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Monday, February 13, 2017

Speaker: The Honourable Geoff Regan

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HOUSE OF COMMONS

Monday, February 13, 2017

The House met at 11 a.m.

Prayer

PRIVATE MEMBERS' BUSINESS

•(1105)

[*English*]

ROLE OF CO-OPERATIVES

Mrs. Alexandra Mendès (Brossard—Saint-Lambert, Lib.) moved:

That, in the opinion of the House, the government should recognize the important role co-operatives play in the economy and ensure that they continue to thrive by taking concrete steps such as: (a) developing, in consultation with provincial and territorial governments, Indigenous communities and the co-operative sector, a federal co-operative strategy to promote and support Canada's co-operative sector; and (b) providing periodic progress reports on pre-established goals and targets.

She said: Mr. Speaker, hon. colleagues, I would like to first thank my colleague, the hon. member for St. John's East, for seconding this motion.

[*Translation*]

The purpose of Motion No. 100, entitled "Role of Co-operatives", is to develop and implement a strategy to promote and support Canada's co-operative sector.

Some may wonder why I came up with this motion and moved it. I am very pleased to have the next few minutes to explain. I moved this motion because the growth and success of the co-operative and mutual sector align perfectly with our government's objectives. These objectives will strengthen our country and invigorate and diversify our economy through the creation of long-term, well-paid, high-calibre jobs. This motion will generate competition by lowering the cost of goods and services and giving consumers better choices.

[*English*]

It is an all-around win.

[*Translation*]

The government and I believe that when we have an economy that works for the middle class, we have a country that works for everyone. In many cases, co-operatives are better than conventional businesses at creating an environment that strengthens the middle class and those working hard to join it.

These are the reasons I am here today to debate and defend this motion.

[*English*]

It is my belief and that of many of my colleagues that the Government of Canada must continue to recognize the important role that co-operatives and mutuals play in the Canadian economy and ensure that the sector continues to thrive. There have been some efforts to recognize that today's co-operative sector is as diverse and innovative as the economy itself. However, these efforts have not been sufficient.

Historically, co-operatives have been associated with agriculture and agrifood; whereas today, co-operatives have evolved as an innovative model in almost every sector of Canadian and global economies. In 2013, responsibility for co-operatives moved from Agriculture and Agri-Food Canada to Industry Canada. It was a move that was meant to reflect how the co-op model has grown, and that also began to consider co-operatives as equal to sole proprietorships, partnerships, and corporations. This represents modest progress in the way that co-operatives and the co-operative model must be supported by the government.

[*Translation*]

That said, this change did not include a mandate to provide coordination and co-operation between government departments and other levels of government or with the co-operative sector itself. This also means that the department cannot implement any policies that would have a positive impact on the development of co-operatives, address deficiencies in our economy and, ultimately, benefit Canadians from coast to coast to coast.

This government has ambitious plans to grow our economy, help the middle class, and support those working hard to join it. Industry Canada has been renamed and reorganized. Now called Innovation, Science and Economic Development Canada, the department is focused on its ambitious innovation agenda, which will help achieve the objectives of the government. Co-operatives and mutuals have a role to play in that agenda, and adopting Motion No. 100 is a crucial step in ensuring that they are an integral part of that strategy.

Co-operatives are inherently innovative. They are created in order to meet people's needs and to serve the people, first and foremost. In my riding, Brossard—Saint-Lambert, we have excellent co-ops that offer vital services with a real focus on customer service.

Private Members' Business

For instance, Coop Aide Rive-Sud, an in-home support co-operative, provides a range of services including housekeeping, meal preparation, errands, laundry, and hairdressing. The co-op's membership has grown steadily since 1997, and so has the number of jobs created for the worker members, who are all employees of the co-operative.

The user members rely on the dedicated work of over 130 worker members who are proud of being instrumental in bettering quality of life at home. Of course, home care is a growing challenge in Canada, and co-operatives are a sustainable model for client-focussed service.

• (1110)

[English]

Another inspiring example of innovation through a co-operative model is La Guilde co-operative in Montreal, formed two years ago. It is a collective of 72 video games programming boutiques that have grouped together to scale up to compete in a global video game market.

Based on a democratic structure and built on a model of non-profit producing co-operatives, La Guilde has equipped itself to respond in a sustainable way to the real needs of independent game developers in Montreal. Using the concept of shared services, these independent, creative students are now a stable sustainable ecosystem that can build out into an expanding global industry and compete with established giants such as Ubisoft.

[Translation]

By implementing a framework to promote the development of co-operatives and mutuals in Canada and by fully exploring a strategy on how co-operatives can participate in the growth of every region and every emerging sector, we can maximize the positive spinoffs from the co-operative model in Canada.

Quebec has felt the impact that co-operatives can have on local economies. In the 1970s, Quebec had the highest funeral costs in Canada. In order to address this issue, people organized themselves under the co-operative model and, in the decades that followed, Quebec became the province with the lowest priced funeral services, services that constitute an emotional and financial burden for most Canadian families.

In its report, the Special Committee on Co-operatives, chaired by our late colleague, the Hon. Mauril Bélanger, quotes a brief submitted by the Institut de recherche et d'éducation pour les coopératives et les mutuelles of the Université de Sherbrooke. It reads:

...the presence of funeral cooperatives in Quebec for nearly three decades has had and continues to have a regulating effect by lowering the price of funerals in Quebec by 50%....

[English]

Many national co-operative success stories would not exist today without the strategic partnership and initiative of the federal government of the time.

More than 50 years ago, Arctic Co-operatives Ltd. began commercializing arts and craft production for harvesting and commercial fisheries. These traditional activities became the core business of the early local co-operatives, which would become a

network of 32 community-owned co-ops, providing northern peoples with fuel, tourism, food, and employment. Arctic Co-ops is now a successful and internationally recognized example of do-it-yourself community economic development in the Canadian north. As of 2012, Arctic Co-ops ranked 24th in Canada among non-financial co-ops, based on total revenues. This success was partially the result of federal encouragement and support. There are many examples of successful models, domestically and internationally, that offer strategic possibilities to fill economic gaps and meet social needs in Canada.

This debate is an opportunity to draw the attention to what a national co-operative development strategy might provide for Canadians from all walks of life: rural or urban, first nations and Métis, young entrepreneurs, official language minority communities, the growing freelance sector, and new Canadians. Co-operatives offer a point of entry and participation in the innovation economy.

The co-operative movement is a global one, and offers countless examples of innovative and stable economic development that we must learn from. Canada has not been quite as successful as comparable economies in developing the co-operative and mutual sector for our own domestic benefit. We rank 31st in percentage of GDP generated by our co-operative and mutual sector. In a country where 18 million people are members of a co-operative or mutual, half of the population, and 3.4% of our GDP is attributable to co-operatives, we can do more, and we can certainly do better.

• (1115)

[Translation]

Consider for example countries such as New Zealand, the Netherlands, and France. It is important to note that these countries have returned to the co-operative model in recent years, specifically in the renewable energy, health care, and entrepreneurial co-operative sectors, thus allowing professionals to share their resources while remaining independent.

With this motion, I am continuing the work begun by the Hon. Mauril Bélanger, which deserves all of our respect since the special committee's report was written in a completely co-operative manner. If Motion No. 100 is adopted, it will give the government the mandate to develop a framework and strategy for co-operative development. This mandate is the catalyst needed for the government to act on the recommendations made by the Special Committee on Co-operatives, launched by Mauril about five years ago during the International Year of Co-operatives.

[English]

It has already been five years. I hope members will all agree with me that it is time to move forward with recommendations to draft a plan, create a framework, and find a way forward.

[Translation]

This motion builds on the work that has already been done. The wording of Motion M-100 is clear. If the motion is adopted, support from the House of Commons for developing a strategy to enhance the co-operative economy in Canada will be solidly established.

Private Members' Business

Mauril often said that co-operatives, especially those that are starting up, face tremendous challenges getting financing and that the federal government has a role to play in helping them. That is precisely what this motion seeks to address.

I want to be clear on certain aspects of the motion. Motion M-100 seeks to directly help small- and medium-sized co-operatives that might be stalled or experiencing very slow growth. It does not seek to help the very large co-operatives such as Desjardins, La Coop fédérée, Federated Co-operatives Limited, and Agropur, for example. Those co-operatives are strong enough to succeed as businesses and do not require additional support.

[English]

Small and medium-sized co-ops, on the other hand, face challenges that regular businesses do not. Access to capital, the lack of a legal framework, and the dismal availability of data and statistics are just a few examples. Who in a co-operative, with many involved member-owners, would take out a loan or mortgage on behalf of the whole co-operative? Which banking institution would lend to a co-operative where it is unclear who will be responsible in the case of the co-operative defaulting?

[Translation]

Currently, data and accessibility to statistics on co-ops are unreliable and incomplete. Centralizing the data would be a tangible step to help co-op leaders make sound decisions. The most recent studies and research posted under “Co-operatives policy” on the government site are not current. In fact, the most recent study dates from 2012, but there is nothing after that.

[English]

While I will not go into detailed proposed solutions, I will share a few of them today as possibilities to consider. The first one would be to develop a co-operative investment strategy. Second would be to ensure equitable access to funding for co-operatives. Third would be to establish a legislative framework to enable financial and non-financial co-operatives to do business and grow the sector, and there are many more.

As my time is coming to a close, I strongly encourage my colleagues from both parties to vote in favour of strengthening the co-operative and mutual sector.

[Translation]

Motion No. 100 could give the Department of Innovation, Science, and Economic Development the mandate needed to fully explore the opportunities and synergies that a stable and locally based co-operative economy could create in all parts of Canada.

Parliamentarians are elected by Canadians to meet our collective needs. Co-operatives and mutuals are never imposed on communities. They become established to meet common needs and are democratically responsible to their members. It is the responsibility of all members from all parties to give the public service a strong mandate so that this strategy can take shape and become a reality.

Mr. Speaker and esteemed colleagues, thank you for listening to me. I look forward to working with you to help boost our economy, increase competitiveness, and create jobs.

[English]

Mr. Todd Doherty (Cariboo—Prince George, CPC): Mr. Speaker, I want to thank the member for Brossard—Saint-Lambert for putting forward the motion. I am a bit confused in terms of the motion itself. Co-operatives, from coast to coast to coast, deal with farmers, traders, and producers. Indeed, we have seen co-operatives involved in insurance, financial institutions, credit unions, and housing. We have affordable and social housing co-operatives as well. In western Canada, we have retail. In doing some quick research, there is also a record label involved as a co-operative. *The Canadian Press* is listed as a co-operative. We have radio stations, and even a refinery that is listed as a co-operative. Co-operatives are successful because they are masters of their own domain. They are in charge of moving forward. They are together to look after the producers and those who have subscribed to them.

I would like to ask my hon. colleague the scope and who she sees would be involved in this, and why is there a need for a centralized overseeing group to manage our national co-operative program?

• (1120)

Mrs. Alexandra Mendès: Mr. Speaker, we are working with the co-operative movement to create this strategy. There is a need to standardize our rules and regulations around co-operatives. We will not touch the financial sector because that is under finance and it will remain there. However, there lacks a clear path for the support that co-operatives need in terms of the legal and financial framework they work with. I am working with them to bring this motion forward. I am not working against co-operatives in any way, shape, or form.

[Translation]

Ms. Marjolaine Boutin-Sweet (Hochelaga, NDP): Mr. Speaker, I wholeheartedly support the co-operative model.

My family has worked for years to develop this model in Abitibi. It is a very useful way to help one another, especially at times when the economy is not stable or uncertain.

In my riding, there are many housing co-operatives. The largest housing co-operative is located in Pierrefonds, a suburb of Montreal.

Co-operative housing agreements are expiring now. In the spirit of this motion, does the government intend to renew the housing subsidy that helps people living in co-operatives so that they do not spend more than 30% of their income on housing?

Mrs. Alexandra Mendès: Mr. Speaker, I cannot speak on the minister's behalf. I am not aware of any upcoming policy announcements.

However, I do know that he is conducting very broad consultations on affordable housing. We certainly think the co-operative model has a lot to recommend it. Like the member, I hope those agreements will be renewed soon.

Private Members' Business

[English]

Ms. Karen Ludwig (New Brunswick Southwest, Lib.): Mr. Speaker, could the member elaborate on how the renewable energy sector would thrive under a co-operative environment?

Mrs. Alexandra Mendès: Mr. Speaker, I firmly believe that the co-operative model is extremely capable of reacting quickly to the needs in communities and creating an economic development framework that would sustain, for example, the renewable energy sector.

Right now, many of our communities are debating how to address all the climate change challenges that they are facing. There are examples in waste management that have been created through co-operatives that address the climate change issues very directly and quickly. That is one example, but there are many others that could be looked at.

Mr. Dan Albas (Central Okanagan—Similkameen—Nicola, CPC): Mr. Speaker, it is a welcome opportunity to speak to this motion today. I would like to commend the member for Brossard—Saint-Lambert for putting this motion forward.

I would like to take a few moments today to explain exactly why I think this is such an important motion. In particular, I would like to focus on credit unions.

In our Conservative caucus we have a wide variety of backgrounds. To my left we have a former president and chair of a large credit union. We obviously have farmers. We have business men and women who have conducted a large amount of work in business with credit unions. I would like to focus on that end of the cooperative sphere today.

In my riding of Central Okanagan—Similkameen—Nicola, and in my former riding of Okanagan—Coquihalla as well, credit unions are often the financial cornerstone of the region. For many of my constituents, it was a community credit union that said yes to their first mortgage, to their first small business loan, to a line of credit, when some of the larger financial institutions that have international presence said, “And you are?” Now, I do not mean to suggest anything negative against Canada's larger financial institutions which are part of the cornerstone of what many feel is one of the best banking systems in the world, but the fact is, to many of my constituents, they got their first start, their first financial start so to speak, because a credit union said yes to them.

Even as I wrote this speech last Friday night, news had just spread that Valley First, which is division of First West Credit Union, donated \$150,000 toward the South Okanagan Similkameen Medical Foundation. This is the same credit union that sponsors many important local community events.

In Summerland, there is a credit union that sponsors many other local events and is considered to be one of the best run credit unions in all of British Columbia. It is all of one, a single branch, but for the people in Summerland, it has been their financial and fiscal lifeline. It has helped finance the growth of Summerland since it was first founded in 1944. In fact, it is a remarkable story. Back in 1944, the Summerland & District Credit Union was founded when 10 local citizens pooled together less than \$20, and the rest, as they say, is history.

Why am I raising credit unions today in speaking in support of this motion?

The short, simple answer is that credit unions need our help. They are not asking for a zero interest loan like our friends at Bombardier. The reality is that credit unions are drowning. They are drowning in regulatory red tape and one-size-fits-all Ottawa-imposed regulation. For starters, I am sure members would know that common reporting standards and FINTRAC alone are creating massive compliance costs on credit unions. One small credit union alone told me it spends \$100,000 a year on compliance costs. To a large financial institution, \$100,000 is probably a drop in the advertising bucket, but for a small community credit union, it means it is literally hiring people not to serve customers but rather to serve Ottawa in filling out the required paperwork. It is a massive burden.

Now the Liberal government comes along and says it is going to change mortgage regulations. Keep in mind, I am not talking about the new stress tests. I am talking about the punitive and unilateral decision to take away CMHC insurance on refinanced mortgages.

Canadians are a savvy bunch. We understand that accessing our home equity through a refinanced mortgage is absolutely the most cost-effective way to invest in a small business, to finance home renovations, to consolidate debt, to survive a long labour lockout, to keep a family home after a divorce. Whatever the case may be, refinancing a mortgage is a cost-effective way to invest in a local economy and now, with zero consultation, the Liberal government has taken that away.

What this means is small credit unions will have to allocate more funds to cover those mortgages. In turn, it means that money will not be available to flow into other sectors of the local community lending portfolio. In turn, it means that interest rates will need to be higher.

● (1125)

All of this drives up costs on a credit union and ultimately its members. This is why credit unions are so greatly troubled by many of the measures that the Liberal government has put forward.

In fact, going back to the mortgages, we heard every single witness at the finance committee, including the witnesses put forward by the Liberals, agree that these would have significant negative impacts on the industry and ultimately on Canadians. They also agreed there was zero consultation on why the Liberals are adamant on implementing these punitive changes.

Private Members' Business

We had bureaucrats at the finance committee and while they could explain what the policy changes were, none of them could explain why the Liberal government wants to make these changes. I will even credit a few of my Liberal colleagues on the finance committee. When I put forward a motion to invite the finance minister so he could explain why he thinks these changes are good, they agreed with me and supported the motion. For those people less familiar with how the finance committee works, it is not every day that members of the government will agree to bring their own minister before the committee to explain himself.

That brings me back to this motion. I could continue at length on the important roles credit unions play in my riding and indeed in many ridings throughout Canada, which is why I am pleased to support the motion. I can also state that since I have assumed the portfolio of deputy finance critic, I have also heard at length from credit unions on very serious struggles they are facing, all trying to keep up with Ottawa's imposed one-size-fits-all regulatory compliance-related red tape. If we are to support this motion, and I am hopeful that all parties and all members will support this motion, then by extension we must do more to recognize the value of co-operatives. We must ensure that we listen and make the much-needed regulatory changes. These changes would not cost the taxpayer money, but they would help keep a more robust, more diverse, and more competitive fiscal sector in Canada, which is what we all believe needs to happen toward prosperity.

Before I close, I would like to briefly quote from Desjardins Group which made a presentation at the finance committee. Mr. Bernard Brun said it best when he said that the rest of the country's "financial co-operatives are an important and integral part of the Canadian financial system and that the rules need to be adapted accordingly." I could not agree more. That is why I am speaking in support of this motion today, and I do appreciate members' time to hear my comments.

Again, I would like to thank the member for Brossard—Saint-Lambert for putting this motion forward. I believe it is a helpful reminder that we must be thinking of our local communities when we are in this place, and not necessarily allow the dictates of the politics of today to push us in a certain direction. All good things in life are upstream, and I appreciate the member's suggestion that this is one way we can make things better for co-operatives, including credit unions, right across this great country.

• (1130)

[*Translation*]

Mr. Robert Aubin (Trois-Rivières, NDP): Mr. Speaker, I want to start by saying that I cannot imagine any member of Parliament opposing this morning's motion, particularly if that member is from Quebec.

I will not claim that co-operatives were our brainchild and ours alone, but allow me to indulge in some nationalistic pride and say that Quebec has a significantly higher percentage of co-operative enterprises than any other province or territory in every sector across the board.

One well-known example is, of course, Desjardins, but within that model, I would like to draw the House's attention to what we call the school savings bank. From the time they start school, our children

can deposit money in the school savings bank. This is their introduction to the co-operative model and that whole sector of the economy. In my day, kids could even deposit pennies. Every deposit, no matter how small, contributed to kids' financial literacy.

At the other end of the spectrum, many funeral co-operatives have sprung up in recent years. This means that the co-operative movement follows us from the cradle to the grave, so to speak, and in all sectors of the economy. There are university co-operatives, agricultural co-operatives, and health co-operatives. Basically, in every economic sector of our society, there is room for a co-operative economy.

This is particularly true in the social economy. We have an obligation to show solidarity and develop many, many co-op-based institutions. There is really no good reason to oppose this motion.

However, I do have one small reservation. Members who have been here for more than two elections will recall very clearly the tremendous amount of work Mauril Bélanger did on this file. I would also like to remind members of the huge amount of work done by one of our NDP colleagues during the 41st Parliament. Hélène LeBlanc worked very hard to advance the co-operative movement.

My only reservation is that we are debating a motion here today rather than any concrete application in legislation, such as the budget bill, for example, which will be introduced soon.

Let us look at the motion: the text of the motion recommends that the government recognize the important role co-operatives play in our economy and ensure that they continue to thrive. It would be hard to be against that. To achieve this goal, the motion calls on the federal government to develop a co-operative strategy with all the provincial and territorial partners. Finally, the motion proposes that the federal government provide periodic progress reports on goals and targets reached. It would hard to go against these principles. We would just like to see the machine speed up a bit.

Although I support the principle behind the motion, the recommendations are so vague and, as I was saying, so imprecise and repetitive that any tangible impact they might have will result only from the Liberal government's political will. Let us hope the will is there. I have no doubt about the substance of the motion, but as for the schedule, that remains to be seen. We will ensure that the Liberal government effectively keeps this promise.

For those watching our debates, let us reiterate that co-operatives are organizations where a member is both owner and client. Other than their sector, co-operatives have many things in common, including the democratic power of their members and their heavy involvement in their community. Co-operatives also share other commonalities with the NDP. In fact, the fundamental values of the co-operative movement are similar to those that define our policies, namely to work together to build equity between citizens and establish mutual trust.

Private Members' Business

The NDP has always advocated for co-operatives because they are resilient in times of economic crisis. Co-operatives are resilient because their business decisions are directly tied to their economic and social impact on the community in which they are based.

According to a study by Quebec's former economic development, innovation, and exports department, the survival rate of co-operatives is almost double that of conventional businesses.

I will read a quote by Bryan Inglis, vice-president of Co-op Atlantic's Agriculture Division:

• (1135)

Due to these economic realities, we believe that cooperatives can play an important and strategic role. Given that cooperatives are enterprises that seek to meet member and community needs, which can be both economic and social, they're ideally positioned to meet the needs of both rural and urban communities. When conditions worsen, citizens look for opportunities to work together to come up with workable solutions.

Co-operatives are also vital to job creation. In Quebec, between 2000 and 2010, jobs in the co-operative sector increased by 25%, while jobs in the overall economy increased by less than 10%.

The co-operative movement also generates thousands of jobs across Canada. Over 155,000 people actively participate in this movement.

What is more, it is important to note that co-operatives are often great financial successes. According to a federal government study, non-financial co-operatives reported a total volume of business of \$39.6 billion in 2012, which is an increase of 3% compared to 2011.

