing working conditions for shipbuilding”. This ought to be included among the concerns of the Minister of International Trade at the World Trade Organization negotiations. Hon. members must understand that I could not include this in my bill, because it involves the WTO and must be the object of multilateral negotiations first.

• (1850)

The joint publication by shipyard owners and unions also asked for the “promotion of Canadian resources” and “for investments in coastal infrastructures”. These views are simply meant to remind the Liberal government that Canada has the world’s longest coastline and the largest inland waterway.

Under the circumstances, it would be important to preserve the existing Canadian shipyard infrastructure. Let me digress for a moment to point out Davie’s useful role following the grounding of the Norwegian cruiser *Norwegian Sky*. That shipyard may also be called upon soon to repair the Maltese freighter *Alcor*, which is grounded not far from Île d’Orléans.

Finally, shipyard managers and unions asked the federal government to hold a summit for industry stakeholders, to further discuss the issues affecting the Canadian shipbuilding industry and to develop a strategy covering all aspects of shipbuilding, so as to make that industry prosper again. I fully support that request for a summit which, incidentally, was a promise made by the Liberals in 1993.

There are also biases and myths that should be dispelled regarding the shipbuilding industry. The first myth is the high cost of manpower. Salaries paid by Canadian shipyards are lower than those paid anywhere in Europe. The hourly rate for manpower in the Canadian shipbuilding industry is 20% lower than in the United States, 50% lower than in Germany, and 40% lower than in Japan.

Only Korea and communist China pay salaries that are lower than those in Canada, but our manpower is far more qualified. The effectiveness of our manpower has increased by 25% since 1986. Not many countries can boast such an improvement. Collective agreements are more flexible than ever. This is not necessarily the way to look for improvement.

It is true that workers in the shipbuilding industry are well paid, but they also pay a lot of taxes. With the loss of 7,000 jobs in this sector, the federal and provincial governments in Canada have lost \$70 million annually. If nothing is done, these losses could soon reach \$100 million.

Since each shipbuilding job lost eliminates at least two other jobs elsewhere, tax losses can be estimated at close to \$200 million annually.

Private Members’ Business

How much have these job losses cost the EI and social assistance programs? I have not been able to obtain official figures, but I can say that costs were at least \$200 million a year.

Another myth is that demand is low. Many of the shipbuilding industry’s detractors claim that the industry is in decline and that demand has dried up. In fact, the opposite is true. In the spring of 1999, there were 2,542 ships on order throughout the world.

The majority of the ships in circulation in the world are over 20 years old. Some of them are in very poor condition. We saw this recently off the Île d’Orléans. Others must be refurbished very soon. As ecological concerns increase worldwide, more and more countries are requiring double hulls.

The recent increase in oil prices will further favour shipping as a means of transportation and again point up the need for new oil drilling rigs.

With globalization of markets leading to increased exports, shipping can only benefit, because trains and trucks cannot cross oceans, and transportation of weight cargo by air is too expensive.

We hear that a traditional industry is in decline. Another concept that must be challenged is the view of shipbuilding as traditional. All eyes are on the new technologies.

A recent visit to several American and other shipyards, including the largest shipyard in Taiwan, which is the fourth largest in the world, showed me that the largest Canadian shipyards have nothing to fear from any of them. Our technology is equal to, if not better than, that of our competitors.

• (1855)

Some of our shipyards, such as Davie, are known worldwide for the quality of their engineering services; they produce three-dimensional plans. Computer-aided manufacturing is present nearly everywhere.

Frigates manufactured in Canada are the best in the world. They are loaded with more computers than any airplane. So where is the problem? The problem is financial.

You are indicating to me that I have only two minutes left, Mr. Speaker, so I will have to go faster and improvise my conclusion. I could easily speak for two hours, but I have only 20 minutes. The problem is financial, there is a lack of financial guarantees.

The problem is also that many countries are still subsidizing shipyards to the tune of 9% in Europe, and 30% in Asia. In the meantime, the United States are hanging on to their protectionist measures.

And what is the good Liberal government doing meanwhile? It is watching the ships go by and is doing nothing. It is counting on the nature of things, on external pressures to make things happen in

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the area of shipbuilding. However, it is not with such a laissez-faire attitude that the situation will improve. While it has been ignoring the problem, the number of jobs has dropped from 12,000 when it came to power to 7,000, and it is still dropping.