It is not just a small number of shareholders who reap the benefits of the co-operative movement's success. It is the communities being served by co-operatives.

As I was saying earlier, Quebec is seen as a champion of the co-operative movement, and I am proud to be part of it. There is no doubt that the co-operative movement has shaped our history. More than 20 years ago, the Quebec government established a co-operative investment plan that has helped many co-operatives get off the ground and flourish.

This political will has generated \$393 million in new investments in co-operatives. Today, more than one million Quebecers are members of a co-operative, and this sector employs more than 43,000 people. One in eight Quebecers directly participates in the development of the co-operative sector.

When it comes to Quebec co-operatives, Mouvement Desjardins stands out, although, as I mentioned earlier, the co-operative movement is now active in all economic sectors. In Quebec, 70% of the population is a member of a Caisse populaire Desjardins and that includes me.

The Mouvement Desjardins was founded in 1900 by Alphonse Desjardins. At the time, traditional banks only lent money to business people, industrialists, and wealthy families. The working class only had access to loan sharks, which charged prohibitive interest rates. To address this injustice, Alphonse Desjardins created a system where the working class became its own banker. Mouvement Desjardins has been acknowledged as a major builder of Quebec's economy.

Although co-operatives play a vital role in the economy, the federal government has shown little interest in them since the 2010 forum on co-operatives. I find it interesting that the motion calls on the federal government to recognize the important role co-operatives play, as though that were not yet proven. What the co-operative movement needs is concrete measures to help it sustain its growth and keep providing services to communities.

That is why the NDP is demanding that the federal government implement tax advantages to help co-operatives thrive. That is a meaningful measure that could be introduced as early as the next budget. It is in keeping with the premise of the motion, but it goes further still.

For such measures to be as effective as possible, the Liberal government should also improve access to information about co-operatives across the country. Once the federal government has properly identified the needs, it will be able to target them better.

In conclusion, I would like to point out that, in the previous Parliament, the Liberal Party moved a motion calling for a special committee to study the importance of co-operatives. The committee's report, published in 2012, did a good job of proving their economic importance, and the Liberal Party issued a supplementary opinion, which I do not have time to quote, unfortunately.

To sum up, I will obviously be voting for the motion in the hope that we begin to see its impact as soon as possible with respect to certain bills.

• (1140)

[*English*]

Mr. Lloyd Longfield (Guelph, Lib.): Mr. Speaker, before I begin, I would like to thank the member for Brossard—Saint-Lambert for bringing this important motion forward.

It is my pleasure to rise today as chair of the multi-party co-op caucus to highlight not only the economic benefits co-operatives provide but also the leadership on social issues and environmental challenges addressed by these innovative enterprises.

The economic impact of co-operatives and mutuals is clear. With approximately 9,000 co-operatives and mutuals employing almost 190,000 Canadians, the co-operative sector remains a key segment of the Canadian economy.

According to data collected by the Government of Canada in 2012, there are 8,000 non-financial co-operatives across Canada, with a total business volume of almost \$40 billion. It is clearly time to develop, in consultation with provincial and territorial governments, indigenous peoples, the co-operative sector, and other governments, a federal and co-operative strategy to promote Canada's co-operative sector.

Co-ops exist in a number of sectors of the economy, including wholesale and retail, agriculture, housing, construction, manufacturing, and fishing and hunting, to name a few.

In 2012, Canada's co-operatives had almost eight million memberships and had paid out \$607 million in dividends to their members and to their communities.

Private Members' Business

The co-operative model also places an emphasis on key values like democracy, equality, equity, and solidarity.

I am particularly proud to stand in support of the motion as Guelph is home to almost 100 co-operatives, many of them incorporated federally. These include the Co-operators, Gay Lea Foods, Organic Meadow, and the Guelph Campus Co-op, just to name a few.

The Co-operators is an excellent example of one of Guelph's leading businesses. It leads in economic activity, is one of Guelph's leading employers, and also leads in economic returns. At the same time, it champions social and environmental sustainability. The Co-operators is registered as a B Corporation and has led the way for many other Guelph companies to become B corps.

Another great example is Organic Meadow Co-op, first opened in 1989 by six organic farmers. They began their co-op to create a totally new food system that would deliver high-quality, certified organic, local food to consumers.

These organizations operate based on seven internationally established principles, including concern for community, and are global leaders in accomplishing U.N sustainability goals.

Whether generating economic opportunities for new Canadians or providing employment opportunities for people with disabilities, co-operatives are addressing a number of complex social challenges.

Perhaps nowhere is that social benefit more clear than in the area of affordable housing. According to a recently published study, more than 40% of all non-financial co-operatives operate in real estate, particularly as housing co-ops. It is estimated that some 2,300 housing co-operatives across the country provide more than 96,000 housing units. This represents 250,000 Canadians who currently live in co-operative homes.

Housing co-operatives, which can range from small buildings to large apartment complexes, are democratic communities where the residents decide how the co-ops operate. The mission of these co-operatives is simple: to help members find suitable and affordable housing. The cost of their housing only increases when operating costs increase, which ensures that low-income households living in co-ops continue to have access to affordable housing.

That is why budget 2016 introduced \$574 million to renovate and undertake energy and water efficiency retrofits of the aging social housing stock, including co-operative housing. As of January 15, more than 48,000 social housing units in some 1,000 co-op and non-profit housing projects were slated to benefit from this funding.

● (1145)

It is clear that housing co-operatives play a central role in Canada.

I will now turn to another set of challenges the co-operative model is being used to address, which is the unique health and other social services needs that exist in our communities.

It is estimated that more than 500 co-operatives across the country provide tailored health services, day care, or home care. Health care co-ops can take a variety of forms, including those that are made up of health care providers, or patients and community, or a hybrid of the two. Whether providing home care to seniors and people with

disabilities, or employment opportunities for people who experience barriers to employment, co-ops provide crucial health and social services.

I want to bring to the attention of members one such co-operative in Newfoundland. The North Shore Central Ambulance Co-operative provides ambulance services on the north shore of Trinity Bay. Through collective action and community ownership, this co-operative has been able to maintain high-quality ambulance services directly to the community.

The co-operative model also presents a unique economic development opportunity for new Canadians. Indeed, co-ops provide them with networks in their community, training opportunities related to business skills and leadership, and a variety of professional development opportunities. Co-operatives that achieve these goals operate in a variety of sectors and meet a variety of needs for newcomers, including education, health care, financial services, and the arts.

Renewable energy co-ops are another great example of Canadians using the flexibility of the co-op model to achieve shared environmental objectives. These businesses integrate co-op principles, such as democratic decision-making and collective outcomes, and direct them towards the creation of renewable energy. We have a few of those in my home town of Guelph, and they really are doing well.

While most of Canada's renewable energy co-ops are currently located in Ontario, it is a concept that is gaining popularity across the country due to its success. Therefore, I encourage all members of the House to support this motion.

I would like to thank my colleague for tabling the motion, which not only demonstrates the role co-operatives are playing in Canada's economy, but continues the work of our good friend, the late Mauril Bélanger, who was such a staunch advocate of the co-op movement, past chair of the caucus, and a champion for so many Canadians in so many ways.

I would love to see this motion move forward and have success for the benefit of our country.

● (1150)

Mr. Alexander Nuttall (Barrie—Springwater—Oro-Medonte, CPC): Mr. Speaker, I appreciate the opportunity to address the House of Commons today on such an important matter.

I spent roughly six and a half years in the financial services sector. I had the opportunity to work both with TD and RBC as well as with Meridian Credit Union. The products and opportunities that are offered through the co-operative structure are a great help to consumers and provide competition, especially in the financial services sector, to what is mostly a closed industry.

Private Members' Business

I would like to thank the member for Brossard—Saint-Lambert for bringing forward the motion today. The issue needs to be addressed by the government and by the House going forward. It is an issue that past governments have seen as a very important one. Changes were made by the former finance minister, the late Jim Flaherty, with regard to the laws surrounding credit unions, allowing them to nationalize, allowing them to go cross-country, and not just be stuck in each province. Those changes were the seeds that are now sowing more competition in the financial sector.

Originally this was brought forward as a bill, but was retracted and brought forward as a non-binding motion. I question that. From where I sit, it looks like the government may have perhaps intervened, that perhaps it did not want to see this come forward as a binding bill on which it would need to act, and therefore wanted a non-binding motion instead that could be supported but pushed aside. This is not the approach the government promised us when it was sworn into power. It is not the approach that was communicated to us through the throne speech, on December 4, 2015.

I would like to take a couple of excerpts out of that speech to show what was communicated to us with respect to the expectations for members of Parliament, specifically backbench MPs, and how their opinions would matter.

Reading the speech, the Governor General said:

I call on all parliamentarians to work together, with a renewed spirit of innovation, openness and collaboration...In this Parliament, all members will be honoured, respected and heard, wherever they sit. For here, in these chambers, the voices of all Canadians matter.

Let us not forget, however, that Canadians have been clear and unambiguous in their desire for real change. Canadians want their government to do different things, and do things differently. They want to be able to trust their government.

The problem is this. We have an important matter before us that would have been a strong bill brought forward in the House by a backbench MP on the government side. However, it appears at this point that this was not in line with what the government wanted.

I commend the member for Brossard—Saint-Lambert for bringing forward this important issue. It speaks to competition in many sectors across the country. Co-operatives are spread across each and every sector. Unfortunately, with this being a non-binding motion on the government, it will not have the effect I would like. It speaks to the fact that nothing concrete is coming forward from the government with regard to economic development, or pushing industry down the road, or our economy, which has seen difficult times over the last year. We had some good numbers on Friday of last week, but besides that, we have seen poor job growth numbers.

We have been asking for a plan from the Minister of Innovation, Science and Economic Development, or what used to be Industry Canada. We have not seen anything but three bills.

The first bill dealt with copyrighted works for persons with disabilities. We supported that, and always will. However, it does not have a wide-ranging effect on the economy. It does not show the plan the government said it would bring forward.

●(1155)

The second bill was with regard to disclosure of boards and compliance. If a board was non-compliant regarding the number of persons and diversity on the board, it then needed to explain why.

Another bill was tabled just last week. It has yet to come to our innovation committee. However, as we move forward, we see a lack of a plan for the economy. When a member on the other side of the House brings forward a very strong motion, which I would rather see as a bill because it would be binding, I wonder why the government, or the member on the other side, did not proceed with a bill instead of something that would be non-binding motion. We are not seeing a plan for the economy going forward. The motion is actually a meaningful piece that could have provided help and support. We wish the minister would have taken it and worked with the member to ensure it was a binding policy that the government could take to the private sector and push very hard.

When I was at Meridian, there were times when we had a lot of influence over what happened in the economy. As a credit union, a co-operative, we were able to fill sectors that perhaps the banks could not. There were times when smaller businesses felt they could not compete, so they came together, worked together and through the process of creating a co-operative, they found savings in sourcing products and opportunities for selling their products. Co-operatives are very important, and I wish we had seen this in a full bill.

Going back to credit unions and co-operatives overall, there a number of financial co-operatives. When the previous government moved a motion to allow for co-operatives and credit unions to go to a national level, there was some concern about whether they would be able to compete with the high cost of doing so. Out east, the credit unions, with the provinces, came together and were able to put forward a larger bank and credit union co-operative. They provided savings to their members, as well as more products to them. Out west, Vancity and some other large credit unions looked at breaking out onto the national stage. In Ontario, my former employer, Meridian Credit Union, looked at a national perspective as well. There were talks of mergers, and all types of different opportunities. However, in the last year, a couple of them have taken that step onto the national stage. Some are looking at online banks and some are still looking at mergers.

This has created more competition in the financial services sector and it has forced the bigger players, the banks, to sharpen their pencils. At the end of the day, this increased competition has resulted in better products and rates for consumers, and an all around good move forward for Canada.

I would like to see the government take concrete steps. It should not just stop with a non-binding motion. It should encourage co-operatives and credit unions because they are saving dollars for consumers. They are creating jobs for Canadians, where we have seen abysmal job growth. They are creating a better, more stable economy going forward through this type of diversity.

It certainly has been an honour to speak about this today. I look forward to returning and being able to address this again in the future.

*Government Orders***GOVERNMENT ORDERS**

•(1200)

Mr. Kevin Lamoureux (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.): Mr. Speaker, it is a pleasure to rise to talk about a very important issue.

The late Mauril Bélanger was a very strong advocate for co-ops in every region of our country. I remember many days, when Liberals were in opposition, when he raised the issue of Canada's co-operative movement and just how important co-ops were for our country. I do not believe anyone ever challenged that thought in my caucus back then and I suggest that, today, there is wonderful support by the government toward the co-operative movement as a whole. We understand and appreciate the valuable role that co-operatives play in everyday life for millions of Canadians, and it is done in many different ways.

Shortly after leaving the Canadian Forces, I got involved in the Weston Residents' Association. It wanted to impact housing in the community and initiated a housing co-op. Housing co-ops are just one of many forms of co-ops that exist, but it was an important one for community redevelopment. This is something that I believe is still viable today. There are many communities in virtually every region of our country that would benefit by housing co-ops getting more involved in community development, whether it is urban revitalization or just being involved in the suburbs, and we are seeing that today. It is important to recognize that.

If members are as familiar as I am with Winnipeg North, they will recognize the importance of credit unions' and co-operatives' financial services and food services. The Red River Co-op is one of the busiest gas stations in the north end, because my constituents recognize the value of co-ops in a very different and real way. That is one of the reasons, when reviewing this motion and reflecting on my good friend, the late Mauril Bélanger, one cannot help but get excited about the potential that co-ops will not only have in the future but some of the wonderful things they have done in the past.

The idea of a strategy is a positive one. How to best put it into effect is something, no doubt, the chamber will continue to discuss during the second hour of debate and look forward to the vote. Suffice it to say, I have had first-hand experience with co-ops and they have been wonderful experiences. My constituents tell me that co-ops and the co-operative movement are positive things. There are headquarters located in Winnipeg North. As I say, every day millions of Canadians benefit by the co-operative movement. I suspect that will continue to grow into the future and it is something that government should be able to foster and support.

With those few words, my time has expired for today, but I will have another opportunity in the future.

•(1205)

The Deputy Speaker: As the hon. member indicated, there will be six minutes remaining for his comments when the House next resumes debate on this motion.

[*Translation*]

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*]

**CANADA-EUROPEAN UNION COMPREHENSIVE
ECONOMIC AND TRADE AGREEMENT
IMPLEMENTATION ACT**

The House resumed from February 8 consideration of the motion that Bill C-30, An Act to implement the Comprehensive Economic and Trade Agreement between Canada and the European Union and its Member States and to provide for certain other measures, be read the third time and passed.

Hon. Peter Van Loan (York—Simcoe, CPC): Mr. Speaker, it is with great pleasure that I rise to speak to the Canada-European Union free trade agreement. This is of course an outstanding initiative many years in the making. The reasons to support it are very simple.

At the bottom line, when the study was done in advance of the commencement of negotiations on this Canada-Europe free trade agreement, the study revealed that based on the assumptions it was looking at, an agreement of this nature would deliver an annual boost to the Canadian economy of some \$12 billion. That is not small change. That is significant money and it would make a big difference in people's lives. What is also significant is that study was undertaken many years ago, and the likely benefits with the passage of time and the growth of economies are in fact much greater than that. That is the cornerstone we look at: a \$12-billion boost in the economy, and that would mean a real difference in the lives of ordinary people, of workers, and of companies across Canada that would have the opportunity to benefit from that.

When I became Canada's trade minister, this negotiation was under way and I very quickly ensured that it became our number one trade priority, the focus of our policy and of our energies. I saw in this potential trade agreement the ability for us to do great things, to really be able to benefit, and that it was in fact a tailor-made opportunity for Canada. For Canada, we also benefited from the fact that it was a bit of a trial run in the negotiations for later negotiating with the United States, but it also meant that we in Canada were in a kind of privileged position. From a trading perspective, we were in a position better than that of any other country in the world.

We had already, through Canada-U.S. free trade and then the North American Free Trade Agreement, tremendous access to our neighbours to the south: the United States, the largest economy in the world. Together with the European Union, they are the two largest economies in the world. Should Canada get this agreement in place, we would be the only significant major developed economy in the world with free trade agreements in place with both the United States and the European Union, the two largest economies in the world.

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Picture what potential and opportunity lie there. Suppose individuals anywhere in the world want to set up a manufacturing plant or a business in a place where they can have access to the two biggest markets in the world. They would look at the facts, at the agreements in place, and they would come to the inescapable conclusion that there is one good place to do that, and that place is Canada. That is why this agreement is so important. That is why this agreement would attract significant investment.

When I was trade minister, as we were promoting this I often spoke with potential investors and they talked about the things that made Canada attractive. Some of those things are not as strong now as they were then, including things like our very significant low debt which meant that taxes could stay low for the long term, and our low taxes that meant that it would be very competitive to work in Canada. Some of that has eroded in the past year or so under the current government and the trajectory it is on. That being said, we are still in a pretty good position there. We have other advantages including the most skilled workforce in the world. This additional piece of access to these two great markets is something that would make a tremendous difference to a lot of those investors, and the reason why they were looking at investing in Canada. That would mean jobs for Canadians.

There are other reasons why I think that the straightforward calculus in the study of the potential benefit here underestimates the potential that Canada has. That is because for Europe we have such a significant population, a diaspora from every single country in the European Union that we have the potential, through those ties and linkages, to really capitalize. We have ties of people and ties of language. In this country there are people who speak every single language in the European Union. We have ties of culture and even ties of family and ties of having done business in the past. Those linkages provide the structure on which we can build a transatlantic relationship of strong trade through those diaspora populations. It represents a real opportunity.

For Canada, our trading relationship has benefited, obviously, enormously from the proximity of the United States and our cultural similarity there, and that is why that is such a strong trading relationship.

● (1210)

In some ways it has been almost too easy for Canadian businesses and entrepreneurs to say that they are just going to focus on the United States, because it is there, it is easy, its people have the same language, we watch the same television programs, they can talk to them about what happened on the Grammy Awards last night and we all know what each other are talking about. Canadians have chosen that route, sometimes to the exclusion of other opportunities in the world, all too often simply because it is that easy, and it is hard to criticize people for doing that.

However, with the Canada-European Union free trade agreement, we have an opportunity to do something a little bit different, because of the nature of that diaspora population, because of the strong affection of the people from those countries who live here in Canada and have roots in those countries. It is because of their desire to maintain those ties, and I think because of their recognition of their understanding of linkages and the ties they have through family,

through people, and through knowing the culture. They recognize that there is a real opportunity for them without having to go through many of the challenges of familiarizing themselves with the way of doing business in a new country. They are already halfway there, and that provides a tremendous opportunity for them.

I can tell members that, as trade minister, I have worked extensively in putting together support for this agreement, which was near universal among those diaspora communities and among the chambers of commerce. For example, we had a Canada-Austria chamber of commerce and a German chamber of commerce. All of these groups already existed, and a couple more formed, so that we had one for virtually every single country in the European Union that was looking to encourage those ties and prepare for the day when we would get this Canada-European Union free trade agreement in place. By orienting them to think that way, to get ready for it, to prepare to capitalize on the opportunities that would follow, Canada has enormous potential to do that. It was one of those things I was working on when I was trade minister and of which I was very proud.

If we look at that potential for Canada, it is tremendous. The potential for this agreement is positive, as all trade agreements, if done properly and negotiated well. Canada has a tremendous track record. Certainly our Conservative government did very well with the agreements that it negotiated. They all have the potential to be win-win situations, where a rising tide lifts all boats, and people through good agreements benefit from what each other have to offer.

Of course, with Europe, there are other advantages. An agreement can be negotiated on good terms, because we have similar high environmental standards, similar high labour standards, and a similar high standard of living. Therefore, we are not looking at unusual disadvantages. We also have similar cultural and legal roots and systems, all of which means that we can work well and do business well together once that trade agreement is in place.

However, there are other very good reasons why this trade agreement offers opportunity for us, and it goes beyond the straightforward economic. I look at the Canada-European Union free trade agreement in some ways as an extension of positive foreign policy for Canada.

I think Canada is a model country to the world, but this is also an opportunity for us to continue what we certainly were doing in the previous government, which is working to advance our Canadian values on the world stage. We should be proud of what those Canadian values are. We should not be shy about advancing them on the world stage. Our support for human rights, the rule of law, democracy, and freedom are very important fundamental values.

Members may think that when we are talking about Europe, these are all settled questions. However, as we have seen through the scope of the past century, Europe has been wrought by conflict, and we significantly saw a period of half a century where Europe was divided between a Soviet-ruled communist-dominated east, and our free and democratic western models. Economically, there was no contest, which is one of the reasons, ultimately, that the Soviet Union and those communist systems collapsed, and I will speak more about that later.

However, we have an opportunity to provide, through a trade agreement and further ties, greater reinforcement and support for the development of a democratization and stabilization process of those countries. This is particularly the case in an era where we see a somewhat more assertive Russia under the leadership of Putin, where they are looking to expand their sphere of influence to try and have adverse influences on some of the countries around them.

• (1215)

I am thinking particularly of the Baltic countries: Estonia, Latvia, Lithuania; and, of course, there are the other former communist countries: Hungary, the Czech Republic, Slovakia, Slovenia, Croatia, Poland, Bulgaria, and Romania. These are all part of the European Union. It is important for us to strengthen those economic ties, so that we can help to anchor all of those countries more firmly into the west.

There is an economic dimension, but there is a very strong political dimension. It is a geostrategic dimension. All of those countries already have EU membership. NATO membership has been incredibly important to them. This is an opportunity to layer on top of that, through trade agreements, further ties that are economic and people oriented, which will help to anchor them in the west.

As I said, that is becoming increasingly important. There was a time, when we thought the Cold War was over, that these were considerations that we did not need to concern ourselves with. As we know, sadly that has been changing, and it has been changing over time. If one looks at some of the risks that exist from an aggressive Putin government, the first example, of course, was the intervention of the Russians in Georgia. On the pretext of dealing with challenges in the Abkhazia and South Ossetia republics, which were restive republics, there was a lot of Russian interference. It might be added, in fact, that this was Russian occupation in the form of what were so-called peacekeepers and observers. Ultimately, a conflict was provoked in Georgia, which was, under leadership of Mikheil Saakashvili, pursuing a very strong policy moving to the west, moving to become part of NATO, becoming part of the European Union. In fact, even though it was not part of the European Union, they had that flag flying.

The objective of Putin was to try to stop them from turning to the west. He did successfully provoke a conflict, which I think has had the very unfortunate after-effect of making the balance of the NATO countries reluctant, particularly those in Europe, in taking on Georgia as a member of NATO, notwithstanding that was and has been their clear and expressed preference. We in the Conservative Party believe strongly that countries should have the freedom to choose their allies, that no other country, such as Russia, should be able to impose a veto on that.

However, one of the lessons that was learned from the Georgia experience was that one of the critical decision points was the decision of the NATO members not to extend a membership action plan to Georgia, which seemed to be the event that triggered, that shone the green light for Putin to move in there and create instability.

Similarly, we saw the same thing happen in Ukraine. It was following the Euromaidan uprising to restore democracy and freedom there, and, again, a desire by the people to turn to the west, that provided the excuse, and the basis or the motivation for

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Putin to move on to the annexation of Crimea, and, of course, the occupation of parts of the Donbass region with the conflict that continues there, which indeed may be escalating in recent days and weeks.

That is why it is so important for us, on another trade agreement, to continue that process towards the trade agreement with Ukraine. It is, again, part of that process of anchoring them, as their population overwhelmingly wants to be anchored, to the west, to the European Union, to NATO.

However, the clear strategic objective of Putin is to try to prevent that from happening and to create a situation of military instability.

We have an opportunity within the European Union, through this agreement, to keep that from being repeated in places like Poland and the Baltics. They have very genuine and well-based fears that this could happen. There are countries like Estonia, Latvia, Lithuania, that are on the front lines against Russia and have experienced Soviet occupation in the past. We have an opportunity, through our current efforts there, to change that. We have a military deployment there, for which I congratulate the Liberal government. There is a very wise initiative that it has undertaken to provide a deployment to Latvia, to show that we, Canada, are committed strongly to our NATO partners. We are showing resolve under article 5 and sending a clear signal that, should an effort be made to instigate an asymmetrical aggression or something like that in the Baltics, we would resist that. We can, through our free trade agreement, also provide those strong linkages there.

• (1220)

That is important in the Baltics, particularly if we look at the geostrategic situation right now. Right across the border, they have what is called the 76th Guards Air Assault Division, the Pskov battalion. That is literally right across the border from the Baltics. Why should we be concerned about them? These are the most aggressive end of the Russian military. They were involved in the Chechin campaigns. They were there in the Georgian campaign. They have been there in the annexation of Crimea and the Donbass. They have conducted very aggressive military manoeuvres on a continual basis on the borders and in the air space of the Baltic countries.

For that reason, everything we can do to show our strong economic and trade ties to these people will help advance our foreign policy objectives for stability in that area. There are also growth opportunities in these countries. When we have trade agreements, we want to have them with high-growth economies. Where do we find high-growth economies that are compatible? Those former Communist countries of the European Union, because they were held back for half a century, have been doing catch-up, and that means high economic growth and great opportunities for trade agreements.

For example, the European Union's average economic growth in the decade or so from 2004-15, was 1%, but listen to these numbers. Bulgaria, over the same time, had 2.8% average economic growth annually. Czech was 2.4%; Estonia, 2.6%; Latvia, 2.7%; Lithuania 3.1%; Poland, on fire, 3.8%; Romania 2.9%; and Slovakia 3.9%. These are tiger economies.

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I look at a country like Estonia, a real model tiger economy, and it has a 10% debt-to-GDP ratio. We in Canada are pretty proud of our 31%. The European Union averages 85%. I might add that our 31% was at the end of the Harper government, in contrast to the Chrétien government when it was at 64%, a number I think we are heading back to pretty quickly under the current government. The fact is, that is a positive example of where there is economic growth. It is a country with policies such as two years of fully paid maternity leave and a low flat tax rate. These are the kind of people we want as our compatible trading partners. These are the people from whom we can benefit. These are high-growth economies for the foreseeable future.

When we look at trade agreements around the world, the logical thing is to look to those high-growth economies. Because they were held back for 50 years, that also means that their trading relationships are not as lengthy and established. So much in that Soviet era was, of course, to Russia and back. They want to turn more and more to the west, and that means we have more opportunity to create new economic ties, to benefit from that, and to help them benefit from those kinds of economic ties.

One of my focuses as trade minister was to always deal with those countries, to look at building those ties, to look for the opportunities that exist there. There is the country of Slovakia, with a tremendous auto parts industry. We have a pretty good track record on auto parts and auto assembly ourselves. These are the kinds of linkages that we should be looking for, not just the old, big companies. I know people like to worry about the Bombardiers and the SNC-Lavalins. However, we have an opportunity, through our diaspora communities and our smaller populations, to get into those countries. Their desire to do it in a free enterprise trading way is so strong because of that half a century of being left behind and what that did to their living standards, what that did for their thirst for freedom, their thirst for free enterprise, their thirst for opportunities to advance themselves.

That is why support for the Canada-European Union free trade agreement is not surprisingly strongest in exactly those countries. They share with us those same geopolitical strategic imperatives, and also that same desire for success and economic growth, and opportunity and advancement.

I am very proud to stand in support of what I think is one of the proudest legacies of our Conservative government. I am very proud to see the current Liberal government continuing to ensure that it is put in place, to show to the world that Canada is a country that is proud of its free trading track record, at a time when there are forces of protectionism under way. We were lucky to have Stephen Harper at the helm in 2008 when the global economic downturn took place. If it were not for his forceful voice in the room at meetings like the G20 meeting in Pennsylvania, at that critical time, we might have seen a wave of protectionism. However, we did not see that.

• (1225)

We saw a commitment to keep borders open and to keep trade strong. Those forces against that are still there, but Canada can and should remain a model. We have willing partners to do that in the Canada-European trade agreement, and I encourage everyone in the House to support it.

Mr. David de Burgh Graham (Laurentides—Labelle, Lib.):

Mr. Speaker, my riding is built on trade, as most of our ridings are. However, a lot of people in my riding have expressed doubt to me about the value of free trade, which is something I do not necessarily agree with them on, but their perspective is not completely unreasonable. My riding's main industry is forestry, and it has had a pretty rough ride with respect to trade.

I wonder if my colleague from York—Simcoe could tell us how free trade helps the middle class in this country.

Hon. Peter Van Loan: Mr. Speaker, we saw the benefits of it after the Canada-U.S. free trade agreement, and now the North American Free Trade Agreement. We saw unprecedented growth. I remember the great debate in the 1988 election when we heard how we were going to lose our culture industries, lose the CBC. That did not work out that way. We were going to lose all of that fine wine we have, such as Baby Duck, and there was some crackling rosé, or something like that. Those wines somehow did get lost, but the replacement was an unbelievably high-quality wine industry, not just in places like the Okanagan, but in Niagara. We have seen that industry spread all across the country.

The opponents of free trade commented throughout about the spectres of the terrible things we will lose. Guess what? We received even better things, in terms of jobs, economic growth, and prosperity. I could go through sector after sector. Under the Canada-U.S. free trade agreement or NAFTA, we did far better with the auto industry than we did under the old Auto Pact. That is another example of how we have succeeded.

Canadians can compete. Canada can do well. Canada has the best workforce in the world. Canadians have ambition and drive. We need to open the doors and encourage people to walk through those doors, and we will see increased prosperity for Canada.

Mr. Richard Cannings (South Okanagan—West Kootenay, NDP): Mr. Speaker, I would like to thank the member for his kind words about the Okanagan wine industry. That is an industry that has benefited from free trade.

I wanted to ask this question of Liberal members today, but I see that in this last day of debate on this important legislation, the government is not putting up any speakers, so I will ask the member for York—Simcoe.

We debated the Canada-Ukraine free trade agreement last week. The NDP is happy to support that agreement. We are very much in favour of trade agreements that benefit the people of Canada. However, we have some strong concerns about CETA. Although we do 40% or more of our European trade with Great Britain, the U.K. is now pulling out of the European Union. We have no analysis of how that might affect Canada, but we have given concessions to the European Union for this agreement.

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Hon. Peter Van Loan: Mr. Speaker, the fact that we have an agreement already negotiated and in place that the U.K. is part of provides a basis for us to continue on the same terms, or to negotiate even better terms if that country leaves the European Union. This is not something I consider a negative thing but rather a positive thing. We already have a head start on negotiating a free trade agreement with the United Kingdom that, say, the United States simply does not have.

Again, I talk about the privileged position that this agreement will give Canada compared with other potential locations for people to locate their investments in. We will be in a tremendous spot to be able to do that, even if we determine to have the exact terms in the Canada-European Union free trade agreement continue with the U.K. It is a potential negotiating approach for others as well.

I am not concerned that the U.K. will turn its back on Canada. This gives us a head start on having such a free trade agreement, and that is good news for Canadians.

• (1230)

Mr. Todd Doherty (Cariboo—Prince George, CPC): Mr. Speaker, our Conservative government, under the watchful eye and governance of Stephen Harper, signed many trade agreements. Many things went into not just signing the agreements but putting into place investments that would ensure our goods and our people could benefit from those trade agreements.

I wonder if our hon. colleague from York—Simcoe could comment on the gateway program and the marketing programs that our Conservative government under Stephen Harper invested in, to ensure our small and medium enterprises could not just get access to those markets, which is important, but to teach our small and medium enterprises how to take advantage of such trade agreements.

Hon. Peter Van Loan: Mr. Speaker, the hon. member points out not just one of the most significant elements of our infrastructure program but that the gateways, Atlantic and Pacific, were really good models for identifying what we need to be good at trade. What kind of infrastructure needs to be in place? How do we make our ports work as effectively as possible to ship containers? How can we put ourselves in a position, once we negotiate these trade agreements, to support the trade that follows? Time is money in any kind of business, particularly trade. When shipping goods, that is particularly important.

I am very proud of the investments we made in our gateways that have put us in a position to capitalize on agreements like this. I know that the next step, one that, as I indicated, has been a little more frustrating, is getting Canadian businesses to step up and take advantage of the opportunities. That is why the Canada-European Union agreement is so important, because we already have the people-to-people ties. We have the infrastructure in place. We are putting the legal agreement in place. Then we can encourage folks to take advantage of these people-to-people ties, capitalize on the potential for trade, and through that, give us the economic growth, the job creation, and the increased standard of living that would come from all of these things.

Canada is a relatively small country. If we trade only with ourselves, we will be a very poor country. We depend on trade with

the world. This is a tremendous signal to the rest of the world that it can, indeed, benefit from a trade agreement, even at a time like now.

Mr. Kevin Lamoureux (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I concur with the member when he says that Canada would be very poor if we did not have the ability to trade. It is our trade that enables us to do as well as we do economically and socially, I would argue.

One thing worthy of at least noting is that given the current climate in North America, once this trade agreement is in place, Canada could actually be a fairly important linchpin, if I could use that word, in the trade corridor between Europe and North America.

I wonder if the member might provide his thoughts on just how important Canada's positioning would be because of this agreement.

Hon. Peter Van Loan: Mr. Speaker, it would act less as a corridor into the United States, and I am not sure that is the best avenue, than as a location for investment.

I go back to the point I made. Money is mobile. Factories move. This is why we are very concerned about things like a carbon tax and other tax hikes the Liberal government has been proposing, because those things hurt our competitiveness.

People can move wherever they want in the world. One thing this agreement would do for us is give people a location where they could invest and ensure that they would have access to the United States and to Europe for the goods and products they produced here.

When people look at where they are going to invest, would it make sense to invest in a country in Europe if they would not necessarily have access to the United States, such a huge market? They would have only half the access they want. If they want to be in both places, this is the place to be once the Canada-European Union free trade agreement is in place. It would bring jobs here. It would bring foreign investment here, which is a positive thing. I know not all parties in the House have always felt this way, but we in the Conservative Party believe in that, because that kind of investment means jobs that help people in local communities, that help families have more prosperity and the rising standard of living that we as Canadians believe is so important for the future of our families.

• (1235)

Mr. Blake Richards (Banff—Airdrie, CPC): Mr. Speaker, I am happy to rise today in the House to speak to Bill C-30 and about the important role trade plays in our Canadian economy.

This is one of the few bills I can praise the current government for. It is something I wish I could do more often, if the Liberals would follow the Conservative path.

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They obviously picked up on the great work we were doing as a government and have been able to help carry it through. Maybe the Liberals can take some of those lessons on things like balancing the budget or lowering taxes. One can only hope that maybe their understanding and recognition of the importance of trade will extend to other things that are important to our economy and to our fiscal situation in this country. Again, that is me being an optimist.

Let me get to the heart of the matter we are speaking to today, which is trade itself. Canada is a trading nation, and trade really is the lifeblood of our economy. In fact, one in five jobs in Canada, and about 60% of our GDP, are linked to exports. We do not have to look very far or very hard to figure out how important trade is to our economy and to opportunities for Canadians, based on those statistics.

History has shown that trade is the best way to help us create jobs and growth and long-term prosperity here in Canada. As trade increases, so does our nation's economic success, which obviously then puts more money into the pockets of hard-working Canadians. That is really what it is all about, at the end of the day. People talk about a strong economy and opportunities. What it all boils down to is putting more money into the pockets of Canadians to feed their families and provide better opportunities for their children. That is really what we are speaking about when we talk about trade and economic prosperity.

Under our previous Conservative government, the Stephen Harper government, one of our key accomplishments was that we launched one of the most ambitious pro-trade plans in our country's history. It was probably the most ambitious, in fact. I would like to take a moment, while I am on that point, to add a note of praise. I have heard others who spoke do the same, but it is important that it be said, because credit should be given where credit is due.

I look at the member for Abbotsford, who was the former minister of international trade, and the member for Battlefords—Lloydminster, who was our agriculture minister, and the great and hard work they put in. I know the travel schedules those two individuals and others had to undertake to accomplish some of the things that were accomplished under the Stephen Harper Conservative government. Under the leadership of former Prime Minister Stephen Harper himself, some great things were done, but it was a lot of hard work on the part of those members in particular. I want to note the legacy they created, because I think that is important. The two of them remain here in the House and continue to work hard in opposition to encourage these kinds of things to continue.

Under the leadership of those individuals, we were able to conclude free trade agreements with 38 countries. Examples are Colombia; the European Free Trade Association, which includes Iceland, Liechtenstein, Norway, Switzerland; Honduras; Jordan; Panama; Peru; South Korea; and the 28 member states of the European Union. There were some pretty significant advancements there.

We also concluded, signed, or brought into force foreign investment promotion and protection agreements, FIPAs, with 24 countries. That was more than any other government in Canadian history as well.

One of our historic achievements was the Canada–Korea Free Trade Agreement, which was Canada's first free trade agreement in the Asia Pacific region, which is one of the fastest-growing regions in the world. South Korea is not only a major economic player and a key market for us in Canada but also serves as a gateway for Canadian businesses to the entire Asia Pacific region. This agreement is projected to increase Canadian merchandise exports to South Korea by 32% and to boost Canada's economy by \$1.7 billion.

● (1240)

Additionally, in November 2013, our Conservative government released the global markets action plan, which was our pro-jobs, pro-export plan. It was aimed at creating new opportunities for Canadians, through trade and investment, by targeting emerging and established markets with broad Canadian interests.

Obviously, when we look at our record, we strongly support international trade, and we support international trade initiatives that will generate increased economic activity, jobs, and a collaborative relationship between Canada and emerging economies.

Canada should also strive to maximize the benefits we have as a free trading nation and establish trading relationships, beyond North America, with these emerging markets. To that end, it is important that the government vigorously pursue the reduction of international trade barriers and tariffs. This is why we supported Bill C-13, the trade facilitation agreement, which received royal assent not long ago. The trade facilitation agreement will simplify customs procedures, reduce red tape, expedite the release and clearance of goods, reduce costs associated with processing, and make international trade more predictable for Canadians.

Predictability is certainly key. We see the effects when we lack predictability when we look at the current government and its never-ending, constant changes to regulatory processes for energy project reviews. We can see what the lack of certainty creates when the chill is put on investments. Certainty is certainly key when we look at providing opportunities for businesses to help grow the economy. They need to have certainty.

Canadian investors, importers and exporters of goods, and small and medium-sized businesses will certainly benefit from the implementation of the TFA.

Another trade agreement that was successfully negotiated by the previous Conservative government was the Canada-Ukraine free trade agreement. This agreement will continue to strengthen the Canada-Ukraine partnership in peace and prosperity. Total bilateral merchandise trade between Canada and Ukraine averaged \$289 million in 2011-15. It is expected to expand by 19% as a result of the implementation of this trade agreement. With this agreement, Canada and Ukraine will eliminate duties on 99.9% and 86% of our respective current imports, thereby benefiting both Canadian and Ukrainian exporters and consumers. Our GDP will increase by about \$29.2 million under that agreement, and Ukraine's GDP will expand by about \$18.6 million. Canada's exports to the Ukraine will increase by about \$41.2 million.

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Canada's export gains will be broad-based, with exports of pork, machinery and equipment, transport equipment, other manufactured products, motor vehicles and parts, and chemical products being some of the leading industries. Our previous Conservative government also established market access for beef in Ukraine in July 2015. Canada exported about \$35.5 million worth of agriculture and agrifood and seafood products to Ukraine in 2014. These obviously show some of the benefits of trade and trade agreements and what they can mean for Canada.

Let me get to the trade agreement we are talking about today, the Canada-European Union comprehensive economic and trade agreement. Negotiated by our previous Conservative government, CETA is by far the most ambitious trade initiative Canada has ever concluded. Once this agreement comes into force, Canada will be one of the few countries in the world to have preferential access to the world's two largest economies: the European Union and the United States.

The Conservative Party strongly supports international trade initiatives that will generate increased economic activity, drive prosperity and job creation, and foster greater co-operation between our democratic allies.

• (1245)

A joint Canada-EU study concluded that a trade agreement with the EU could boost Canada's economy by about \$12 billion annually, and increase bilateral trade by 20%. It is important to put some sense to what that means for the average Canadian and Canadian families. It is the economic equivalent of adding about \$1,000 to the average Canadian family's income. It would add about 80,000 new jobs to the Canadian economy. That is something that the government has failed at to this point. This would be something to help create some jobs to put people to work, and provide new opportunities for Canadian families to increase their income.

When CETA comes into force, nearly 100% of all EU tariff lines on non-agricultural products will be duty-free, along with close to 94% for agricultural products. The agreement would also give Canadian service suppliers the best market access the EU has ever granted any of its trading partners. That is great news for the 13.8 million Canadians who are employed in the industry. It accounts for about 70% of our country's GDP.

Under CETA, Canadian firms could bid on contracts and supply their goods and services to the three main EU level institutions: the European Commission, the European Parliament, and the European Council, as well as the EU member state governments, and thousands of regional and local government entities. The Canada-EU trade agreement would give Canadian suppliers of goods and services better access to the EU's \$3.3-trillion government procurement market, which would provide them with significant new export opportunities.

Investment plays a key role in the Canadian economy. CETA would provide Canadian and EU investors with greater stability and transparency for their investments. The stock of known foreign direct investment by Canadian companies in the EU totalled about \$210 billion at the end of 2015, representing about 21% of Canadian direct investment abroad. Conversely, in that same year, known foreign direct investment from European companies in Canada

totalled more than \$242 billion, representing 31% of total foreign investment in Canada.

This is a landmark agreement. It has resulted from years of hard work, especially by our world-class trade negotiators who did all the heavy lifting on this.

I would like to focus in and speak to the benefits CETA would bring to my home province of Alberta. Times are tough in Alberta right now, so when we hear any good news on the economic front, it is something we can greatly appreciate. There is no question Alberta stands to benefit from the preferential access to the EU markets. The EU is already our province's fourth largest export destination and our third largest trading partner. Once in force, CETA would eliminate tariffs on almost all of Alberta's exports, and provide access to new market opportunities in the EU. CETA also includes provisions that would ease regulatory barriers, reinforce intellectual property rights, and ensure more transparent rules for market access. Alberta exporters could benefit from all of these improved conditions. When we look at some of the opportunities there, the main merchandise exports from Alberta to the EU are agriculture and agrifood products, advanced manufacturing, metals and mineral products. Some of our other exports include chemicals and plastics, fishing and fish products, forest products, and information and communications technology.

I would also like to take a minute or two to talk about one very specific opportunity that we have already seen open up as a result of this agreement.

In 2014, when negotiations had proven to be successful toward this agreement, a beef processing plant in my riding reopened. It had been a farmer-owned plant that had closed down in 2006, and had been sitting vacant since then.

• (1250)

In 2014, we were able to announce that there was a buyer, Rich Vesta from the United States, who is well known in the beef industry and has brought a lot of great opportunities to some of the businesses he has been involved with in the United States. He decided to purchase this facility and bring it back online. He chose to do that largely based on this agreement. He saw an opportunity for specific cuts of beef to go to some niche markets that would be based around some of the trade agreements we had been able to sign for Canada, in particular, the opportunities that CETA would create. Even before being implemented, we already could see the benefits of these opportunities.