In St. John's, Lévis, Vancouver, everywhere, the situation is increasingly precarious. I urge the Liberal government, which, I know, will not dare support a bill introduced by a mere opposition member, to vote the way its party faithful asked it to do at the last national convention through a resolution asking for substantial action: a review of the situation and concrete measures. I urge the government to wake up.

[English]

Mr. John Cannis (Scarborough Centre, Lib.): Mr. Speaker, I am pleased to be able to address private member's Bill C-213, an act to promote shipbuilding, brought forward by the hon. member for Lévis-et-Chutes-de-la-Chaudière, and to hopefully shed some light on some of the innuendoes and the doom and gloom we have been hearing.

The desire to see shipbuilding in Canada contribute to the national well-being is one that the government wholeheartedly shares. This is why the government has designed a federal shipbuilding policy tailored to the industry as it exists in Canada today and is consistent with our approach to other industry sectors.

There is no doubt in my mind why the member has put forth his bill. He is hoping to assist an industry located in his riding. I refer to MIL Davie. As all members of the House, the hon. member has come to this place to defend the interest of his constituents and I commend him for that. As elected representatives we all share this sense of obligation and must meet it with vigour by telling the full story.

Accordingly, the member may wish to ask his constituents if they are aware of the federal government's contribution to MIL Davie. I suspect the member's party line dictates that he cannot discuss positive contributions offered by the Canadian government. This would be a truth that his party would rather leave to others to raise.

Let me do so with pride. Has the member informed his constituents that the Government of Canada already invested almost \$1.6 billion in Davie industries between 1983 and 1996 in the form of contracts, contributions and loan guarantees? Probably not. Has the member asked his constituents if they prefer more money thrown at the problem as he is proposing in his bill? Probably not.

I would even venture to say that the hon. member's own constituents would take a common sense approach and affirm that his bill is not the magic bullet for this specific industry. Rather, his constituents would likely prefer a tax cut or increased spending on various social programs. In the wonderful world of the Bloc

Quebécois everything is possible. After all, it chooses not to govern, only to oppose.

Let me now take a moment to reiterate the Government of Canada's policy. My colleague, after asking the industry committee to meet on the subject of productivity and shipbuilding, essentially ignored the evidence presented by the witnesses and concluded that there is no government support for the shipbuilding and repair industry.

• (1900)

I take it that this must have been nothing more than a partisan slip from my colleague who I am sure will eventually admit to his constituents that there is a federal shipbuilding policy made in Canada.

There are essentially four elements to our government's shipbuilding policy carried out by the various government departments.

First, thanks to Public Works and Government Services Canada, the acquisition of ships in Canada by the federal government is done on a competitive basis but is restricted to Canadian sources. Let me point out that at present shipyards in Atlantic Canada employ almost 2,000 Canadians and, thanks to the federal government's made in Canada shipbuilding policy, these workers are now benefiting from over \$8 billion to \$9 billion in federal shipbuilding and repair national contracts tendered through the competitive bidding process in the past 10 years.

Second, the finance policy allows for an accelerated capital cost allowance on new ships built in Canada. It also allows purchasers to write off 100% of the entire cost of a ship over a mere four years. If we bear in mind the fact that the average life of a ship is approximately 40 years, this is a very accelerated rate of depreciation. It gives rise to a deferred tax item on the balance sheets of companies that exceeds the 15% declining balance rate afforded to foreign built vessels.

Third, thanks to DFAIT, we have put in place a 25% tariff on all non-NAFTA foreign built ships of more than 100 tonnes that enter Canadian waters, with the exception of course of fishing vessels over 100 feet in length.

Fourth, in response to the shipbuilding and repair industry's conditions, the government has spent \$198 million on an industry-led rationalization process between 1986 and 1993. This money was given directly to the industry for upgrading facilities and displaced workers adjustment programs because the industry itself, I point out, decided it was necessary to reduce its capacity so that the remaining shipyards could survive and continue to be competitive.

The Government of Canada is also supporting the shipbuilding and repair sector through a number of other key initiatives as well.

For example, we have an attractive R and D environment driven in part by the scientific research and experimental development tax credit.

We have financial assistance through risk sharing repayable funds through the enabling technologies element found in Technology Partnerships Canada. This could likely be of help in fostering the development, application and diffusion of critical technologies with major impacts and benefits within and across industry sectors.