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That plant had been sitting there dormant since 2006. I was able to tour it recently and it is nearing its opening. It is expected to open later this month, in fact. When I toured it a couple of months back, I could see it was really coming together. I heard about all of the innovations and improvements being made. This is going to be an absolute world-class facility. The processing innovations that it is going to bring to Canada are amazing. They are all based on trade opportunities being created by some of the trade agreements under the Conservative government and the hope generated by this particular agreement as well.

We can already see the success stories and I am sure they will continue. It is something that people are very excited about and proud of in my home community of Airdrie, as well as Balzac in Rocky View County, where the facility is located. It will create jobs for people in the area. Many people are struggling right now and trying to find work. Not only will this create opportunities for people, but down the line there will be opportunities, such as more buyers for our cattle as well. Small cow-calf operations would benefit, right up through feedlots, etc., because it would create opportunities for everyone. People are really excited about what it would mean for my area.

I will take a minute to speak about some of the opportunities and benefits that CETA would bring to the forestry sector in Canada, which is another example. The EU is actually the world's third largest importer of forest products. In 2015, it accounted for about 14% of global forest product imports, or about \$46 billion. While most Canadian forest products already enter the EU duty-free, when CETA comes into force, Canadians will also enjoy quota-free market access. This means Canadians would have a preferential trade advantage with the EU that many competitors will not have.

As well, bilateral dialogue on forest products would enhance Canada's ability to influence the development of EU measures, reducing the potential negative impacts of EU measures on Canadian exports, and help ensure continued access for Canadian forest products to the European Union. That would provide Canada with a really unique window into the regulatory development process in the EU. Canada would then be able to raise industry concerns with proposed regulations at a very early stage. That would be of benefit to our forestry producers as well.

We are also looking at a new phytosanitary measures joint management committee that would facilitate discussions between Canadian and EU experts. It would provide a venue for experts to resolve issues impeding trade before they become major problems.

CETA would also establish a framework for co-operation on the full scope of animal health, plant health, and food safety provisions.

Tourism is also something that I focus on greatly. It is pretty important in my riding. We already have great links and ties between Canada and the European Union countries when it comes to tourism. I have often said that tourism breeds trade and trade breeds tourism, so opportunities would be created by those links that already exist. This agreement would help to build on all of those things.

•(1255)

I stand today to show my support for CETA and for the opportunities that it would create, the jobs it would create certainly

for small and medium-sized businesses in our country and right on through. I appreciate the opportunity to speak in support of the bill.

Mr. Kevin Lamoureux (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.):

Mr. Speaker, I appreciate many of the words from the member across the way, but it is important for us to recognize that the legislation on the EU agreement which is before us today is something that has been worked on for the last number of years. It was great to see the co-operation between the current minister and former minister in getting everything signed off and getting us to the legislative point. To try to give the impression that it was a done deal is somewhat stretching it, I suspect, but it is equally important for us to recognize there was a great deal of work that was in fact done prior to this government.

The member made reference to other trade agreements. In particular, he made reference to the Ukraine agreement which we just passed on Friday. Seeing that legislation pass is a very positive step forward. Maybe the member could draw a comparison between the Ukraine trade agreement and the EU trade agreement and how Canada's middle class will in fact benefit by both.

Mr. Blake Richards: Mr. Speaker, first, I would concur with the statement that there was work done obviously by both parties. The previous Conservative government did a lot of hard work, a lot of heavy lifting to get us to the goal line, and yes, I would certainly acknowledge the work done by their government, which was able to push it across the goal line. It is a positive thing. We are glad to see that the Liberal government has taken up the work on something that we believed was so important for the economy. As I said during my speech, I certainly would hope their government would seek to do that more often, that they would seek to build on the record and important work that was done by our Conservative government, in particular, with respect to balancing the budget. The member talked about building on some of the work that we did. We left them with such a great position, in terms of the fiscal situation, with a balanced budget, but they just blew it, absolutely blew it, in less than a year. Certainly one would have hoped they maybe would have chosen to follow our example and that work in some of those areas as well, such as balancing the budget, lowering taxes, things like that.

However, at the very least, we can give some credit where it is due. On at least one area of our economy, they have been able to follow some of the work that we have done on some of these trade deals and that is a huge benefit. I just hope they might pick up on some of—

The Deputy Speaker: Questions and comments, the hon. member for South Okanagan—West Kootenay.

Government Orders

Mr. Richard Cannings (South Okanagan—West Kootenay, NDP): Mr. Speaker, in this speech, the member for Banff—Airdrie mentioned, as did the other member, the Canada-Ukraine free trade agreement which we debated last week. Again, that is a trade agreement the NDP could get behind. However, we have some serious reservations about CETA, one being the investor-state dispute mechanisms that would allow international corporations to sue Canadian governments outside the normal court system. Also, there is the fact that it would raise prices of prescription drugs. That would make it not only more expensive for Canadians to remain healthy but would make it more expensive for provincial and federal governments to bring in a much-needed universal pharmacare system which Canadians have been calling for.

I wonder if the member would comment on that.

• (1300)

Mr. Blake Richards: Mr. Speaker, there certainly was one thing I heard the member say that was new and novel, and that was a trade agreement the NDP could get behind. It is nice to hear there is always hope. In one instance, the NDP chose to see something that was good for the economy, for Canadian businesses, for Canadian workers and support it. However, it is not something we often see from New Democrats, which is unfortunate. With Canada being a trading nation, it is so important to ensure there are opportunities for free trade with as much of the world market as possible.

Diversity in markets that we can trade with is key as a country like Canada relies so heavily upon our trade with other countries. In an increasingly global world, there is no question that this is a key thing. It is quite unfortunate that the NDP does not really see fit to support more Canadian businesses and Canadian workers through the importance of trade.

The New Democrats should try to focus on that and think about the jobs and opportunities this creates for Canadian businesses and families. I talked about some of the benefits during my speech about Ukraine agreement and the EU agreement and what it would mean. When we talk about the European Union agreement, I said that it was about \$1,000 for the average Canadian family, about 80,000 jobs created for Canadians. Is that not important to the NDP?

Mr. Tom Kmiec (Calgary Shepard, CPC): Mr. Speaker, when we look at CETA and all the free trade agreements that come before the House for ratification, a lot of this work was done by a previous government. I am always looking forward to the next opportunities for Canada, next opportunities for my home province of Alberta, of new markets with which we can trade. The mandate letter of the Minister of International Trade talks about modernization of two agreements with Israel and Chile, and about the potential for China and India's future agreements. There are many smaller states that Canada could find opportunity for an export market and importation of goods.

Does the member share my concern that the Liberal government has no plans for future free trade agreements and this may be it? We may not see any new agreements signed or ratified in the House by 2019.

Mr. Blake Richards: Mr. Speaker, the member raises a very key point. I have to give credit where it is due. The Liberal government had picked up on the work we were already doing, which was largely

completed. To finish that is good, and I will give credit where it is due. However, I agree with the member that Liberals seem to lack any kind of ambitious agenda of their own in this regard. It seems to fall in line with their view of the economy in general. I do not get a sense they have any plans that would help to grow and build our economy.

Trade is one example. As the member mentioned, Canada has all kinds of opportunities to build on the record of the Stephen Harper Conservative government. I do not get a sense of any ambition on the part of the Liberal government to try to build upon that, beyond what we see here. It seems to line up with how the Liberals view the economy in general. Their tendency is to try to grow government rather than have the private sector grow, develop, and create jobs so Canadians get back to work. Their focus seems to be more on growing government and putting money in the pockets of their Liberal friends.

Mr. Kevin Lamoureux (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.): Mr. Speaker, the member is quite wrong in his assessment. The government has taken a very proactive approach on trade. We do not need to take lessons from the Harper government, which inherited a multi-billion trade surplus and turned it into a multi-billion trade deficit. We now have an administration that has proactively dealt with important issues. In the Prairies, there is the canola issue, the pork industry, benefits for the beef industry, all through the Minister of International Trade, all of which was done through this administration.

Would the member at the very least recognize that by having a proactive, aggressive agenda on trade, the biggest benefactors are Canada's middle class and those aspiring to be a part of it? At the end of the day, we are trying to give more stability and growth within that middle class, thereby giving the economy greater strength. A healthy middle class means a healthy economy. Would the member agree?

• (1305)

Mr. Blake Richards: Mr. Speaker, I would agree that trade is a very key part of creating opportunities. That is why our Conservative government was so ambitious in our trade agreements. However, what is the current government doing? I do not see any new trade initiatives being undertaken. What are they? I did not hear the member mention a single initiative or a single country with which the Liberals were working toward an agreement. As I said earlier, it falls in line with the typical approach of the Liberal government.

The Liberals want to talk in generalities and platitudes about things being important, but when it really comes right down to it, what do they do? Nothing. What are we seeing as a result?

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Look at my province of Alberta. Thousands of people are out of work. People are looking for opportunities. They are looking for hope. They are getting nothing from the government. Instead they are getting huge deficits and new tax increases in carbon taxes and other taxes. The Liberals will not grow the economy that way. They need to get to work and do some of the things like creating opportunities.

Ms. Rachel Blaney (North Island—Powell River, NDP): Mr. Speaker, I will be splitting my time with the member for Rosemont—La Petite-Patrie.

Today we are here to talk to this important bill, Bill C-30. I am glad to have a second opportunity to speak to this, the economic and trade agreement with the European Union, commonly known as CETA.

The bill is now on its third reading, having been studied by the Standing Committee on International Trade. This will probably be my last opportunity to speak to this important bill.

In January, I completed a series of 11 town halls on seniors issues. Just so the House understands, when I asked the people of my riding what the most important issue was for them, by far seniors issues were number one. I took the opportunity to travel around the riding. I went to larger and smaller communities to really hear the stories from seniors and from the people who supported and loved those seniors. I wanted to hear about the specific challenges they faced on a daily basis.

Unfortunately, it was a very sad series of town halls. I heard stories about having to make decisions between medication, heating their homes, and feeding themselves. Again and again, I heard of seniors who had no access to the guaranteed income supplement because the process in getting that guaranteed income supplement was a challenge for them. When it came down to the core, the biggest issue was the cost of medication for seniors.

I know this is not an issue that is exclusive to North Island—Powell River. It is all over the country. Seniors are falling more and more behind.

The last time I spoke to this bill, I raised a few issues. The first was the issue of prescription drugs, for which I profoundly care. I mentioned that with the provisions in CETA, consequently the bill would change intellectual property rules for pharmaceuticals. Under this agreement, consumers, including our seniors on fixed incomes, could expect to have their drug costs increase by more than \$850 million annually.

In the town halls, a lot of constituents came up afterward and shared stories with me. They also shared stories during the town halls. I remember one woman who told me that she and her husband were in good health right now. They were recent retirees and life felt pretty good. However, when they looked at the future, they realized they had to plan for when they would not be as healthy. Unfortunately, part of their plan included the time when they would have to legally separate, and would have to deal with the fact that the cost of living would become so high due to medication costs and having to put somebody in a care facility. The woman told me that she had worked hard her whole life, but with the increasing cost of pharmaceuticals and cost of living, she did not know how they

would make it, even though they saved, they had well-paying jobs, and they had a good pension. The reality for seniors today is one that is leading to more and more poverty.

While in opposition, the Liberals demanded that the Conservatives present a study on the financial impacts on provincial and territorial health care systems and prescription drug costs. In government now, the Liberals are telling provinces and territories that they will cut health care transfers, while pursuing agreements that risk increasing drug costs for provinces and territories. I am very concerned about this.

The reality on the ground is that people will have serious health issues. More and more people will have to go to emergency rooms because they have not taken their medications. I remember one doctor sharing with me that seniors were unable to afford medications so they were going to the emergency rooms every day to get refills. Think of the expense. If the costs go up, the implications will be devastating on our health care system.

I was glad that our great trade critic, the member for Essex, brought up this important issue in the committee. The NDP brought forward amendments to make certain that an analysis of the impact of CETA on pharmaceutical drug costs would get done. What happened? This is an important issue, and our constituents and Canadians deserve to know. There will be little to no debate on our amendments. They were all rejected, showing no interest in fixing the the flaws of the deal or addressing the serious concerns of Canadians.

● (1310)

Jim Keon, the president of the Canadian Generic Pharmaceutical Association, at committee said:

From a cost perspective, as I've said, generics on average now are selling at something like 20% to 25% of the price of an equivalent brand-name product. If you delay for two years, you're paying an extra 75% to 80% on that product for an extra two years. That affects provincial drug program budgets; it affects employee plans; and it affects people who pay out of pocket, and those costs are very significant.

Our seniors, and all Canadians, deserve better.

The former minister of international trade and now global affairs minister was honest about why Liberals have decided to rush this agreement through Parliament. For them, the deal symbolizes an open Canada in light of rising protectionism. I am sorry, but trade with Europe is just too important to get wrong. Canadians expect a good deal, and they deserve a good deal.

We need to be talking about some of the serious concerns with CETA so we can make a better deal for Canadians, because this is about health care costs. This is about medication. I have heard too many stories from health care providers talking about seniors and other people splitting their medication in half, not taking the full dosage. If the costs go up, this means people will not be getting the medication they need to take care of themselves.

Government Orders

I support deepening the Canada-EU trade relationship in order to diversify our markets, but there remain significant concerns that need addressing. Once again, when in opposition back in 2014, Liberals decried the limited time to study this agreement. In their dissenting report, on p. 47 they wrote, “The brevity with which this committee has dealt with this agreement should be of concern to anyone interested in let alone concerned about the CETA.” Where is that language now? Why are we not taking the opportunity to do that very important work of looking at just the parts that we should be seriously concerned with, the parts that would have huge ramifications on Canadians?

Maude Barlow said, “Given the process could take another five years in Europe, what’s the rush here other than another photo op?” Is this the reality? I do not know, but Canadians deserve a good approach, not just a fast one.

The biggest roadblocks to CETA’s ratification by all the EU members are a referendum in the Netherlands, opposition from the Bundesrat in Germany, and the European Court of Justice examination of CETA. Therefore, let us take the time to figure out the issues, mitigate them, and get it right. I am afraid the Liberals do not see this reality, and for them it is like a big show.

I saw and heard some shocking truths from the seniors of North Island—Powell River. These are not unheard of across Canada, where seniors are facing multiple challenges. It is a great honour for me to have the new role as critic of seniors issues. I am really proud of the work that the communities I represent have done in educating me about what those particular concerns are around seniors’ challenges. Right now, we are not seeing that follow-up with the funding for home care so seniors can stay in their homes and get the support they desperately need. It saves money. It is good for the health and well-being of people who built our country. Now we are seeing CETA, which would have huge impacts on their health care and getting the medication they so desperately need.

Canada really has to take a moment and ask the government why it is okay for seniors to be put in a position where they cannot afford the medication they need, when they are making choices between household expenses, like food, power, and heat, and medication.

● (1315)

[*Translation*]

Mr. Angelo Iacono (Alfred-Pellan, Lib.): Mr. Speaker, I am trying to understand the NDP’s position, which is not terribly clear.

In the past, the NDP has opposed most free trade agreements, with a few exceptions, including the agreement with Jordan, for instance.

Why would anyone oppose an agreement that will allow trade with the European Union, the world’s second largest economy?

Does the NDP not want Canadian businesses to increase their bottom lines and create jobs? Moreover, this would result from an agreement that promotes a new progressive trade agenda, thanks to its chapters on environmental protection, sustainable development, and labour.

[*English*]

Ms. Rachel Blaney: Mr. Speaker, it is very important that we take a moment to reflect on the fact that there are serious concerns.

We are not saying absolutely no, but we are asking why we are not taking the time to look at these real concerns and make sure that we are doing it right.

This trade agreement is so important. We need to get it right. We need to make sure that we are looking at parts of it, which should make us all think about it seriously, such as making sure that there is an opportunity for pharmaceuticals to be less expensive, and making sure that we are looking at the investor-state provisions.

In NAFTA, we were the most sued country of the three. These are serious issues, because the taxpayer is going to pay to address these issues.

This is about really digging deep. It is about making sure that we do it right. It is making sure that we take the time to do it right, and that when we sign an agreement, it is something that brings the opportunities but does not sell away too many things for Canadians.

Mr. Randy Hoback (Prince Albert, CPC): Mr. Speaker, I always find it interesting when NDP members talk about getting more consultations, if we can talk more, or if we did this or that. At the end of the day, when we do all of that, they are still not in favour of the deal.

The reality is, NDP members will never be in favour of a deal like CETA. They look at all the negatives in it. Even though every province is comfortable with the pharma side of things, even though in NAFTA we had \$5.3 trillion worth of investment and only \$140 million in ISDS pay-outs, they would still see that as a negative. Therefore, it does not matter what we say, as they will just view CETA or any trade agreement as negative.

My question to the member is: What would it take for the NDP to actually say, “Yes, this is a good deal”?

Ms. Rachel Blaney: Mr. Speaker, I think I said it very clearly in my speech. We need to make sure that we are looking at the realities. So many people are falling behind. When we are increasing the cost of medicine, it is big issue for the people we serve across this country, and we need to look at that.

The member’s argument is that the provinces are fine with it. Well, constituents of mine do not know how they are going to make ends meet. Therefore, we really need to be talking to the people who will have the physical impact.

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The other reality is that we need to look at the investor-state provisions, and we need to make sure that we fix some of these. This is not about being anti trade. We have demonstrated repeatedly and supported trade agreements. However, we want to make sure that this is the best trade agreement for Canadians that it can possibly be, which means that we take the time to do it right. We are just encouraging the government to do that.

The reality is that 28 EU member states have to ratify this agreement. Therefore, what is the rush? Why can we not have the discussion? I do not see what the rush is. Let us make sure that we look after Canadians and we take the time.

• (1320)

Mr. Alistair MacGregor (Cowichan—Malahat—Langford, NDP): Mr. Speaker, I thank my friend for North Island—Powell River for her speech, especially in her new role as the NDP critic for seniors and really underlining the effects that increased pharmaceutical costs will have on our low-income seniors.

My question concerns Canada's dairy sector. The previous government offered Canada's dairy farmers \$4.3 billion in compensation, but the Liberals have changed it to a paltry \$250 million over five years.

We are both lucky enough to call Vancouver Island home, and a lot of our constituents have great concern over food security and food sovereignty. We also have some small-scale cheese producers. I wonder what the member can tell the House about the impact this very little compensation will have on the small-scale cheese producers on Vancouver Island.

Ms. Rachel Blaney: Mr. Speaker, I have the privilege of having not only cheese and yogourt producers but also dairy farms in my riding. They definitely came to me with this and talked about their specific concerns.

Again, the reality is that these industries create good-paying jobs in our communities. The industries are small but vigorous, and they work hard every day. It is unfortunate and very hard on these industries when we see the lack of funding that is there for them.

I will continue to work with them, but this is another issue where the government really needs to take some accountability and realize that we need to keep these businesses strong. They mean a lot in our small communities.

[*Translation*]

Mr. Alexandre Boulerice (Rosemont—La Petite-Patrie, NDP): Mr. Speaker, I am very pleased and honoured to rise in the House to speak to this important bill. Indeed, the bill relates to an important trade deal, or free trade agreement, with the European Union. We appreciate how natural it seems for Canada to enter into much more intense and closer trade relationships with the European Union, and for a number of reasons. First of all, Europe is a natural trading partner for historical and cultural reasons. Furthermore, several European countries have legislation that is similar to ours or often even better than ours when it comes to environmental protections, collective bargaining, workers' rights, and where unions fit in society and in the economy.

We should realize that, of course, we need to have a free trade agreement with the European Union and increase our trade

relationship with the EU. I agree. However, this deal is so huge that it needs to be negotiated properly. We will not accept just any deal that is reached hastily or under pressure, simply because the Prime Minister and members of his cabinet want a good photo op with some nice handshakes that they can post on Facebook. It is much more important than that.

As my colleague pointed out earlier, we should have taken the time to properly review this free trade agreement, which, I would remind him, was negotiated in secret under the previous government, the Conservative government. At the time, the process was heavily criticized by the Liberals. However, in their usual fashion, the Liberals started to change their tune once they came to power.

I would cite a recent example to argue the importance of proper trade with Europe. On Friday, I was in my colleague's riding, Rimouski-Neigette—Témiscouata—Les Basques. We visited a small business called Utopie MFG, in Saint-Narcisse, near Rimouski. The business employs about 30 people. It makes alpine skis and snowboards. I had no idea how these things were made. I learned some amazing things during our visit. Every ski is made by hand with hardwood. This company's chief competitors are Austria and China. There are only two businesses that manufacture alpine skis in Canada, this business in Saint-Narcisse and another in Whistler. It is important for them to have access to the European and U.S. markets.

In every small community, there are entrepreneurs who are starting up businesses, innovating, and making new products, and who need the opportunity to export their goods to foreign markets.

We want Utopie MFG to be able to sell its skis in the United States, Europe, and anywhere in the world where there is snow. That is why we need a good free trade agreement, and we must not rush into it as the government is currently doing. I would add the Liberals are exceptionally gifted when it comes to using words to say the opposite of what they mean.

Once in power, the Liberals copied the free trade agreement negotiated by the previous Conservative government. It is the same free trade agreement, but it has suddenly become a progressive agreement. It is the same thing but they have tacked on the word "progressive". Given that it comes from the Liberals, it has magic powers. Abracadabra. I would like to be able to do that with my kids at home. It is the same as what we had before. This agreement is a threat to many of our economic sectors, including cheese producers, who will see 17,000 tonnes of European cheese enter Canada, without having any protection and receiving only a pittance in compensation.

I also went to the Saguenay last December. We visited Fromagerie Blackburn, a family cheese company that started out as a dairy farm. Its cheeses have won prizes in Europe. The company is currently expanding, but growth could be stalled by the massive arrival of European cheese if we do not provide the protection and assistance the company needs.

Government Orders

• (1325)

How can the government abandon our cheese producers who have also been growing for years in Quebec? Thirty years ago, people were eating cheddar cheese and that is about it. There were no other types of cheese available, besides the kind eaten on toast in the morning. However, today, there are dozens of great cheese producers across Canada, particularly in Quebec. How can the Liberal government abandon them and offer them almost nothing in the way of compensation? That is a concern for us. My colleague also mentioned it in her speech earlier.

Another concern is the fact that this agreement with Europe deals with intellectual property and the associated definitions, which will impact the price of prescription drugs. The progressive Liberal-Conservative agreement will delay the introduction of new generic drugs in Canada by three and a half years. Big pharma will obviously be thrilled, but this will directly impact those who need those drugs.

According to estimates, the yearly cost of drugs in Canada could increase by \$850 million to \$2.8 billion. That will have a huge impact on the people who need those drugs and who do not have good private insurance, since few provinces provide public insurance. Canadians are the ones who will have to bear these costs at a time when they are already struggling to pay their bills and make ends meet. It has to be said: the Liberal government does not care that this agreement will benefit large pharmaceutical companies to the detriment of seniors, the sick, and people with disabilities.

There is another very fundamental thing that concerns us about the free trade agreement with Europe. We have talked about economic sectors, exports, and the cost of drugs, but there is a dispute settlement mechanism in the free trade agreement with Europe that is extremely dangerous for our governments and even for the quality of our democratic life. Think chapter 11 of NAFTA, only in the free trade agreement with Europe.

I do not understand how a progressive agreement can give companies the option of suing a government or a level of government for making regulations that could jeopardize their future profits. Talk about belt and suspenders. Companies make plans to invest. If a government makes a decision that is in keeping with the will of the people or to protect public health, public safety, or the environment, those companies could take legal action against that government before the trade tribunal and demand compensation for the loss of expected future profits.

That is handing over tremendous power to corporations and big companies to the detriment of democratic choices made by the elected representatives of the people. This kind of dispute settlement mechanism subverts democracy. That is extremely dangerous, and the NDP will never stand for it. We will never agree to giving big companies that kind of power. It happened with NAFTA. Canada was sued several times. It cost us millions of dollars, and we do not want to make the same mistake again with the European Union.

We are not the only ones saying so. People in the European Union share our concerns, including in Germany, the Netherlands, and of course in Belgium, where the Walloon Parliament stood up and set conditions that had to be met before it would accept the Canada-European Union free trade agreement.

People like José Bové are also concerned that the agreement is going to weaken environmental standards and social programs on both continents, whether here in Canada, with respect to pork or beef production, for example, or in Europe, with respect to accepting oil-related products that produce a lot of greenhouse gas emissions, which goes against the philosophy of people from the European Union right now.

This deal is dangerous, and we should have taken the time to study it properly.

• (1330)

These are the reasons the NDP will be voting against Bill C-30, knowing full well that a good free trade deal, a good trade agreement with Europe, would be in our interest. However, we cannot afford to mess this up, which is what the Liberal government is doing.

Mr. Frank Baylis (Pierrefonds—Dollard, Lib.): Mr. Speaker, I have a question for my colleague about extended pharmaceutical patent protection.

He mentioned extensions of three or three and a half years. However, from what I understand, it is two years. I would like some clarification on that.

Mr. Alexandre Boulerice: Mr. Speaker, we could double check. According to the information I received, it was three years or three and a half years for changes to the definition of “intellectual property”. However, even if it is two years, that would still have an impact on the price of drugs, which is what we are concerned about.

I want to take this opportunity to say that when the Liberals were in opposition, they asked the Conservative government to conduct an impact assessment on the provinces and their pharmacare budget. I wish they still maintained that position. Now that they are in power, I would like them to conduct that impact assessment.

Mr. Angelo Iacono (Alfred-Pellan, Lib.): Mr. Speaker, I am trying to understand the NDP's position, which is fairly unclear.

Why are they against an agreement that will allow free trade with the European Union? Does the NDP not want Canadian businesses to be able to boost their sales and create jobs?

Mr. Alexandre Boulerice: Mr. Speaker, yes, we want our companies to be able to grow and export so that they can create jobs. We need to diversify our exports because we are very dependent on our American neighbour. However, we do not want to go about it in just any old way. We cannot accept the dispute settlement mechanism included in the Canada-European Union free trade agreement because it puts too much power in the hands of big companies, large corporations, to the detriment of Canadians, our elected officials, and democratically elected governments. That is a major problem for us.

Government Orders

I would like to know what my colleague has to say to Quebec cheese producers who will have to bear the brunt of the arrival of 17,000 tons of fine cheeses from Europe every year. The Europeans have protected approximately 200 types of cheese by giving them a controlled designation of origin. In this free trade agreement, the Liberal government did not protect any Quebec cheeses by giving them a controlled designation of origin.

• (1335)

Ms. Marjolaine Boutin-Sweet (Hochelaga, NDP): Mr. Speaker, my colleague spoke about the investor-state dispute settlement mechanism that is included in chapter 11 of NAFTA.

Here is a real-life example. Suppose, under NAFTA, that an American multinational wants to invest in building some sort of plant in Mexico. The local government conducts an impact assessment and realizes that, if that plant is built, it will pollute the groundwater. However, because of the chapter on dispute settlement, the local government will not win a dispute, even though its citizens' drinking water will be polluted by the plant. The company will win because it might lose money. That means that the governments cannot protect their citizens or the environment. For example, Canadians may see their environment harmed by large corporations because of a similar clause in the agreement with Europe.

Mr. Alexandre Boulerice: Mr. Speaker, I thank my colleague from Hochelaga for her comments.

She is absolutely right. That is the basic problem with free trade agreements. They give a huge amount of power to major corporations and are detrimental to our interests, our neighbours, and the people in our communities. My colleague's example of the plant in Mexico highlights that.

I have another example. An American company is currently suing the Canadian government for \$250 million because the Government of Quebec placed a moratorium on oil and gas exploration in the Gulf of St. Lawrence to protect ecosystems. This company is now suing our governments. Taxpayers could end up being out of pocket just because we want to prevent pollution in the St. Lawrence River.

That is exactly what the NDP is rejecting, and that is why we will be opposing Bill C-30.

[*English*]

Mr. Kelly McCauley (Edmonton West, CPC): Mr. Speaker, I am pleased to rise in the House today to speak to Bill C-30 to implement the comprehensive economic and trade agreement between Canada and the European Union and its member states.

Before I start, I would like to pass my thanks on to my colleagues, the member for Abbotsford, the member for Battlefords—Lloydminster, and former Prime Minister Harper, for their hard work in bringing this about.

I want to start with the obvious. Trade is good. Trade makes markets better. Trade lowers prices for consumers and gives them more options. Trade does not make life better just for wealthy Canadians; it makes life better for all Canadians.

I am always proud to stand in this House to defend agreements and legislation that make life better for Canadians. I spoke to Bill

C-30 at second reading back in November. In that speech, I spoke to four points about why I am supporting the agreement. I want to expand on a few of them today.

First, as I mentioned, trade is good for Canada. A more competitive market means Canadians have access to the best products, at the best prices. Lowering or eliminating tariffs on goods that we import for our own consumption means that the price we pay for these goods will drop.

Again, I will always stand up to defend policies that lower prices for my constituents, and for all Canadians.

Trade agreements help Canadians from both perspectives: consumers benefit when we have lower prices and producers benefit when they can have greatly expanded markets to sell their goods.

Farmers in Alberta can now sell their products to not only people in Ontario, Quebec, and B.C., but once CETA passes, basically duty-free to Belgians, Germans, the French, and every other country signatory to this agreement. The EU represents some 500 million people, with almost \$20 trillion in economic activity. The EU's imports alone are worth more than our entire GDP.

If we want our producers to grow, we must ensure they can access newer, bigger, and hungrier markets. When our producers have more customers, they need more workers to fill that demand. I do not think I have to remind members in this House that we could use a few extra jobs in Alberta right now.

CETA is projected at a \$12-billion annual increase to our economy. I know \$12 billion can be an abstract number, but a \$12-billion increase is equivalent to adding \$1,000 to the average family income each and every year, or 80,000 jobs.

Some of those jobs will help my constituents in Edmonton West and the constituents of colleagues across Alberta.

CETA will help Alberta grow, access new markets for our goods, and will help Albertans access products at lower prices.

For our producers, the EU is already Alberta's fourth-largest export destination and our third-largest trading partner. The EU currently imports over \$2 trillion annually, of which Alberta makes up \$1.4 billion. We have just .07% of the European market. We have plenty of room to grow. Alberta's main exports to the EU include high-value items as well as resources, such as nickel, turbo-propellers and other machinery, cereals, medical instruments, cobalt, electrical machinery, mineral fuel and oil, services, wood pulp, inorganic chemicals, meat, animal feed, grains, seed, fruit, plastic, vehicles, pharmaceuticals, beverages, iron and steel products, and animal products.

For our consumers, nearly 100% of all non-agricultural products will be duty-free and nearly 94% of all agricultural products will be duty-free.

Government Orders

Once in force, CETA would eliminate tariffs on almost all of Alberta's exports and enable Alberta's job creators access to new market opportunities in the EU. Eliminating tariffs on almost all of our exports means we would have more competitive pricing to offer to the more than 500 million new customers. It is like moving our lemonade stand from a neighbourhood street corner to Times Square. The potential for us is enormous.

CETA would also provide Alberta exporters with a competitive advantage over exporters from other countries that do not have a free trade agreement with the EU. That is like moving our lemonade stand from the neighbourhood street corner to Times Square where our competitor is stuck in a location with no traffic and higher costs.

On the day CETA's provisions enter force, 98% of Canadian goods would be duty-free. For agriculture and agrifood products, almost 94% of EU tariffs on Canadian goods would be eliminated, rising to 95% once all phase-outs are complete. This duty-free access would give Canadian agricultural goods, including beef, pork, and bison, preferential access to the European market.

I know some of my colleagues have this stereotypical image that Albertans are all ranchers and cowboys. I hate to play into that stereotype, but I cannot pass up this opportunity to remind the House how important beef is to the Albertan economy and what CETA means to this. According to the CBC, because of CETA, Canada is poised to supply about 1% of all the beef needs in Europe under this new pact. That would mean \$600 million for Alberta, \$600 million in new business, \$600 million in new jobs.

• (1340)

As well, the following industries in Alberta would benefit. The first one is metals and minerals. Alberta's metals and minerals sectors include natural gas, conventional oil, coal, minerals, and the oil sands. More specifically, Alberta's metal refinery and mineral sector is a foundational industry that allows for infrastructure development as well as energy and natural resource production in Alberta. It generated 28% of the province's total GDP in 2011, and employs more than 181,000 Albertans, creating employment opportunities that provide some of the highest earnings in the Alberta economy. Exports of metals and minerals currently face tariffs as high as 10%.

There is agriculture and agrifood. Alberta has more than 50,000 farms with crop and livestock production. They produce an abundance of world-class agriculture commodities. The agriculture and agrifood sector employs nearly 76,000 Albertans and contributes 2.5% to the GDP. Between 2010 and 2012, the exports of agriculture products to the EU suffered tariffs of over \$35 million. That is \$35 million that can be reinvested in the economy, jobs, and productivity improvement.

There are forest products. The forest products sector employs nearly 19,000 Albertans and represents a significant component of the economy. Forest product exports to the EU average \$62 million and face up to a 10% tariff right now. These barriers would be eliminated under CETA.

There is advanced manufacturing. Alberta's advanced manufacturing industry employs more than 28,000 people. Between 2010 and 2012, Alberta's exports of advanced manufacturing products to the EU averaged a quarter of a billion dollars, which face tariffs as high

as 22%. Industrial machinery, one of Alberta's key advanced manufacturing exports to the EU, faces tariffs of up to 8%.

Alberta is a major producer of chemicals and plastics. It employs 11,000 Albertans, an important part of exports to the EU, with exports averaging just under \$100 million a year. These exports currently face tariffs of up to 6.5%. Again, these would be eliminated.

In addition to beef and agriculture products, CETA would also provide for increases in eligible trade for products with high sugar content. This stipulation would enable a company like PepsiCo, which has a large bottling facility in Edmonton's west end as well as other parts of Alberta, to continue to ship its products abroad and find new customers in new markets duty free. The stipulation for sugary products would also help local Edmonton start-ups, such as JACEK Chocolate Couture, which opened in Sherwood Park last year, and has now expanded into Canmore as well as downtown Edmonton. It will help it to hire new employees and reach a massive new market base.

CETA will open up markets for our burgeoning alcoholic beverage companies, which products are very well known to members of the Alberta Conservative caucus. There are over 50 breweries in Alberta, including favourites like Big Rock, Alley Kat, and Yellowhead. There are distilleries like Eau Claire Distillery, which makes gin and vodka from only local Alberta grains, and Park Distillery, based in Banff, that makes a vodka with glacial waters from the Rockies.

Closer to my home in Edmonton, there is Red Cup Distilling in Vegreville. I am wearing the button today supporting Vegreville. There is also the Big Rig Craft Distillery in Nisku, by the Edmonton airport, where people can get brum, which is basically rum made with sugar beets instead of sugar cane. I want to note it's called brum and not rum, so as not to run afoul with the rum lobby. If the all-powerful rum lobby is watching on CPAC today, please note I called it a brum and not a rum.

Edmonton is home to many head offices of world-class companies that are said to grow, compete, and win with access to this huge new market. PCL Construction has finished Rogers Place in downtown Edmonton, the finest hockey and event arena in the entire world. Stantec engineering, Booster Juice, and Weatherford are all based in Edmonton.

Government Orders

Edmonton is also renowned for its start-up culture, and many new enterprises will benefit from increased access to markets and added IP protection. TappCar is a ride-share company that has gained ground by working with municipal governments rather than circumventing local laws. Drizly is an app that arranges liquor deliveries. Should it expand to the Parliament Hill area, I am sure that sales will spike massively. My wife's personal favourite is Poppy Barley shoes, which has grown from a small, shared office space downtown to Edmonton's famous Whyte Avenue, with pop-ups in Toronto.

● (1345)

Edmonton also boasts having three of the top fifteen start-up companies in Canada, as named by Metabridge. The first is LoginRadius, which does customer analytics and serves over 1,000 businesses worldwide. There is Mover, a company that handles cloud file migration. The third company is Showbie, which helps teachers, schools, and students get connected across technology platforms.

Edmonton's bread-and-butter business, the oil and gas sector, stands to benefit tremendously from CETA by increasing market access to our oil and gas products. The Prime Minister wants to phase out oil and gas, but CETA represents a grand opportunity for Canada's job-creating and economic-driving industry to capitalize on new customers.

Supplier diversification is one of the European Union's top energy priorities. Currently Russia has 31% of the EU's oil and gas import market share, making it first. Canada has just 1% of the market share, placing us 26th. It is well known that Russian President Putin uses his country's oil and gas reserves as a weapon. Given that Russia supplies almost one-third of the EU's oil and gas, this position is strong. The EU needs to diversify, wants to diversify, and Alberta has plenty to offer. Not only will this create wealth and jobs in Alberta and the rest of Canada, it will help to free Europe from the bullying and blackmail of the Russian president and deprive him of his desperately needed revenues that he uses to threaten our democratic allies. The Right Honourable Stephen Harper famously told Putin to get out of Ukraine. CETA will help us get him out of Europe's oil and gas business.

As CETA reduces and eliminates tariffs across the board for oil and gas products, Canada and Alberta are well poised to fill the gap and become a crucial energy ally. This is an opportunity that we should not pass up, and frankly cannot pass up. The government may perhaps one day support energy east, and then we can ship Alberta oil to Quebec and New Brunswick for refining and stop sending jobs and billions of dollars to despotic regimes like Saudi Arabia.

Beyond energy, free trade helps foster greater co-operation between our democratic allies. We strongly support international trade initiatives that strengthen the bonds with friendly countries, increase economic productivity, and drive prosperity and job creation.

The world is full of uncertainty, and prior champions of trade and co-operation are retreating. This comes at an unfortunate time for Canada. Our country has the fastest-growing population in the OECD, and the west has the fastest-growing and youngest population in Canada. We have products. We have workers. We

have the businesses. We will continue to have more people and more products over the next few years, and we need places to sell these goods.

CETA is an opportunity for us to secure access to the largest single market in the world at a time when other countries are retreating. Not only will this agreement help to give our job creators access to growing and demanding markets, it will give Canadians a head-start advantage over our competitors who are retreating from the global marketplace.

Even after all of these benefits I have discussed and talked about, CETA's detractors argue that the costs outweigh the benefits. They will say that CETA gives too much power to corporations and will allow them to sue governments for compensation if they change policies. The argument is callously thrown around as a holistic and negative point. It is just an assertion.

According to a summary in *The Globe and Mail*, CETA opens up a new process called the investment court system, or ICS. The ICS essentially acts as a permanent tribunal to handle complaints brought by businesses. Canada and the EU have hailed the ICS as a breakthrough offering a high level of protection for investors while fully preserving the right of governments to regulate and pursue legitimate public policy objectives, such as the protection of health, safety, and our environment.

It is perfectly legitimate for businesses that act in good faith and set up shop in new countries because of a trade agreement to be able to protect themselves from arbitrary changes by the host government. If governments agree to and sign a trade agreement, they agree to be bound by the provisions of that trade agreement with some exceptions. It is unreasonable to make governments the sole power holder in this arrangement.

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If we expect companies to come to Canada, to do business in Canada, to create work for Canadians, and create wealth for our country, we must be able to guarantee them some modicum of stability and predictability, or at least grant them some recourse if a future government makes arbitrary changes that violate the provisions of that trade agreement. This is a two-way street, and businesses do not deserve less protection just because they are creating jobs, making investments, and earning profits.

At the same time, it is also important that governments are able to react to changing circumstances and create legislation that is good for Canadians in the event that exceptional circumstances arise. This is why CETA has built in provisions to protect both business and government.

I want to note here that Canadian investment in the EU was almost a quarter of a trillion dollars as of 2014. That is Canadian investment that will also be protected from the whims of a changing political landscape in Europe.

• (1350)

The Consider Canada City Alliance is a partnership with 12 of our largest cities. These cities represent 63% of Canada's GDP and 57% of our population. They work to increase investment in Canada and grow trade opportunities.

Our own highly respected Edmonton Economic Development Corporation is part of this coalition. Michael Darch, president of the CCCA states:

We see Canada moving toward creating the largest trading and investment block in the world. The cities that comprise the Consider Canada City Alliance account for 63% of Canada's GDP fully understand that our economic prosperity is built on global trade and investment...

Modern commerce is much more than moving goods across the borders. It is about financial and knowledge-based consulting services, digital commerce and entertainment, and the freedom of movement for the skilled workers who are creating the 21st century global economy... CETA addresses these and many more opportunities. Canada is demonstrating leadership in building the agreements necessary to protect our economic future and guarantee access to prosperity for all Canadians.

The Consider Canada Alliance has listed its top five reasons for supporting CETA. Number one is “dollars and sense”. It “will increase Canada-EU trade by 20% and boost Canada's economy by \$12 billion..”.

Number two is “unparalleled market access”. “Once...CETA comes into force...investors in Canada will have assured preference access to both NAFTA and the EU” with nearly one billion customers combined and a GDP of over \$35 trillion.

Number three is “enhanced investor protection”, as I just mentioned. “CETA will provide Canadian and EU investors with greater certainty, transparency and protection for their investments.” Again, I note, Canadians have invested a quarter of a trillion dollars in the EU. That is Canadian investment that will be protected from the whims of a changing landscape in Europe.

Number four is “easing of investment restrictions”. “The net benefit review threshold under the Investment Canada Act will be raised from the current \$600 million to \$1.5 billion, following CETA's entry into force.”

Number five is that it “signals open trade, not closed borders”. “While populist movements in some developed countries appear to be antagonistic to expanding trade agreements, Canadian cities are welcoming aggressive investment interests from across Europe and around the world during investment missions conducted in partnership with Federal [and provincial] colleagues.”

Again, I repeat, trade is good. Trade lowers prices and enables competitive and valued Canadian businesses to expand, hire new employees, and prosper in a globalized world. Trade helps strengthen ties with our allies. We will always support international initiatives that nurture greater co-operation between Canada and our friends overseas. Free trade allows billions of dollars in Canadian exports to reach new markets and ensures that European goods flow into Canada at competitive prices for our consumers. Free trade will help Alberta's businesses grow and prosper at a time when Alberta needs it most.

I am proud to support this agreement that will help Alberta's small and large businesses, Albertan consumers, Canadian industry, Canadian producers, and that will deepen our long-standing ties between Canada and Europe.

• (1355)

Ms. Karen Ludwig (New Brunswick Southwest, Lib.): Mr. Speaker, with the rise in protectionism, I wonder how my colleague opposite would respond to what impact not ratifying CETA at this time may have on our economic stability as a country, as well as jobs across Canada.

Mr. Kelly McCauley: Mr. Speaker, I think it would be a disaster if we stepped away from this right now. We all see what is going on with the U.S., with Brexit, with countries throwing up borders, walls. I do not want to exaggerate issues, but this is exactly the issue that helped to cause the first major depression, with countries immediately throwing up protectionist walls. If we make a stance and say that protectionism is good and open borders and open trade are bad, we are going to drive this country into a ditch. It will be decades before we can recover.

Mr. Richard Cannings (South Okanagan—West Kootenay, NDP): Mr. Speaker, why do we need to have investor-state dispute mechanisms in these trade agreements? Clearly, and certainly in this agreement, there are several countries in the EU that are against these provisions that allow foreign corporations to sue Canadian governments, whether they be federal, provincial, or municipal governments, and affect our sovereignty over our own laws and country when we want to help improve our environment and our social well-being.

Statements by Members

Mr. Kelly McCauley: Mr. Speaker, we need dispute resolution to protect companies that are investing in Canada to send a strong signal that Canada is a safe place to invest. We have it seen in Alberta, where the current NDP government is changing rules on long-term investments, and it is driving companies out. Some of our largest job creators have said that they are not going to invest in Alberta anymore. They are moving to Texas because of arbitrary government changes to laws.