The federal government helps the shipbuilding and repair industry to compete internationally through the Canadian Commercial Corporation assistance and the Export Development Corporation export financing, which can support up to 80% of a purchase over a 12-year term at commercial market, and let me highlight its support, which has grown from \$3.5 million in 1996 to more than \$130 million in 1999. This is a perfect example of how the government is modernizing its policy to reflect changing needs. Financing terms were expanded from eight to twelve years, and interest rates now match commercial rates.

Peter Cairns, president of the Shipbuilding Association of Canada, called this "a very good initiative, beneficial to the whole industry nationwide". He called it a "significant step in the right direction in an area where Canada has a lot of expertise".

Now the hon. member opposite would ask the government to pile on top of these measures special treatment for the shipbuilding and repair industry in the form of more favourable loan guarantees and exemption from lease financing, measures that do not exist for any other industry in Canada and that are contrary to Canadian tax policy and our international trade obligations.

Furthermore, the kind of tax credits the hon. member is asking for amount to what is in essence a subsidy. Canada will not get into a subsidy war with its international competitors which, let me point out, it cannot possibly win.

• (1905)

Permit me to take a step back and provide the member with a worldwide view of this entire issue.

At present, when measured internationally, shipbuilding in Canada amounts to about four-tenths of one percent of global production. This market is dominated by Japan and Korea which account for about 35% to 33%, respectively, of the world commercial shipbuilding. When we add China to the mix, three top countries now control more than 75% of the world's production.

Moreover, the Asian and Europeans are not standing still waiting for the rest of the world to catch up. Consolidation, mergers and specialization continue with giants like HHI and Daewoo in Korea, and a Chinese industry that is rationalizing from 26 companies

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down to two. In the face of such extreme and unremitting pressure, brought about by predatory pricing, substantial global overcapacity and subsidies, many traditional firms, such as Norway's Kvaener, have elected to get out of the business of new construction altogether.

In the face of such evidence, one may be inclined to walk away from the table and ignore the difficulties being encountered by the men and women of the shipbuilding and repair industry. However, that would be too easy and, simply put, not the right thing to do. The Bloc, the NDP and the Tories may disagree that the answer does not lie in topping up the subsidies that other countries are providing or in simply throwing in the towel, as the Reformers would like us to do.

The government will do the right thing and continue our efforts in multilateral discussions to negotiate subsidies down. As the Minister for International Trade has stated, we are committed to doing so and we are putting shipbuilding subsidies on the priority list of the upcoming negotiations in Seattle, Washington.

Yes, we should be doing all we can, in an intelligent way, to foster shipbuilding and repair in Canada. But, surely, this is a shared responsibility not to be undertaken solely by the federal government. The provinces as well as the owners have a duty to respond to their workers. Most of the provinces with shipbuilding and repair interests have provided support.

Mr. Gurmant Grewal (Surrey Central, Ref.): Mr. Speaker, I rise today to respond to Bill C-213, an act to promote shipbuilding in Canada. The purpose of the bill is to make Canadian shipyards more competitive.

The member for Lévis-et-Chutes-de-la-Chaudière in Quebec wants to establish a federal loan granting program that will cover up to 87.5% of money borrowed to purchase a commercial ship built in Canadian shipyards.

The bill would also provide a favourable and generous tax treatment of lease financing for the purchase of Canadian built ships.

Finally, the bill proposes a refundable tax credit for refitting commercial ships in Canada.

As a Canadian, I can commend the hon. member for the intent of the bill and what he is trying to accomplish.

Surrounded on three sides by water, one would think that Canada could have a viable, thriving and prosperous shipbuilding industry. However, that is not the case. There are so many who remember the great ships built on our east coast in particular, and the shipbuilding industry in Canada takes on a romantic notion.

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The Tories make a great deal of noise lamenting the sad state of our shipbuilding industry. In fact, they are to blame as much as the Liberal Party of Canada for the loss of this industry in Canada.

As all Canadians know, the current Liberal government is maintaining a high and artificial level of taxation. They are hurting our economy, our productivity and our growth with their high taxes. They are hurting our consumers, and they are discouraging foreign investors from coming to Canada. They have caused a brain drain that threatens the future of our country.

Just this past weekend, the International Monetary Fund recommended that the Liberals abandon their policy of delegating 50% of the budgetary surplus to new spending because something has to be done about the high level of taxes that are killing jobs, our economy and our industry in the country.

Our employment levels are too low. With our vast resources and our ability to create wealth with other nations in the global economy, we should be doing a lot better.

● (1910)

On this side of the House, we appreciate the initiative shown by the member in bringing forward Bill C-213. He is trying to find solutions to the government's mismanagement and its effect on our shipbuilding industry. Regrettably, he is using the wrong approach.

Loans, grants and incentives will not accomplish what low taxes across the board would accomplish. Would the member go sector by sector, industry by industry, company by company offering tax breaks, granting loans and other things? That is what the Liberals do. They give away government contracts and opportunities to those who contribute to the Liberal Party. A hotel can be saved from bankruptcy if enough money has been given, and CIDA contracts will be awarded. We know this is a long story.

Lower taxes would help all sectors of our economy. If the government lowered taxes, that would help our industries. Lower taxes would help all companies across the country. High taxes caused the problems. Lower taxes would solve much of the damage that has been done.

The official opposition policy calls for private sector self-reliance without the federal government providing tax dollars to support any specific sector. Why would the hon. member single out shipbuilding? There are so many other sectors to be propped up with tax dollars.

Let us look at the shipbuilding industry in Canada. With only .04%, that is 1/25th of a percentage point, of the world's shipbuilding production, it is time to admit that Canada does not currently have the right environment to sustain a shipbuilding industry. Rather than try to match the subsidies and other incentives offered

by other countries, we should concentrate our efforts on negotiating down unfair export subsidies. Far from guaranteeing loans to Canadians who purchase Canadian built ships, we should drop the 25% tariff we have on non-NAFTA ship imports so that all Canadian shipowners are not penalized.

Industry Canada can tell us about the problems in the shipbuilding industry. It is a declining industry, a dead in the water industry. There is an overcapacity in the world of over 40%. Canada is not even in the ballpark. We have 25% duties against imports of ships.

What the Liberals and Tories have done to the shipbuilding industry in Canada is a study on what not to do in terms of productivity. Yet the industry department continues to have a shipbuilding policy which has technology partnership grants, research and development grants, and the Export Development Corporation supporting it. Why?

The technology partnerships Canada program is available to a number of firms to do research and development if they so wish. It is repayable based on success. It is a risk sharing, reward sharing program. No one should use this program for shipbuilding. There would be no way to pay back the loan.

Let us look at the world shipbuilding industry. The industry has moved away from North American markets and European markets to southeast Asian markets. Japan and South Korea continue to control over two-thirds of the total international market for shipbuilding and ship repair. China is emerging as a rival. Combined, these three countries control over 75% of the world market. Due to extreme pressure from Asian shipbuilders, many traditional shipbuilders, including the Norwegian company Kvaerner, have chosen to get out of the industry altogether.

Canada cannot build major ships, only minor and smaller vessels. Both of these markets are already operating at over 40% of their capacity. Demand and prices are already weak and are forecast to continue to decline. Prices for 1999 are down by 6% to 24% from last year.

● (1915)

The international market is experiencing a significant downsizing. Since 1976 the number of shipyards in the world has dropped by half and direct employment has significantly declined to about one-third of what it was.

Let us do those things that we can do well. We can reduce duties in a multilateral forae, and we will be going into the WTO round in Seattle. If we will be dealing with duties, then I hope we will deal with this one.

All tariffs will probably be on the table for discussion and I would expect, depending on what we can get in return, that we may be able to drop the 25% duty.

Market conditions for shipbuilders are not about to change. Maybe we would be better off in Canada helping our ship buyers by reducing the 25% duty. Maybe the ship purchasers in Canada could help generate employment, creating jobs and developing the business. Protecting shipbuilders did not help in the past.

The total employment in Canada's shipbuilding and ship repair industry as of May 1999 was about 4,950. The rationalization of this sector of our economy took place between 1986 and 1994 and resulted in a loss of over 7,000 jobs. The loss of those jobs cost the federal government \$198 million. That is a lot of money.

The federal government has already assisted in helping the industry phase down through \$200 million in adjustment payments. That experiment, as usual, has proven to be a dismal failure.

We should not turn to taxpayers and make them pay for a shipbuilding industry in Canada that will never be viable. Let us not hinder the choices of the firms in Canada that want to buy ships or force a duty on them if they do not buy a Canadian ship because we wish to have a shipbuilding industry. It is the government's fault that this industry and others are not thriving in Canada. In fact, it is hindering us with high taxes, preventing prosperity. We support de-politicizing economic decision making by eliminating grants, guarantees and subsidies.