Canadians have invested a quarter of a trillion dollars of Canadian wealth in the EU. Our investments in Europe have to be protected from the whims of government changes just as much as we need to protect the money of investors in Canada who are making jobs for Canadians, investing in our infrastructure, and investing in our communities.

Ms. Elizabeth May (Saanich—Gulf Islands, GP): Mr. Speaker, my friend from Edmonton West appears unaware of the litany of cases Canada has lost where the motivation for taking action was to protect public health and protect the environment, such as regulating against a toxic gasoline additive. I do not know why anyone would want to see foreign corporations have superior rights compared to domestic ones.

Mr. Kelly McCauley: Mr. Speaker, when I listen to my colleague from Saanich—Gulf Islands, I am reminded of Will Rogers' comment about never meeting a gentleman he did not like. I think this member has never met a job-creating item she liked or a trade agreement she liked.

Not everything is perfect, but this could open up trillions of dollars of added economic activity at a time of slow growth. We need the jobs in Alberta, we need the jobs in Canada, and we need them now.

The Deputy Speaker: There will be six and a half minutes remaining in the time for questions and comments directed toward the hon. member for Edmonton West when the House next resumes debate on the question.

The hon. member for Mission—Matsqui—Fraser Canyon.

STATEMENTS BY MEMBERS

[English]

INFRASTRUCTURE

Mr. Jati Sidhu (Mission—Matsqui—Fraser Canyon, Lib.): Mr. Speaker, access to clean drinking water is a fundamental right for all Canadians, which is why, on December 10, I was proud to stand alongside my provincial and municipal colleagues to announce the completion of the state-of-the-art, \$4.2 million Cannell Lake water treatment plant.

Thanks to \$3 million from our government's gas tax fund and \$1.2 million from the District of Mission and the City of Abbotsford, over 200,000 residents of the Central Fraser Valley can now rest assured knowing that they have access to safe, high-quality drinking water.

This is an example of our government's commitment to modernizing infrastructure, ensuring that Canada's quality of life

continues to serve as an example to the world, and that should be a great source of pride for all members of the House.

* * *

● (1400)

WATER QUALITY

Mr. Alexander Nuttall (Barrie—Springwater—Oro-Medonte, CPC): Mr. Speaker, we in Barrie—Springwater—Oro-Medonte are proud of beautiful Lake Simcoe. Lake Simcoe is a popular recreation area that generates millions of dollars per year in tourism. It is a great agricultural hub and supplies clean drinking water to eight municipalities. However, the prospects for Lake Simcoe were not always so bright, with high phosphates, diminishing fish populations, and a reduced number of species.

Those of us who are lucky enough to work, live, and play around Lake Simcoe have benefited from the previous Conservative government's successful investments, with local not-for-profits, to clean up the lake through the Lake Simcoe clean-up fund. The fund invested over \$60 million to revitalize the Lake Simcoe watershed and southeastern Georgian Bay. That funding is set to expire this year. Continued investment will ensure that future generations can enjoy the same clean lake and beautiful waterfront community that residents and tourists enjoy today.

I call upon the current government to renew the Lake Simcoe and southeastern Georgian Bay clean-up fund in its coming budget.

* * *

SHOOTING IN QUEBEC CITY

Mr. Darshan Singh Kang (Calgary Skyview, Lib.): Mr. Speaker, today I stand in the House in solidarity with all of our Muslim brothers and sisters who mourn the victims of the terrorist attack on the Islamic Cultural Centre of Quebec City.

We must move forward by addressing the hate speech that incites violence against innocent Canadians because of their faith, ethnicity, place of birth, sexuality, or gender. We have shown the world that Canada is a tolerant country, but this does not mean we have made the hate go away. Instead, we must all pull together to continue to be a welcoming and thoughtful nation.

I encourage Canadians to visit a mosque, a church, a temple, a synagogue, or any other place of worship. Learn more about our fellow Canadians. Only through active engagement can we continue to thrive together and continue to be the true north strong and free.

ENERGY PROJECTS

Mr. Kennedy Stewart (Burnaby South, NDP): Mr. Speaker, climate change is one the greatest threats affecting humanity today. We need to reduce our dependency on fossil fuel dependency and increase public and private investment in renewable energy. However, we have to do this in a way that is ethical. Local communities that are affected by new projects have to consent to these projects, especially indigenous communities, and energy projects also have to benefit low-income communities.

The challenge for all countries is to develop clean and ethical energy policies. Canada has only 18% of our energy coming from renewable sources, as opposed to Iceland, with 88%, and Norway and Sweden, with 45%.

The government has been approving unclean and unethical projects, such as the Kinder Morgan pipeline, and clean projects that are unethical, such as the Site C Dam.

I call on the government to support a clean and ethical energy policy.

* * *

[Translation]

LAVAL CENTRE FOR SOCIAL INTEGRATION AND COHESION

Mr. Angelo Iacono (Alfred-Pellan, Lib.): Mr. Speaker, the Centre lavallois pour l'intégration et la cohésion sociale will be holding a conference on February 25 to mark the first anniversary of the arrival of Syrian refugees. I am very pleased to be attending this event, which will allow stakeholders and citizens to assess and analyze the work accomplished.

This will also be an opportunity to discuss how to welcome and help settle these new citizens of Laval. Canada continues to be a haven for refugees fleeing from war and for people who have been persecuted and have experienced unimaginable violence, and who now have to start their lives over in a new country.

Thanks to organizations such as CLICS in Laval, it is much easier for them to integrate. Thank you to everyone who has welcomed refugees with open arms and contributed to making Canada the welcoming and diverse country that we are proud of.

[Member spoke in Arabic as follows:]

Ahlan wa sahlán fi Canada!

* * *

[English]

TREE PLANTING

Mr. John Nater (Perth—Wellington, CPC): Mr. Speaker, I rise today to recognize some of the great programs in Perth—Wellington that celebrate our national heritage and conservation efforts.

For over 100 years, Perth—Wellington has been home to some important environmental stewardship activities. Recently, a forestry consultant determined that the Monteith farm in Perth County is home to the oldest tree plantation in Ontario. This proud history is today reflected in such tree planting programs as West Perth's

Statements by Members

Canada 150 plant-a-tree program, trees for Minto, and the Upper Thames River Conservation Authority's trees on private lands program. In Wellington County, the green legacy program has planted more than one million trees since 2004, making it the largest municipal tree planting program in North America.

These programs have contributed to improving air quality, preventing soil erosion, creating natural windbreaks and snow fences, and enhancing our region's natural beauty.

I look forward to more tree planting this spring across Perth—Wellington.

* * *

● (1405)

HON. ROBERT STANBURY

Mr. Arnold Chan (Scarborough—Agincourt, Lib.): Mr. Speaker, I am honoured to rise today to pay tribute to the hon. Robert Stanbury, who passed away this past Friday morning in Burlington.

Bob, as he was known, was first elected in 1965 in the riding of York—Scarborough and represented his constituents with distinction until 1977. Under Prime Minister Pierre Trudeau, he served as minister responsible for citizenship and information, later as minister of communications, and finally as minister of national revenue.

A dedicated public servant, lawyer, and father, Bob was also a force for Canada's north. He served as president of the Canadian Council for Aboriginal Business and was a founding member of the Nunavut Arbitration Board. His good nature, wisdom, and support will be missed by many, including the Minister of Democrat Institutions, for whom I know he served as a mentor. I take comfort knowing that he enriched the lives of many through his strength, compassion, and leadership.

We join Bob's family and friends in mourning his loss. We thank him, knowing that Canada is a better society for his contributions.

* * *

INTERNATIONAL DAY OF WOMEN AND GIRLS IN SCIENCE

Ms. Kate Young (London West, Lib.): Mr. Speaker, on Saturday, scientists around the world marked International Day of Women and Girls in Science. This prestigious day was formally adopted by the UN in December 2015 as a way to demonstrate the continuing resolve of member states, including Canada, to eliminate gender inequality in the sciences.

Right now, only 22% of people working in STEM fields are women. STEM stands for science, technology, engineering, and math. We can and must do better.

Our government is committed to improving that number. The Minister of Science has taken a series of concrete actions that address gender imbalance in research, including reinstating the university college academic survey, making changes to the Canada excellence research chairs program to increase equity provisions, and launching an advertising campaign to encourage women and girls to pursue STEM careers.

Statements by Members

The minister's actions build on our government's commitment to diversity, to equality, and to providing opportunities for all Canadians.

* * *

[*Translation*]

MAURICE LEGENDRE

Mr. Luc Berthold (Mégantic—L'Érable, CPC): Mr. Speaker, as all of my colleagues know, I was fully on board with my Foothills colleague's "Free the Beer!" campaign. In Mégantic—L'Érable, "beer" is practically synonymous with Maurice Legendre, the best independent representative in the world of Quebec breweries.

Maurice, as he was known to everyone back home, left us last week at the age of 90. Born in Lac-Mégantic in 1926, he moved to Thetford Mines at the age of 19 as a Boswell beer representative.

In 1952, he became Dow's first sales rep in Quebec. When Dow and O'Keefe merged in 1969, Maurice's career took off. In 1983, he sold 600,000 cases of beer, cornering 90% of the beer market in bars and hotels.

Mr. Speaker, did you know that they say he himself never drank a drop of beer his whole life?

Maurice was very involved in his community, particularly in sports.

Maurice was the one who taught me the art of the handshake, thereby helping me achieve success in politics though he was not partisan himself.

Thank you, Maurice. I want to express my condolences to his family. I hope there is beer in heaven.

* * *

POVERTY REDUCTION

Mr. Yves Robillard (Marc-Aurèle-Fortin, Lib.): Mr. Speaker, I was in Saint John, New Brunswick, last week as part of the study on poverty reduction strategies being done by the Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities.

I took part in public hearings and visited a number of organizations that support the vulnerable in our society. I was moved to discover an organization called Elementary Literacy that supports young readers, in both official languages, who are having trouble reading.

I want to thank my colleague from Saint John—Rothesay, the committee staff, and all local stakeholders for their participation in the meetings.

I also want to commend the efforts of the Minister of Families, Children and Social Development, who just announced two important initiatives related to the Canadian poverty reduction strategy.

I am confident that the nation-wide consultation process and the ministerial advisory committee on poverty announced today—

● (1410)

The Speaker: Order. The hon. member for New Brunswick Southwest.

* * *

BLACK HISTORY MONTH

Ms. Karen Ludwig (New Brunswick Southwest, Lib.): Mr. Speaker, I am pleased to rise in the House today to acknowledge Black History Month.

[*English*]

The community of Elm Hill, New Brunswick in my riding is one of the earliest black settlements. Established in 1806 by black Loyalists, settlers were promised freedom in exchange for their loyalty to the British crown. Like many other Loyalists who arrived in New Brunswick, they were given land grants and supplies, and Elm Hill became a thriving farm community.

Despite their past and ongoing struggles, Elm Hill residents are a living reminder of Canada's proud history of freedom, tolerance, and openness. Elm Hill's story is an incredibly rich goldmine of oral and anecdotal history. As the member for New Brunswick Southwest, I am honoured to play a part in its sharing and preservation.

* * *

HUMAN RIGHTS

Mr. Tom Kmiec (Calgary Shepard, CPC): Mr. Speaker, I rise today to bring to the attention of the House the plight of the Kurds who are indigenous to the western parts of Iran. The Democratic Party of Iranian Kurdistan is an official Kurdish political party dedicated to finding a peaceful solution to coexist with Iran, and which advocates for the political rights of the Kurds.

Kurds are subject to systemic and targeted persecution by the Iranian regime, which includes economic, political, and cultural discrimination as well as the gross violation of human rights. Kurdish children are prevented from learning their language. Kurds are refused government jobs when they apply for failing to adhere to strict Shia doctrines. Kurdish prisoners are jailed for extended periods of time without trial, and are subject to extrajudicial killing and to executions without due process.

The Liberal government keeps talking about rewarding Iran with an embassy, but instead Canada should hold Iran accountable and stand in solidarity with our allies, the Kurds of eastern Kurdistan, against the persecution they continue to endure.

* * *

YOUTH COUNCILS

Mr. Ken Hardie (Fleetwood—Port Kells, Lib.): Mr. Speaker, when our minister responsible for youth launched the concept of riding-based youth councils, he unleashed an incredible force that is energizing communities right across Canada. Our youth council in Fleetwood—Port Kells is a team of overachievers. I will bet we can say that about most of these councils. I want to check in with members and see how their doughnut and pizza budgets are holding up.

Oral Questions

Under the leadership of Kyle Boutilier, the youth have been digging into the big issues, informing their perspectives and visions, and getting ready to lead the country. For example, our youth council will be joining with others across Canada on the 3% project, an initiative to involve 3% of Canadians, about a million young people, in a dialogue on climate change. We need this discussion for the sake of our future, and we need these people involved in it.

It is inspiring to see these youth councils at work. I am very proud of the work our Fleetwood—Port Kells council is doing, and the energy, leadership, and drive to be the engaged citizens our country needs.

* * *

DEMOCRATIC REFORM

Mr. Wayne Stetski (Kootenay—Columbia, NDP): Mr. Speaker, this weekend, over 100 residents gathered in the city of Nelson in my riding, and thousands more across Canada to send a message that they wanted the government to keep its word on democratic reform.

Following the Prime Minister's announcement that he was breaking his promise to Canadians to end the first past the post system, I received a large number of letters and calls from constituents telling me they felt betrayed, saddened, and angry, asking me to keep up the fight.

Here are the facts. Two-thirds of Canadians voted for parties promising electoral reform in the last election. During committee hearings, almost 90% of experts and 80% of public testimony called for the government to adopt a proportional voting system. During my own democratic reform tour last year, I heard overwhelmingly from voters that they were ready for change.

Change will happen in Canada. It will take hard work and political courage, but we can do it and we must. That is what Canadians are demanding we do.

* * *

TIM MCLEAN

Hon. Candice Bergen (Portage—Lisgar, CPC): Mr. Speaker, on July 30, 2008, 22-year-old Tim McLean was on a Greyhound bus bound for home. He did not make it home. Just outside of Portage la Prairie, Tim was murdered by a sick and deranged man. The details of what occurred that day are public. It is among the most shocking crimes in Canadian history.

Today, Tim McLean's murderer walks free. This individual was granted the right to change his name. He has no limitations on his freedom. A lot of people are talking about this. There is a lot of outrage because the system is not working and something needs to change.

However, let us never forget about the victim, Tim McLean. Tim was not the only victim. His family continues to deal with what happened on that day. Tim leaves a son who will never know his dad.

Today we stand with Tim's family, particularly his mom Carol. Carol is one of my constituents, an amazing mom and grandmother who has fought so hard for justice and for what is right. We stand with Carol and with her family. May Tim rest in peace.

● (1415)

[*Translation*]

DROPOUT PREVENTION

Mr. Ramez Ayoub (Thérèse-De Blainville, Lib.): Mr. Speaker, this week, Quebec is celebrating the 7th annual Hooked on School Days in support of helping young people achieve success at school.

This movement was launched by Partenaires pour la réussite éducative dans les Laurentides. I want to acknowledge the remarkable work of its executive director Annie Grand-Mourcel and her team. By proudly wearing the green and white ribbon of dropout prevention, we are making an important symbolic gesture. One in five young students drops out of school before graduating high school. This reality has significant adverse economic and social repercussions that must be addressed in order to build a better and more inclusive society.

I invite all my colleagues in the House to rally around our young people to talk to them about hard work, perseverance, the risks associated with dropping out, and the advantages of having a diploma. Dropout prevention matters to us all.

ORAL QUESTIONS

[*English*]

PUBLIC SAFETY

Hon. Rona Ambrose (Leader of the Opposition, CPC): Mr. Speaker, in 2008, Tim McLean was murdered on a Greyhound bus. His murderer, Vince Li, is now a free man with an absolute discharge, while Tim's mother will continue to live with this hell for the rest of her life. That just does not seem right.

Now we also learn that the Prime Minister wants to eliminate mandatory jail time for crimes. When will the Prime Minister put the rights of victims ahead of the rights of criminals?

Hon. Jody Wilson-Raybould (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, certainly our hearts go out to the McLean family. I want to be clear that the review boards of the provinces and territories have specific jurisdiction on whether or not an absolute discharge is provided to persons who are held not criminally responsible.

With regard to the broader criminal justice system review, we are certainly conducting a review, including mandatory minimums, to ensure we are in compliance with the Constitution and moving forward to improve the efficiencies, effectiveness, and to ensure public safety remains paramount.

Hon. Rona Ambrose (Leader of the Opposition, CPC): Mr. Speaker, the issue is bigger than that. We know the Prime Minister voted against our legislation, which was triggered by Tim McLean's death, that would make sure people like Vince Li would not be allowed out.

Oral Questions

When the minister and the Prime Minister look at reforming the justice system, it is not about the rights of criminals that we are concerned about on this side of the House. We think if people do this, they lose a lot of their rights.

I would like to know what the minister plans on doing to make sure that the rights of the victims come first.

Hon. Jody Wilson-Raybould (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, again, our government, and in terms of the review we are doing of the criminal justice system, hold public safety, the rights of victims. A comprehensive approach is needed to ensure the rights of victims as well as the realities of the Constitution are held foremost in our minds.

We are conducting a broad review of the criminal justice system, including sentencing reform over the last 10 years, to ensure the sentencing provisions are in compliance. The courts have spoken quite clearly in terms of the constitutionality of mandatory minimum penalties. We are going to be proceeding in a concerted way that ensures the safety and—

The Speaker: The hon. Leader of the Opposition.

* * *

TAXATION

Hon. Rona Ambrose (Leader of the Opposition, CPC): Mr. Speaker, beyond travelling to Washington, there are concrete actions the Prime Minister could be taking to protect Canadian jobs from heading south. He could shelve his carbon tax that will increase the costs of energy and goods that we sell to the United States. He could stop raising taxes on families.

Does the Prime Minister understand that it is actually his decisions in Canada that are going to make it easier for Trump to steal our jobs?

Hon. Scott Brison (President of the Treasury Board, Lib.): Mr. Speaker, there has been some improvement in recent job numbers, but the global economy continues to be fragile. That is why it is important that our government continues to focus on the middle class, to lower the taxes of the middle class, to introduce a Canada child benefit that will lift 300,000 kids out of poverty, to invest in infrastructure, to invest in communities, to invest in innovation.

The real question is this. Why are the Conservatives opposed to those investments that are clearly necessary to grow the Canadian economy, to attract investment, and help the middle class?

• (1420)

[Translation]

Mr. Luc Berthold (Mégantic—L'Érable, CPC): Mr. Speaker, 75% of Canada's exports are destined for the United States. Our businesses are worried, and not just because of the election of a new president, but also because of the uncertainty created by the Liberal government.

After being lackadaisical on softwood lumber and diafiltered milk, after renegeing on its promise to lower small business taxes, and after imposing a carbon tax that will jeopardize the competitiveness of Canadian businesses, will the government finally realize that the party is over and that it is time to create jobs here in Canada?

Hon. François-Philippe Champagne (Minister of International Trade, Lib.): Mr. Speaker, I thank my colleague for his question. That is exactly what we are doing.

Let us talk about today's meeting between the Prime Minister and the U.S. president, which focused on the solid relationships and partnerships built by our two countries. Relations between our two countries are based on a shared history, culture, and environment and common values.

What the Prime Minister is doing today is exactly what Canadians want, and that is having a constructive relationship with our southern neighbours. In my opinion, all Canadians are proud of their Prime Minister today.

Mr. Luc Berthold (Mégantic—L'Érable, CPC): Mr. Speaker, this is not the first time we have heard such rhetoric from the government. Today, I am reaching out to the government, as did the leader of the official opposition.

I have several suggestions about what the government could do. It could be proactive and lower corporate taxes in the next budget. It could eliminate tariff barriers between the provinces. It could withdraw the carbon tax, which will cost the middle class thousands of jobs.

Together, we can take the initiative and create jobs here in Canada. What choice will the government make? Will it wait and watch our jobs disappear or take action and create jobs for the middle class here in Canada?

Hon. Scott Brison (President of the Treasury Board, Lib.): Mr. Speaker, there have been some improvements in economic growth and job creation recently, but the global economy is still fragile. We need to continue making significant investments in infrastructure and in the middle class, for families and for children. The Conservatives want to reduce investments in families and infrastructure. However, we are listening to Canadians and we are going to continue to invest in the middle class to promote economic growth.

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[English]

IMMIGRATION, REFUGEES AND CITIZENSHIP

Ms. Jenny Kwan (Vancouver East, NDP): Mr. Speaker, more and more people are demanding that Canada end the safe third country agreement with the U.S. Immigration lawyers are now saying that many refugee applications have to be rejected because of this agreement. The minister continues to turn a blind eye and be complicit to the reality these refugees are facing.

On Friday in this House the Parliamentary Secretary to the Minister of Public Safety and Emergency Preparedness admitted, "Obviously, a number of these issues are emerging".

If the government admits there is a problem, why will it not do anything about it?

Oral Questions

Hon. Ahmed Hussen (Minister of Immigration, Refugees and Citizenship, Lib.): Mr. Speaker, our country has been recognized as having one of the most compassionate refugee systems in the world. The safe third country agreement between Canada and the United States is crucial to the handling of asylum claimants in both countries. We have no indication whatsoever that the U.S. executive order has had any impact on the safe third country agreement.

We continue to welcome newcomers into our country. All refugee claimants get fair access to a fair hearing and all claims and cases are judged on their merits.