Ms. Wendy Lill (Dartmouth, NDP): Mr. Speaker, I am very pleased to speak today to Bill C-213, a bill which I support because of my party's longstanding support for the creation of a national shipbuilding policy for Canada.

I thank members of the Marine Workers Federation who came here en masse last spring, from coast to coast to coast, to present 100,000 cards demanding that the government implement a national shipbuilding policy. I am glad to see many of them here tonight for this important debate.

Why do we need a shipbuilding policy? It seems so obvious to many of us, but it cannot be reiterated enough.

I come to this place from Dartmouth, Nova Scotia, a community which sits on the shores of one of the finest working harbours in the world. Shipping is part of the economic lifeblood of my community. It is part of our history, culture and who we are.

From my home I can see crews working on ships on the shores of Dartmouth Cove. They are blasting the hulls or repairing and refitting the superstructures. Across the harbour I can see the naval dry docks where our navy is being fit with the latest technology, and as I cross the bridges I see the huge Halifax shipyards, major employers in my community.

These are jobs in a vibrant and necessary industry. I see this from my home, I hear it from constituents, and I know it from the things

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I am told by the workers in the industry. However, I am troubled by the fact that the government has a different view of the industry. It sees the industry as one which is on the way out, a sunset industry. That is why it is letting the industry die. It sees this industry and the workers involved, and the communities which rely on shipbuilding, as being expendable.

That approach is reflected in the government's indifference to a shipbuilding policy. It is astounding to me that the indifference exists, given the fact that such voices as Buzz Hargrove, J.D. Irving and the Canadian Chamber of Commerce are now all singing from the same song book about the need for a shipbuilding policy. But indifference is what we have seen from the government, or at best mixed messages.

• (1920)

The Liberal Party has a long but not very proud tradition of saying one thing in opposition and doing another when in government. The Prime Minister was firmly in favour of a national shipbuilding policy when in opposition. At that time it was the Conservatives in government who were dragging their heels.

During the election of 1997 the Liberals trotted out kind words about shipbuilding, but when my colleague for Halifax West raised issues surrounding shipbuilding with the Minister of Industry after the election, his position was against the shipbuilding policy. He admitted that his biggest worry was spending any money to support the industry. Why? Because this could see Canada participating in a subsidy war. Once again we saw our government abandoning our industry to avoid potential trade irritants with our powerful neighbours.

We clearly heard that the government's policy was to allow our shipbuilders to disappear, while other countries like the United States were prepared to protect theirs. The difference seems to be that other countries understand the importance of having a cutting edge shipbuilding industry. Contrary to our government's view that shipbuilding is a sunset industry, other countries understand that shipbuilding is using the most up to date technologies in the world.

Other jurisdictions are not content to rely on the third world for their transport needs as a matter of policy either. Unfortunately, that is the case in Canada. Halifax harbour rarely sees a Canadian built ship with a Canadian crew. We instead see ships like the Maersk Dubai. These are common vessels in our waters, ships with no labour standards and questionable safety and environmental practices. It is shameful that this is the policy of Canada.

Very recently we have seen new developments in the Liberal government's waffling on its shipbuilding policy. We have heard the government leader in the Senate, a newcomer in cabinet but a Liberal hack of the oldest order, say that he wants a shipbuilding

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policy that not only supports the current shipyards, but which can compete for foreign and domestic business. However, across the cabinet table the Minister of Transport is delivering yet another slap to the face of Canadian shipbuilders. He has chosen to abandon any pretence of having a Canadian first procurement policy. An example is that the Minister of Transport has gone offshore to buy the much needed ferry for Newfoundland to Labrador, while the St. John's shipyard is currently idle. Why is that?

It seems to me that the solution to the problem is obvious. Build the ships here. Create the jobs here. Keep the skills here. Support the communities here. Develop the economy here. Instead, we see the Minister of Transport going offshore to get the ferry. How can we trust anything the government is saying when it behaves like this?

I support this bill, not because it is perfect, but because it moves in the right direction. It recognizes that we need public investment, using all public policy tools, such as government loan guarantees and tax credits to support a national shipbuilding policy. That is why I support the bill.