[Translation]

Ms. Hélène Laverdière (Laurier—Sainte-Marie, NDP): Mr. Speaker, the minister is once again telling us that the government does not have any proof that the recent presidential order has had an impact on refugees. I have some news for him. Across the country, in Emerson, Manitoba, as in Hemmingford, in the Eastern Townships, people are braving the snow and winter weather to try to seek refuge in Canada. We cannot turn these people away in these conditions. What is the government waiting for? When will it suspend the safe third country agreement?

[English]

Hon. Ahmed Hussen (Minister of Immigration, Refugees and Citizenship, Lib.): Mr. Speaker, the hon. member knows that the safe third country agreement applies to asylum claimants. It has no bearing on refugees who settle from abroad, which is what the executive order is about. She knows that. Having said that, we are proud to have a compassionate refugee system in Canada. All refugee claimants get a fair hearing at the Immigration and Refugee Board of Canada and all cases are judged on their merits.

* * *

● (1425)

[Translation]

PUBLIC SAFETY

Ms. Hélène Laverdière (Laurier—Sainte-Marie, NDP): Mr. Speaker, this morning, my colleagues, the NDP leader and the member for Sherbrooke, met with Yassine Aber, the 19-year-old Quebecker who was turned back at the U.S. border last week when he was on his way to Boston for a sports competition. The young man still does not understand why he was refused entry to the United States, and neither do I. What will the government do to ensure that Canadian citizens need not fear being denied entry to the U.S. for no valid reason?

Hon. Dominic LeBlanc (Minister of Fisheries, Oceans and the Canadian Coast Guard, Lib.): Mr. Speaker, I thank my colleague for her question. Naturally, we share her concern about the situation she described. We are working constantly to ensure that Canadians receive fair and appropriate treatment when travelling abroad. Nevertheless, we must recognize that all countries can decide whom to admit at their borders. We encourage people who have concerns about things like this to contact the U.S. Department of Homeland Security.

[English]

Ms. Jenny Kwan (Vancouver East, NDP): Mr. Speaker, last week, another Canadian came forward about being turned away at

the U.S. border. Immediately following Trump's discriminatory ban, the Liberal government promised no Canadians would be affected. This is clearly not the case. Canadians are being stopped, interrogated, and turned away at the U.S. border, even though they have valid Canadian passports. Let us just call it for what it is, racial profiling, and it is outrageous.

What is the minister doing to guarantee that Canadians are not being treated this way at the U.S. border?

Hon. Dominic LeBlanc (Minister of Fisheries, Oceans and the Canadian Coast Guard, Lib.): Mr. Speaker, we share the member's concern with respect to the situation. The government constantly works to ensure that Canadians receive fair and proper treatment when they travel abroad. At the same time, I think we must recognize that every country makes its own decisions as to whom they admit on their territory.

I would encourage anyone who has concerns about treatment like that to take the necessary measures with the U.S. Department of Homeland Security to bring this matter to its attention as well.

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TAXATION

Hon. Pierre Poilievre (Carleton, CPC): Mr. Speaker, a proposal by leaders in Congress to impose a 20% border-adjusted tax would kill hundreds of thousands of Canadian jobs. One-fifth of our economy is exports to the U.S. It would be a 20% foreign tax on one-fifth of our economy, and yet our foreign affairs minister reportedly told the author of the proposal, House Speaker Paul Ryan, that the Government of Canada has no position on the border-adjusted tax.

Did the Prime Minister make the same mistake, or did he stand up against the tax when he met with the President?

Mr. Matt DeCoursey (Parliamentary Secretary to the Minister of Foreign Affairs, Lib.): Mr. Speaker, when in Washington, the minister met with Secretary of State Rex Tillerson, House Speaker Paul Ryan, and senators John McCain, Bob Corker, and Ben Cardin. The minister made it clear that Canada is strongly opposed to any imposition of a new tariff between Canada and the United States. I am sure that every member of the House agrees with us on that point.

Hon. Pierre Poilievre (Carleton, CPC): Mr. Speaker, the question was on the tax, not the tariff.

Another question I asked through access to information was on the impact of the new carbon tax. The government blacked out the data, relying on paragraph 18(d) of the Access to Information Act, which allows it to withhold information that could "reasonably be expected to be materially injurious to the financial interests of a government institution or to the ability of the Government of Canada to manage the economy".

If mere public knowledge of the effects of the carbon tax is so damaging that it needs to be hidden, what does that say about the tax itself?

Oral Questions

Hon. Catherine McKenna (Minister of Environment and Climate Change, Lib.): Mr. Speaker, I am always happy to speak to the opposition about the merits of putting a price on pollution. It is actually a free-market solution to something we do not want, which is pollution, and what we do want, which is to create good jobs, clean growth, and innovation.

Once again, the member need not take it from our party, leading economists, and job makers. Let us talk about former MP Patrick Brown, the Ontario Conservative leader, who said, “A price on carbon is coming and it’s going to come everywhere. Conservatives can’t run from the debate on the environment.”

* * *

[Translation]

FINANCE

Mr. Joël Godin (Portneuf—Jacques-Cartier, CPC): Mr. Speaker, this Liberal government is spending left and right and acting like a business on the verge of bankruptcy.

It feels like a profitable company whose successful boss has passed on the torch to new management, which is terrified and spending money recklessly. For a clearer picture, the former boss, Stephen Harper, left the country with a surplus of over \$1 million. The new boss, as the House knows, is our current Prime Minister, who has no plan.

Will this Liberal government actually do something concrete, create wealth, create permanent jobs, and give Canadian families some hope?

•(1430)

Hon. Scott Brison (President of the Treasury Board, Lib.): Mr. Speaker, as a government, we inherited a sluggish economy after 10 years of Conservative power. On top of that, we did not inherit a surplus. In fact, we inherited a deficit, because the Conservatives invented a surplus going into the election. It is quite clear that there was no surplus.

We think it is important to invest in infrastructure and the middle class in order to create economic growth. That is exactly what we will continue to do.

* * *

TAXATION

Mr. Joël Godin (Portneuf—Jacques-Cartier, CPC): Mr. Speaker, we must support Canadian workers who get up every morning to support their families. They need to be able to build equity in order to gain a bit of financial freedom. This government is making it impossible for our Canadian families to have more money in their pockets. The government is giving with one hand and taking away with the other. This Liberal government is not telling the truth. Canadians have less money to spend.

Can this government stop reaching into taxpayers' pockets and commit to not cancelling any more tax credits, such as those in the pension plan for seniors and the registered education savings plan for our Canadian families?

Hon. Ginette Petitpas Taylor (Parliamentary Secretary to the Minister of Finance, Lib.): Mr. Speaker, I want to thank my colleague for the question.

It is our government that committed to helping the middle class and those working hard to join it. It is our government that lowered taxes for the middle class. It is that government who voted against that. It is our government that introduced the Canada child benefit. Again, the party across the way voted against that.

We have a plan and we are moving forward to support the middle class.

[English]

Mr. Jamie Schmale (Haliburton—Kawartha Lakes—Brock, CPC): Mr. Speaker, the Liberals have broken their promise of supporting the middle class. They have run multi-billion dollar deficits with no end in sight, removed income splitting, cancelled tax credits for children's fitness and arts courses, textbooks and education, lowered the contribution limit for tax-free savings accounts, and to top it off, introduced a national carbon tax. These Liberal tax increases are costing struggling Canadian families substantially more.

Will the Prime Minister quit falsely claiming to support the middle class and reverse these aggressive tax increases?

Hon. Ginette Petitpas Taylor (Parliamentary Secretary to the Minister of Finance, Lib.): Mr. Speaker, I have to remind the House once again that it is this government that is committed to supporting the middle class and those who are working so hard to join it. It is this government that lowered taxes for middle-class Canadians, which has helped thousands and thousands of Canadians. It is this government that introduced the Canada child benefit program, which has lifted hundreds of thousands of children out of poverty.

Our government supports the middle class. We have a plan and we are moving forward.

* * *

THE ENVIRONMENT

Ms. Marilyn Gladu (Sarnia—Lambton, CPC): Mr. Speaker, Kathleen Wynne and the Prime Minister seem to have a lot in common judging from the hugs, and that is bad news for Canadians.

Wynne has already destroyed Ontario business by driving the price of hydro sky-high and implementing the “it won't help the planet just the Liberal pocketbook” cap and trade system. Her buddy the Prime Minister is following the same instruction manual and driving the cost of living up. This plan is messed up and my constituents are fed up.

When will the Prime Minister learn from the mistakes of the Wynne Liberals and quit repeating them?

Hon. Catherine McKenna (Minister of Environment and Climate Change, Lib.): Mr. Speaker, what we are not going to do is repeat the mistakes of the previous Conservative government where it did nothing on the environmental front.

We are committed to taking serious action to tackle climate change not just because we care about our children and grandchildren, but also because it makes economic sense. We are going to make sure that we invest in clean jobs and innovation. We are going to be a leader and we are going to attract jobs and investment, because that is the right thing to do and it is what Canadians expect us to do.

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FORESTRY INDUSTRY

Ms. Tracey Ramsey (Essex, NDP): Mr. Speaker, last week Ontario joined Quebec in calling for federal loan guarantees for softwood lumber producers which would provide certainty to forestry workers who fear their jobs will be lost when the U.S. imposes duties. Canadians expect the Prime Minister to convey to President Trump the importance of protecting thousands of jobs in both countries that depend on a strong Canada-U.S. relationship.

Will the government assure Canadians that protecting jobs will be its number one priority? Will it provide loan guarantees to protect Canadian softwood lumber jobs?

•(1435)

Hon. Jim Carr (Minister of Natural Resources, Lib.): Mr. Speaker, we are preparing for any situation and we will continue working on a good deal for our Canadian forestry industry. Our government takes seriously the challenges ahead for this sector. We are working hard with our provincial partners to protect forestry jobs across Canada.

We will continue to work with lumber producers, workers, provinces and territories to find a solution that will work for our forestry industry.

[Translation]

Ms. Karine Trudel (Jonquière, NDP): Mr. Speaker, it is all well and good to keep repeating the same things, but we are looking for real action.

Last Friday, Ontario and Quebec joined forces in the softwood lumber file. Today, the Prime Minister is meeting with the President of the United States. We hope he will be able to advance our interests.

In the meantime, the threat of a tariff on exports to the U.S. hangs over the industry. The government must establish a loan guarantee program for softwood lumber producers.

Will the minister heed the alarm being sounded by Quebec and Ontario about urgently ensuring that plan B is ready to go?

[English]

Hon. Jim Carr (Minister of Natural Resources, Lib.): Mr. Speaker, the government knows how important the forestry sector is for Canadians, particularly in certain parts of the country. We know that the industry is dependent on exports, particularly to the United States. That is why we are in constant touch with my counterparts and the counterparts at the deputy ministerial level. We will be prepared for every eventuality. Our primary interest is to protect those good jobs in the forestry sector, wherever they are across Canada.

Oral Questions

JUSTICE

Hon. Tony Clement (Parry Sound—Muskoka, CPC): Mr. Speaker, Canadians were shocked last week by the release of Vincent Li with no conditions or monitoring. He was even legally allowed to change his name to Will Baker. This is the man who brutally murdered Tim McLean on a bus in 2008 to the horror of all those on board and indeed to the entire country. Now Tim's family is left to deal with this latest ordeal and outrage.

Could the minister please tell Canadians why the rights of the McLean family and the public are secondary to this vicious murderer?

Hon. Jody Wilson-Raybould (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, our hearts go out to the McLean family. The public safety of Canadians is always of utmost concern to our government, and we are committed to ensuring that our criminal justice system provides the greatest protection possible.

I want to be clear. The review board of the province or territory makes the decision to grant an absolute discharge in terms of not criminally responsible. It would be inappropriate for me to comment further. Again, our hearts go out to the McLean family.

In terms of the work that we are doing around criminal justice reform, we are moving forward to ensure safety and protection for victims.

Hon. Rob Nicholson (Niagara Falls, CPC): Mr. Speaker, the Liberals have a problem with mandatory jail sentences for criminals. Is it the mandatory jail time for selling drugs around a school, or for child pornography, or for kidnapping a child, or maybe it is the mandatory jail time for drive-by shootings or for premeditated murder? What criminals does the Minister of Justice believe need a break?

Hon. Jody Wilson-Raybould (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I am pleased to stand up again to speak about the comprehensive review that our government is undertaking in terms of the criminal justice system, including sentencing reform, which I am pursuing with vigour.

With respect to mandatory minimum penalties, which are included in this review, the courts have spoken out quite clearly in terms of the constitutionality of these provisions. Our government believes it is important to ensure that the laws, including mandatory minimums, are effective at meeting their objectives, are efficient, promote public safety, and most importantly, are in compliance with the Constitution.

Hon. Rob Nicholson (Niagara Falls, CPC): Mr. Speaker, the minister does not want to be specific, because the Liberals have a problem with prison sentences.

I am proud of the fact that under our Conservative government, anyone who brought drugs into the country for the purpose of selling to our children would go to jail. I am proud of that.

Why would the Liberals not concentrate on filling judicial appointments and not worry about mandatory sentences?

Oral Questions

●(1440)

Hon. Jody Wilson-Raybould (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, again, I am happy to rise to speak about the comprehensive review of the criminal justice system that we are undertaking, including sentencing reform. This includes looking at all of the mandatory minimums that are now contained within the Criminal Code. As I said, the courts have spoken out in terms of the constitutionality of many of these provisions, and it is in that regard that we are viewing them.

I firmly believe that we must inject discretion back to judges to be able to administer an appropriate sentence based on the individual who is before them. We are doing this in a thoughtful way, and ensuring that we engage with many stakeholders, provinces, and territories as we reform these mandatory minimums.

[*Translation*]

Mrs. Sylvie Boucher (Beauport—Côte-de-Beaupré—Île d'Orléans—Charlevoix, CPC): Mr. Speaker, for some time now we have noticed the laxness of the Liberal Party and its propensity to reduce criminals' sentences.

The Liberal government's priority clearly seems to be lighter sentences for criminals, as demonstrated by its Bill C-38. We can see that the Liberals care more about criminals and that they have no consideration for victims and their families.

When will the Prime Minister stand up for victims of crime?

[*English*]

Hon. Jody Wilson-Raybould (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I thank the member for the multipronged question.

Again, we are pleased to be doing a comprehensive review of the criminal justice system, including sentencing reform, to ensure that we provide a way forward that is comprehensive; and that speaks to what we have heard from stakeholders, provinces, and territories, and from what we are hearing from judges to ensure that the judges have the necessary discretion in order to administer the appropriate sentence based on the individual who presents before them.

In terms of Bill C-38, I was pleased to introduce that bill to combat human trafficking and to provide protection to vulnerable people in this country.

* * *

[*Translation*]**PUBLIC SAFETY**

Mr. Matthew Dubé (Beloil—Chambly, NDP): Mr. Speaker, the Prime Minister needs to defend Canadians against President Trump's discriminatory orders and attacks on privacy.

We have serious concerns about Bill C-23. U.S. officers on Canadian soil would be armed and authorized to conduct strip searches and detain and interrogate Canadians.

[*English*]

In a joint statement just released between the Prime Minister and the President, instead of standing up for Canadians, they decided to

double down on information sharing and measures like this that go against Canadians' rights.

Can the minister stand up and confirm that, in the clearest of terms, they will stand up for Canadians' rights once and for all?

Mr. Mark Holland (Parliamentary Secretary to the Minister of Public Safety and Emergency Preparedness, Lib.): Mr. Speaker, certainly for this government, making sure that the balance of protecting Canadians' rights and furthering our economy is at the foremost of our consideration. When we take a look at the pre-clearing, it is already happening in eight locations. There are more than 12 million passengers every year using this. It facilitates the movement of goods and services, it increases security, and it makes sure that Canadians can travel directly to locations they otherwise would not be able to in the United States.

Let me say as clearly as I can that, absolutely and without question, U.S. officials in Canada are required at all times to comply with Canadian law and with the Canadian charter.

* * *

IMMIGRATION, REFUGEES AND CITIZENSHIP

Mr. Daniel Blaikie (Elmwood—Transcona, NDP): Mr. Speaker, last weekend, another 21 refugees, looking for safety, walked for hours through snowy fields to get to Canada through Emerson, Manitoba. Repeated calls on the government to take concrete, immediate actions like suspending the safe third country agreement continue to go unanswered, while these individuals are literally risking life and limb. If some poor farmer were to find a refugee family lying in his field would the Minister of Immigration continue to repeat the same lame non-answer we have heard for weeks, or would he have the Minister of Fisheries and Oceans repeat them for him?

Will the minister finally suspend the safe third country agreement now? What is it going to take?

Hon. Ahmed Hussen (Minister of Immigration, Refugees and Citizenship, Lib.): Mr. Speaker, I would like to begin by thanking the people of Emerson for their generosity in welcoming those who are seeking protection in difficult circumstances.

I am glad the member opposite asked me the question, because my department moved very quickly to engage with CBSA, RCMP, and the Town of Emerson this weekend after the arrival of 21 asylum claimants. We worked with the Manitoba Interfaith Immigration Council and the local resettlement organization to provide transportation for asylum seekers from Emerson to Winnipeg, and the settlement organization has offered asylum claimants a place to stay if needed.

*Oral Questions***NATURAL RESOURCES**

Mr. James Maloney (Etobicoke—Lakeshore, Lib.): Mr. Speaker, on February 2, the Minister of Natural Resources led an official visit and trade mission to Mexico. Included in the delegation were 37 Canadian business leaders from the mining, energy, and clean technology sectors, making the trip one of Natural Resources Canada's biggest ever. Also for the first time, indigenous representatives were part of the delegation.

Could the Minister of Natural Resources please give more information about his trip to Mexico and how it positions Canada to continue a strong relationship with an important continental partner?

• (1445)

Hon. Jim Carr (Minister of Natural Resources, Lib.): Mr. Speaker, promoting Canadian business around the world is an important priority for my department. I have just returned from a very productive mission to Mexico, where I discussed collaboration on energy and mineral development with my counterparts, as well as with local communities and indigenous peoples.

Our country signed a memorandum of understanding on collaboration in sustainable mining that will lay the foundation for greater trade opportunities, stronger growth, and job creation for years to come.

* * *

INTERNATIONAL TRADE

Mr. Randy Hoback (Prince Albert, CPC): Mr. Speaker, NAFTA has been a successful agreement for Canada, but the Prime Minister has offered it up for renegotiation. Since it came into force, we have gained over \$5 trillion in direct investment, and millions of high-paying jobs. Now, the Liberal government is putting all of this on the table.

Canadians want to know, when the Prime Minister committed to renegotiating NAFTA, what specific elements of the existing agreement did he believe were problematic?

Mr. Matt DeCoursey (Parliamentary Secretary to the Minister of Foreign Affairs, Lib.): Mr. Speaker, Canadians need to know first and foremost that no negotiations have begun yet. Last week, when the Minister of Foreign Affairs was in Washington she met with Secretary of State Rex Tillerson, along with House Speaker Paul Ryan, and senators John McCain, Bob Corker, and Ben Cardin.

The minister underlined how integrated our economies are and how they support millions of jobs on both sides of the border. We always have Canada's best interests in mind in our conversations internationally, and I am sure no one in the House would want us to reveal our hand prematurely.

Mr. Bev Shipley (Lambton—Kent—Middlesex, CPC): Mr. Speaker, the foreign affairs minister met with U.S. House Speaker Paul Ryan. He stated that he had a really productive conversation about improving dairy market access. The minister herself called it a successful visit. We can assume he was not talking about more Canadian dairy products flowing into Wisconsin. How much dairy access did the minister offer to the Americans at this meeting?

[Translation]

Mr. Matt DeCoursey (Parliamentary Secretary to the Minister of Foreign Affairs, Lib.): Mr. Speaker, it is important to note that negotiations with our American counterparts have not yet begun. The minister met with Paul Ryan and other members of the American legislature. We are emphasizing just how integrated our economies are and how they support millions of jobs on both sides of the border. We always have the best interests of Canadians and our dairy producers in mind in our conversations, and I am sure that no one here would want us to reveal our hand prematurely.

Mr. Jacques Gourde (Lévis—Lotbinière, CPC): Mr. Speaker, there is every indication that the agricultural industry will be affected by the upcoming NAFTA negotiations. More specifically, several sources are reporting that the supply management sectors will be central to the negotiations.

Out of respect for Canadian farmers, will the Liberal government tell us what will be on the table during the upcoming negotiations and whether supply management is on that list?

[English]

Hon. Lawrence MacAulay (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, my hon. colleague's question gives me an opportunity to say again that Canada's supply management system is a model of stability worldwide.

My hon. colleague is well aware that this is the party that fought hard to put supply management in place and this is the party that will work hard to make sure that supply management remains in place. My hon. colleague is well aware that we worked with the supply management system since we came into government and adjusted a number of things that needed to be adjusted, and we are also in favour—

The Speaker: The hon. member for Foothills.

* * *

NATURAL RESOURCES

Mr. John Barlow (Foothills, CPC): Mr. Speaker, twice the Prime Minister has gone to the United States. He has met with two different presidents and their administrations, but both times he has left the Minister of Natural Resources here at home. When it comes to our resources, the United States is our biggest customer, but also our largest competitor. Had the Minister of Natural Resources had the opportunity to go to Washington, he might have been able to talk about some fairly important issues: softwood lumber, Keystone XL, Canadian jobs.

Either the Prime Minister has no confidence in the minister or Canada's natural resources sector is not a priority for the Liberal government. Which is it?

Oral Questions

●(1450)

Hon. Jim Carr (Minister of Natural Resources, Lib.): Mr. Speaker, since I am here, I will talk about our government's accomplishments in the natural resource sector, particularly the 24,000 jobs that we have created by approving pipelines, or I will talk about the hundreds of millions of dollars that we have committed to infrastructure in the province of Alberta, or I will talk about the commitment of this government to make sure that the economy, energy, and the environment go hand in hand. We are going to prove that through accomplishments, not idle chatter, and—

The Speaker: The hon. member for Desnethé—Mississippi—Churchill River.