However, as a country we need to go further than this bill. We need to look at shipbuilding as part of a larger shipping policy. Our policy toward shipbuilding should not just create employment, it should set some terms on that employment. We have to establish some environmental terms for that employment. Shipbuilding and refitting can be a dirty job. It involves a lot of heavy industrial activity. Many of my constituents have expressed concerns about the environmental problems related to activities such as blasting hulls and the use of chemical solvents in refitting ships.

For the sake of our workers and the sake of residents who live near shipyards, we need to have more comprehensive environmental controls and protections for these worksites. They should be regulated and the regulations should be enforced. We need to have fair labour standards in the shipbuilding sector which encourage the democratization of the workplace and better treatment for labour organizations. We need basic social rights to be protected by shipbuilders.

We should be looking beyond this bill to having a national policy that requires international shipbuilders to live with acceptable social, environmental and labour standards if they want to use their products in Canada.

We also need to change our overall shipping policies to allow the enforcement of health, safety and environmental standards on all ships which ply Canadian waters.

• (1925)

We need to use a national shipbuilding policy to encourage other industries to add value to our raw resources and not just ship out the

raw goods. I believe we must re-approach our dealings with our trading partners and reject subservient relations with other countries, such as we get from NAFTA and the WTO.

While I support the bill, I will remind the House that the root of our problems in many sectors, such as shipbuilding, comes from our decreased ability to use subsidies and tax incentives to promote domestic economic development. These restrictions are a result of trade agreements put in place by both Tory and Liberal governments which restrict our ability to have a national policy in areas like shipbuilding.

We need a national shipbuilding policy: Dartmouth and Halifax, Nova Scotia; Marystown, Newfoundland; Saint John, New Brunswick; and Lévis, Quebec need it. Canada needs the thousands of family-supporting jobs that a vital shipbuilding industry will create. I hope the government will finally commit to action on a national shipbuilding policy for the sake of all of those communities.

Mrs. Elsie Wayne (Saint John, PC): Mr. Speaker, I thank my hon. colleague from Lévis for his bill. I am so pleased to be able to get up and support his bill and his comments.

I heard some comments about how the Conservative Party, when it was in power, did not do things for the shipbuilding industry. Let me tell the members that the Conservative Party gave the single largest contract in the history of Canada to Quebec and, yes, indeed, to Saint John, New Brunswick, my shipyard. It injected billions and billions of dollars into the economy.

I sit in the House of Commons week after week. I got up in the last session 27 times to ask the Minister of Industry to bring in a national shipbuilding policy to make us equals and competitive. All we ever heard was "We have a national shipbuilding policy right now". Well, we cannot compete with the national shipbuilding policy that the the Minister of Industry says we have. He should take a look around the world.

I am in favour of the International Monetary Fund helping those countries that are poor and having a difficult time. However, right now money from the International Monetary Fund is going into Korea and Japan to help subsidize shipbuilding. Here we are and we cannot subsidize our shipyards. "No, no, we cannot do that", says the Minister of Industry.

Back on October 29, 1990, Mr. Holloway, the secretary treasurer of the Marine Workers' Federation, wrote to the now Prime Minister of Canada, when he was seated on the other side in the opposition, asking about the state of shipbuilding in Canada. The the present Prime Minister replied by saying that while the Conservative government may indeed have recognized that there was a problem, because things were winding down in the shipbuilding industry, that it had done absolutely nothing to foster the

development of a Canadian merchant marine. He said that it was safe to say that most people recognized that something needed to be done to create a much more competitive shipbuilding industry, and that the government should have, as it should have done long ago and as it had promised to do, taken steps to alleviate this problem.

That was what the Prime Minister said when he was in opposition. Well, he is in government now and he says that there is no problem whatsoever to bring it in. The government has the power to bring it in, but where is it? It has not done anything. The silence from Ottawa is deafening as other jurisdictions continue to announce further support for shipbuilding in their countries. Why are we not seeing the same level of competence and responsiveness from our government?

The Minister of Industry talks about high technology. Shipbuilding is high technology, very high technology. We used to have thousands and thousands of people working in the shipbuilding industry. For every job that was created in the shipbuilding industry, there were two or three other jobs in the community that were created as well. When I am talking about shipbuilding I am talking about a national policy that goes right from Newfoundland to British Columbia. It is not just two shipyards.

• (1930)

Let us look at what happened recently. The United States came in and wanted to buy MIL Davie because it wanted to take over. There is no question United States has invested. We know that and we are worried about it because the United States has the Jones Act and the Jones Act protects the United States.

The United States can do all kinds of things, but we cannot go into the United States and bid on its tenders. We cannot go in and do what Americans can do in Canada. They can come here and bid on our shipyards. They can bid on our contracts. They can do everything because they have protection. We cannot because we do not have that protection in Canada.

Why are we not seeing the same level of confidence and responsiveness from our own government? We want to know why we are not. Highlights of the shipbuilding industry supported by other jurisdictions in the last two to three weeks include the week of November 10 when the United Kingdom announced new support for ship repair whereby two and a quarter of the value of the repair is given as a subsidy.

Norway has increased its subsidy from 7% to 9%. Norway has also stated its intention to provide a special new subsidy to support the building of fishing vessels. Germany has reintroduced subsidies to the level of 9%. Of the 68 shipbuilding nations on the planet today, 67 of them have national shipbuilding policies.

An hon. member: Except us.

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Mrs. Elsie Wayne: Yes, except us. The old OECD agreement was entered into by this country. All countries that built ships entered into it many years ago. The only country adhering to it is which one? Canada. We are the only country adhering to it. That is why we cannot compete. None of the others are adhering to it.

Yes, we hear that the Liberals will be going to the WTO meetings down in Seattle and that this will be a priority. We have heard all that rhetoric before. They do not have to go to the WTO. They can come in here this week and bring in a national shipbuilding policy. There is absolutely no reason in the world for our men and our women who built frigates, which are the best ships to be found anywhere in the world, to have to wait until they go to the WTO.

European countries are so concerned right now with what has been happening with the dollars from the IMF supporting Asian shipyards that they have initiated a court action against the Daewoo shipyard. This Korean shipyard is over \$350 million in the red, continues to take orders and build ships below cost and, we have been told, allegedly uses some IMF money which includes Canadian tax dollars.

We need a shipbuilding policy with provisions for an improved export financing and loan guarantee program similar to the title 11 program in the United States. Yes, it took over our sugar refinery. It is taking over our shipbuilding. It is taking over everything, and we are sitting back and letting it happen here in Canada.

There should be an exclusion of the newly constructed ships built in Canadian shipyards from the present Revenue Canada leasing regulations, provisions for a refundable tax credit to Canadian shipowners or shipbuilders that contract to build a ship or contract for conversions with change of mission, mid-life refit or major refit in Canadian shipyards.

We have to say that there should be an elimination of the one sided aspect of NAFTA which allows the U.S. to sell new or used ships duty free in Canada yet absolutely prohibits Canadian access to the U.S. market.

Our newly appointed industry minister in 1993 was given a gloomy report from Ernst & Young on the future of shipbuilding in Canada. The report entitled "International Competitiveness of the Canadian Shipbuilding Industry" was commissioned by the previous Tory government and concluded that the industry was in very serious trouble. That was 1993, and this minister and this Liberal government have done nothing to make Canadian shipbuilding competitive with the international shipbuilding sector in countries that subsidize their shipbuilding.

That 119 page report stated that if the government did nothing to help the industry become more competitive, an estimated 15,000 jobs would be lost by the turn of the century. We only have a month to go. I beg my colleagues over there to take a serious look at what

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is happening. There are about 25,000 people, some of whom are on welfare and some of whom had to go to the United States to find work.

• (1935)

People have come up from Louisiana to Saint John, New Brunswick, to interview our shipyard workers and said they were the best trained people they have ever interviewed. They offered them jobs down in the United States. We have the most modern shipyards in Quebec, back home in Saint John, New Brunswick, in Newfoundland and right through to Vancouver, and what happens? We have a government that does not care.

I plead tonight like never before for the government to put our people back to work. Let them have their dignity. Let them feed

their families. They do not want to be on welfare. They do not want to be on unemployment. We can do that by working together and getting a national shipbuilding policy which makes us competitive.

[*Translation*]

The Acting Speaker (Mr. McClelland): The time provided for the consideration of Private Members' Business has now expired and the order is dropped to the bottom of the order of precedence on the order paper.

[*English*]

It being 7.36 p.m. the House stands adjourned until tomorrow at 2 p.m. pursuant to Standing Order 24(1).

(The House adjourned at 7.36 p.m.)

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Publié en conformité de l'autorité du Président de la Chambre des communes

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