* * *

INDIGENOUS AFFAIRS

Ms. Georgina Jolibois (Desnethé—Mississippi—Churchill River, NDP): Mr. Speaker, two months ago, the indigenous affairs minister announced the Manitoba first nations school system, with those schools set to receive federal education funding, but in this agreement, barely one-third of the schools in Manitoba are included. To this day, most reserve schools across Canada are not being funded equally with public schools.

After decades of poor funding, will the minister fund all of the first nations schools and give all first nations children the best education?

Hon. Carolyn Bennett (Minister of Indigenous and Northern Affairs, Lib.): Mr. Speaker, it was, indeed, a terrific announcement that we were able to make with the first nations in Manitoba that choose to work together on developing a school system, where they can develop their own curriculum, develop their own on-the-land programming, and their own professional development. This is a very historic day. This is an opt-in process, separate from the funding in the classroom, where communities that want to work together to develop their own school system come together with separate funding to do just that. We are very proud of that initiative.

[Translation]

Mr. Romeo Saganash (Abitibi—Baie-James—Nunavik—Eeyou, NDP): Mr. Speaker, tomorrow is Have a Heart Day on Parliament Hill. The purpose of this day is to ensure that all children have the services they need and are entitled to, yet the Canadian Human Rights Tribunal found the government guilty of systemic discrimination against first nations children.

When will the minister walk the talk to end this discrimination?

Another 12-year-old girl took her own life this past weekend. How do those people sleep at night?

Hon. Carolyn Bennett (Minister of Indigenous and Northern Affairs, Lib.): Mr. Speaker, we are committed to reforming child and family services for first nations.

To close the gap in funding, we are investing over \$1 billion over the next five years.

We are determined to work with first nations, the provinces, and the agencies to achieve real reform so that children need no longer live in fear and can achieve well-being.

[English]

NATIONAL DEFENCE

Mr. James Bezan (Selkirk—Interlake—Eastman, CPC): Mr. Speaker, in 2014, before our troops were ever deployed to Kuwait, the Conservative government ensured that they would be entitled to full danger pay. If the defence minister does not believe me, he can check Finance Canada's website. The first cuts by the Liberals were done on September 1, 2016. If the minister does not take action now, a lot more troops on other missions will be impacted in June. It is unjust for the Liberals to take away \$1,800 each month from each of our troops who is in harm's way.

Will the minister stop funding the Prime Minister's out-of-control spending on the backs of our troops?

[Translation]

Mr. Jean Rioux (Parliamentary Secretary to the Minister of National Defence, Lib.): Mr. Speaker, we will always ensure the well-being of our troops. During his first visit to Kuwait last year, the Minister of National Defence was made aware of these concerns. He asked the chief of the defence staff to look into the issue. An interdepartmental team is handling it. We have specific rules. We will move this file forward, and we will work with the relevant organizations in accordance with the recommendations.

Mr. Pierre Paul-Hus (Charlesbourg—Haute-Saint-Charles, CPC): Mr. Speaker, the Liberals have been caught red-handed cutting the benefits of our soldiers deployed to fight ISIS. It is crass, it is crooked, it is disgusting; it is Liberal through and through. To cover up their incompetence, the Liberals are blaming the previous government, which actually did provide danger pay. It is disgusting. When an individual is responsible for a certain file, they should take care of it themselves. One should not ask a lackey to do one's job.

When will the minister finally resolve this issue?

●(1455)

Mr. Jean Rioux (Parliamentary Secretary to the Minister of National Defence, Lib.): Mr. Speaker, the member opposite is trying to score political points on the backs of our military personnel. The previous government did not hesitate to cut defence spending in the past. It did not hesitate to do so on the backs of our soldiers, our veterans, and their families. We will take no lessons from the Conservatives today regarding our support to members of our armed forces.

Oral Questions

[English]

INTERNATIONAL DEVELOPMENT

Mr. Tom Kmiec (Calgary Shepard, CPC): Mr. Speaker, the Minister of International Development admitted on a SiriusXM radio show that Canadians' international aid tax dollars could end up in the hands of ISIS fighters in the Middle East. Her excuse was that Canada must respect aid neutrality. We should never be neutral about mass slaughter, of those who use rape as a weapon, and those who pose the greatest threat to Canadian security. Organizations that assist ISIS should never receive Canadian taxpayer funding.

Instead of making excuses, will the minister do her job and cut funding to aid groups that are directly supporting ISIS fighters in the field?

[Translation]

Hon. Marie-Claude Bibeau (Minister of International Development and La Francophonie, Lib.): Mr. Speaker, I have a clear mandate. It consists of refocusing Canada's development assistance on helping the poorest and most vulnerable. I can assure the House that our department is working hard to ensure that everything is done properly with respect to all contracts awarded and all assistance given to our international partners. We are making sure that all of our partners are experienced partners and that the funds are used appropriately.

* * *

[English]

AEROSPACE INDUSTRY

Mr. Doug Eyolfson (Charleswood—St. James—Assiniboia—Headingley, Lib.): Mr. Speaker, this past Friday, I was pleased to visit StandardAero in my riding to see the work it was doing to maintain engines for the CP-140 Auroras and CC-130H Hercules aircraft. StandardAero and the aerospace industry are important employers of good middle-class jobs in my riding.

Could the Parliamentary Secretary to the Minister of Public Services and Procurement inform the House about recent investments in the aerospace industry in support of our Canadian Armed Forces?

Mr. Steven MacKinnon (Parliamentary Secretary to the Minister of Public Services and Procurement, Lib.): Mr. Speaker, there is more good news for our men and women in uniform. We are committed to providing them with the equipment they need to do the job and to provide good paying jobs in Manitoba and across Canada.

Our government is proud to announce the award of contracts, totalling \$90 million, for the maintenance and repair of engines for our military. These contracts in the west and in Ontario will not only help maintain the Royal Canadian Air Force's fleet of aircraft, but will also create and maintain 175 good paying jobs in Canada's aerospace sector.

* * *

DEMOCRATIC REFORM

Mr. Blake Richards (Banff—Airdrie, CPC): Mr. Speaker, in November, the Chief Electoral Officer said that there was no way to restrict or prevent foreigners or foreign organizations from trying to influence Canadian elections, that there was no restrictions on

unlimited third party spending for things like polling, phone banking, or election websites. At committee, the minister claimed that she was committed to ensuring there was no foreign influence in our elections.

However, actions speak louder than words. If the Liberals are truly committed to preventing foreign interference in Canadian elections, will they commit today to closing these loopholes?

Hon. Karina Gould (Minister of Democratic Institutions, Lib.): Mr. Speaker, I thank my hon. colleague for his interest in the safety and protection of our democracy.

Canada has one of the most comprehensive political financing systems in the world that restricts foreign influence in Canadian elections. International entities cannot give money to political parties or candidates. Offences and penalties are in place for contravening these rules.

Transparency is a key aspect of the Canadian political financing regime. Political parties, candidates, and third parties all file reports with the Chief Electoral Officer on their contributions and expenses. I look forward to working with all members to ensure the integrity of our democratic system.

* * *

STATUS OF WOMEN

Ms. Sheila Malcolmson (Nanaimo—Ladysmith, NDP): Mr. Speaker, every year, 5,500 cases of sexual assault are reported to police, but one in five are deemed to be unfounded. We need to create a culture that takes victims of sexual assault seriously, especially when 90% of sexual assaults are never reported.

However, we also need to call out misogyny and sexual harassment wherever it occurs, from the office to the Oval Office. How could the Prime Minister possibly sit down and discuss women in the workforce with President Trump, without first denouncing his misogynistic comments?

Hon. Maryam Monsef (Minister of Status of Women, Lib.): Mr. Speaker, we can all agree that women are important contributors to our economy, both domestically and globally, and that when all citizens are included in the economy, we all benefit.

The fact that this is a priority at the first official meeting between our Prime Minister and the President is a reflection of how much we value innovation, promoting and advancing gender equality, and growing the economy. Our government is committed to increasing women's participation in the workforce. Having more women participating is good for our economy and society.

Oral Questions

● (1500)

SOCIAL DEVELOPMENT

Mr. Dan Ruimy (Pitt Meadows—Maple Ridge, Lib.): Mr. Speaker, I have the privilege of sitting on the human resources committee, which has been studying poverty reduction, and travelling to communities across Canada, including my own riding of Pitt Meadows—Maple Ridge, to explore innovative ways our government can tackle poverty.

Could the minister please inform the House on his plans to implement a national poverty reduction strategy?

Hon. Jean-Yves Duclos (Minister of Families, Children and Social Development, Lib.): Mr. Speaker, I would like to thank the member for Pitt Meadows—Maple Ridge for his great work on behalf of his constituents and as a member of the human resources parliamentary committee.

Our government is committed to enhancing the economic well-being of all Canadian families. Today, we launched two initiatives to support the development of our poverty reduction strategy: first, a nationwide consultation process; and second, the selection process for an advisory committee on poverty. We want to hear the views of all Canadians on how to help more Canadians join and grow the middle class.

* * *

NATURAL RESOURCES

Mr. David Yurdiga (Fort McMurray—Cold Lake, CPC): Mr. Speaker, the Prime Minister made a unilateral decision to ban Arctic oil and gas drilling in the Northwest Territories and Nunavut without consulting the premiers. Just two hours before telling the public, he had the courtesy to inform the premiers about his unilateral decision.

With such significant implications for territorial governments and northerners, what possible reason could justify not consulting with the premiers?

Hon. Carolyn Bennett (Minister of Indigenous and Northern Affairs, Lib.): Mr. Speaker, we had a very good meeting in the north last week with both Premier Taptuna and Premier McLeod. As the member knows, there is no active drilling occurring in the Beaufort Sea.

The measures announced by the Prime Minister in the Joint Arctic Leaders' Statement, including establishing Canadian Arctic waters, is indefinitely off limits to new oil and gas licences, to be informed every five years by science-based reviews. Canada will consult with the existing licence holders in the Beaufort Sea on their interests and their future plans.

* * *

[Translation]

FOREIGN AFFAIRS

Mr. Luc Thériault (Montcalm, BQ): Mr. Speaker, the revelations of the new leader of Canadian diplomacy outraged the Belgian media, which ran headlines such as “Crocodile tears mislead Wallonia”, “The drama minister”, “Fake tears guilt the Walloons”.

Guilt trips, hypocrisy, crocodile tears, my goodness, it feels like the 1995 love-in in downtown Montreal.

Is that what Canadian diplomacy is going to look like under the Liberals from now on?

Mr. Matt DeCoursey (Parliamentary Secretary to the Minister of Foreign Affairs, Lib.): Mr. Speaker, Canada appreciates its relationship with other countries and international governments around the world. We continue to have conversations with diplomats and our international counterparts. We are proud of the role that Canada plays around the world.

* * *

PUBLIC SAFETY

Mr. Rhéal Fortin (Rivière-du-Nord, BQ): Mr. Speaker, last week, the Minister of Public Safety said that “proper and appropriate treatment for all people from Canada seeking to enter the United States...is a priority for this government.”

Some priority. Five days later, a Quebec athlete from Sherbrooke, a regular at international competitions, is denied entry at the border.

How many Quebecers need to be turned away at the border because of the colour of their skin, the sound of their name, or the god they pray to before this government starts to take action?

Mr. Mark Holland (Parliamentary Secretary to the Minister of Public Safety and Emergency Preparedness, Lib.): Mr. Speaker, I share my hon. colleague's concerns with respect to the situation.

We are working very hard to ensure that all Canadians receive fair and proper treatment when they travel abroad. At the same time, every country makes its own decisions as to whom they admit on their territory. I would encourage anyone who feels they were wrongly denied entry to the United States to use every recourse available to them at the U.S. Department of Homeland Security.

Mr. Michel Boudrias (Terrebonne, BQ): Mr. Speaker, fancy words and lofty principles change nothing. What we want to know is what real measures have been implemented to ensure that no Quebecer, regardless of their religion, is unfairly targeted at the Canada-U.S. border.

What we want to know is who did the minister speak to, what did he ask of the U.S. authorities, and can he guarantee that none of our citizens will be victims of discrimination at border crossings?

● (1505)

Mr. Mark Holland (Parliamentary Secretary to the Minister of Public Safety and Emergency Preparedness, Lib.): Mr. Speaker, I want to thank my hon. colleague for his question.

One of Canada's top priorities is to ensure that all Canadians can travel and work without experiencing problems.

I encourage whoever has had problems at the border to speak with the U.S. authorities.

*Routine Proceedings**[English]*

Hon. Candice Bergen: Mr. Speaker, I am noticing that we are developing a bit of a bad habit in this hallowed place. Right after question period, we tend to take a lot of time chatting and visiting. To respect this place, immediately after question period we should take our talk outside the chamber so that we can proceed immediately to orders of the day.

You are doing an excellent job, Mr. Speaker, and you can only get as much order as we give you. If you would be willing to immediately call this place to order, that would send a strong signal.

I would encourage all of my colleagues, immediately when question period is over, to leave the chamber if they need to chat or to sit and give this place the respect it deserves and listen to what is going on next.

The Speaker: I thank the hon. House Leader of the Opposition for her intervention. It seems to have had a silencing effect already.

ROUTINE PROCEEDINGS

[Translation]

COMMITTEES OF THE HOUSE

PUBLIC ACCOUNTS

Mrs. Sherry Romanado (Parliamentary Secretary to the Minister of Veterans Affairs and Associate Minister of National Defence, Lib.): Mr. Speaker, pursuant to Standing Order 32(2), I have the honour to table, in both official languages, the government's response to the 16th report of the Standing Committee on Public Accounts, entitled "Report 4, Drug Benefits—Veterans Affairs Canada, of the Spring 2016 Reports of the Auditor General of Canada".

* * *

● (1510)

[English]

PETITIONS

CONTRACEPTION

Ms. Irene Mathysen (London—Fanshawe, NDP): Mr. Speaker, I am pleased to present a petition in support of free prescription birth control.

Twenty-four per cent of Canadians do not have access to subsidized drug plans, meaning that they have to pay out of pocket for medications like contraception. Fifteen per cent of sexually active Canadians do not use contraception at all. It has been proven that subsidized contraception has been cost beneficial in a number of jurisdictions, including the U.S. and Great Britain, and reduces the cost of unintended pregnancy.

With that in mind, these petitioners call on the Government of Canada to support Motion No. 65, which calls on the federal government to work with the provinces to cover the full cost of prescribed contraception.

[Translation]

COMMITTEES OF THE HOUSE

PUBLIC ACCOUNTS

Mrs. Alexandra Mendès (Brossard—Saint-Lambert, Lib.): Mr. Speaker, I have the honour to present, in both official languages, the following two reports of the Standing Committee on Public Accounts:

[English]

The 19th report, entitled "Report 3, The Governor in Council Appointment Process in Administrative Tribunals, of the Spring 2016 Reports of the Auditor General of Canada".

[Translation]

I am also tabling the 20th report entitled, "Special Examination Report - Atlantic Pilotage Authority, of the Fall 2016 Reports of the Auditor General of Canada".

* * *

[English]

PETITIONS

150TH ANNIVERSARY OF CONFEDERATION

Hon. Peter Van Loan (York—Simcoe, CPC): Mr. Speaker, commemorative medals have been issued by the Government of Canada on significant milestones in our country's history to recognize the contributions of everyday Canadians to their communities, contributions that mean so much to many but too often go unnoticed and unrecognized. A medal was issued for our Confederation in 1867, the diamond jubilee of Confederation in 1927, the centennial in 1967, and the 125th anniversary of Confederation in 1992. However, as part of the Liberal war on history, there will be no medal honouring the country-building contributions of Canadians on the 150th anniversary of Confederation. Tradition is being ignored, and community-leading Canadians are being forgotten.

The petitioners from across Canada call upon the Government of Canada to respect tradition, recognize deserving Canadians, and reverse its decision in defence of a commemorative medal for the 150th anniversary of Confederation.

PRODUCT LABELLING

Ms. Elizabeth May (Saanich—Gulf Islands, GP): Mr. Speaker, I rise to present two petitions to the House today. The first is from constituents primarily in the Toronto area.

The petitioners call upon the government for mandatory labelling of any consumer products, including genetically modified organisms.

HOMELESSNESS

Ms. Elizabeth May (Saanich—Gulf Islands, GP): The second petition, Mr. Speaker, is from residents of Vancouver Island. The petitioners hope that the House of Commons will put together a plan to confront the crisis of homelessness. They in particular point to the national affordable housing program as envisioned by the Canadian Federation of Municipalities.

Government Orders

GUN VIOLENCE

Ms. Julie Dabrusin (Toronto—Danforth, Lib.): Mr. Speaker, I would like to present a petition that was organized and prepared by a constituent, Joan Howard. The petition asks that Parliament create and support a national program for helping loved ones of murder victims, fund and promote programming that diverts young people away from gangs and crimes, take steps to ensure equal access to opportunities for young people across Canada, and strengthen and enhance the Canada Border Services Agency's ability to stop gun smuggling.

Joan Howard has been a tireless advocate on these issues since she lost her son, Kempton Howard, to gun violence on December 13, 2003. I would like to thank her for her work on this petition and for her advocacy.

[*Translation*]

FOOD LABELLING

Mr. François Choquette (Drummond, NDP): Mr. Speaker, I am rising in the House to present a petition signed by dozens of people.

For some time now, Health Canada has been allowing the sale of genetically modified salmon, which has caused quite an outcry in the riding of Drummond and in other areas of the country. People want mandatory labelling of GMOs. That is what they are calling for. In that regard, my colleague from Sherbrooke and I are holding a conference on the mandatory labelling of GMOs on February 28 at 7 p.m. at Hotel and Suites Le Dauphin. Everyone in the Drummond area is invited to attend.

* * *

• (1515)

[*English*]

QUESTIONS PASSED AS ORDERS FOR RETURNS

Mr. Kevin Lamoureux (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.): Mr. Speaker, if the supplementary response to Question No. 674, originally tabled on January 30, 2017, could be made an order for return, that return would be tabled immediately.

The Speaker: Is it agreed?

Some hon. members: Agreed.

Mr. Kevin Lamoureux: Mr. Speaker, I ask that all remaining questions be allowed to stand.

The Speaker: Is it agreed?

Some hon. members: Agreed.

[*Text*]

Question No. 674—**Mr. Matt Jeneroux:**

With regard to relocation costs for exempt staff moving to a location outside of the National Capital Region, since January 1, 2016: (a) what is the total cost paid by the government for relocation services and hotel stays related to moving these staff to a location outside of the National Capital Region; and (b) for each individual reimbursement, what is the (i) total payout, (ii) cost for moving services, (iii) cost for hotel stays?

(Return tabled)

GOVERNMENT ORDERS

[*English*]

CANADA-EUROPEAN UNION COMPREHENSIVE
ECONOMIC AND TRADE AGREEMENT
IMPLEMENTATION ACT

The House resumed consideration of the motion that Bill C-30, An Act to implement the Comprehensive Economic and Trade Agreement between Canada and the European Union and its Member States and to provide for certain other measures, be read the third time and passed.

The Speaker: There are six and a half minutes remaining in questions and comments on the speech by the hon. member for Edmonton West.

Questions and comments, the hon. parliamentary secretary to the government House leader.

Mr. Kevin Lamoureux (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I am sure the member across the way is aware that our government has been very proactive on trade. Whether it has been on issues of pork, canola, official trade agreements, such as with Ukraine, what we are doing today, or the World Trade Organization, trade has been at the forefront of what our government has been pushing forward. We believe that by expanding trade opportunities, we are going to be expanding our middle class and those aspiring to be a part of it.

Would the member not agree that trade equals good-quality jobs into the future and that this is the type of thing we should continue to pursue in the best way we can?

Mr. Kelly McCauley (Edmonton West, CPC): Mr. Speaker, yes, obviously.

Mr. Tom Kmiec (Calgary Shepard, CPC): Mr. Speaker, I was listening intently to my seatmate's speech on CETA. I am concerned that in the coming years, by 2019, we will not see any new free trade agreements come before the House to be debated and ratified. I am concerned that we will stop at CETA. The government is not very ambitious when it comes to finding new markets. The Liberals talk about India and China, and the Minister of International Trade's mandate letter only talks about modernizing two agreements, and just a little about, potentially, Japan.

I would like to ask the member if he could comment on that. Does he share the same concern I have that we will not actually see a single new free trade agreement between now and 2019?

Mr. Kelly McCauley: Mr. Speaker, the member is right. We just heard the parliamentary secretary to the government House leader talk about the encouragement of trade. We agree that more trade equals better jobs for the middle class and people living in poverty. It helps all Canadians. However, we have not seen a lot of action by the government.

Government Orders

We have seen CETA move forward, which was 99% done under the previous government. We have seen the TPP, which was again mostly brought by the previous government. Obviously, we are having problems with the U.S. right now. However, instead of taking the ball and approaching Japan, New Zealand, and our other allies overseas, the Liberals just backed away from it entirely. We have seen them drop the ball on softwood lumber.

There is no vision put forward by the government. These trade deals take years and years. We do not even see a seed planted for the future. There is no vision, zero for the future.

We are a trading nation. We need to trade more and grow more. We need a lot more action from the government on that front.

Mr. Blake Richards (Banff—Airdrie, CPC): Mr. Speaker, I would ask the member to take the opportunity to elaborate, because I have heard him respond to others about his concern that there is no plan from the Liberal government. Could he elaborate, for members on the other side of the House, on what would be a good approach going forward, based on the past record of the Conservative government? I would like to hear his thoughts on that.

• (1520)

Mr. Kelly McCauley: Mr. Speaker, going forward, I think the government has to make it very clear that we support trade. We have to be very strong and forthright with the U.S. that trade benefits the U.S. and trade benefits Canada.

We also need to reach out to our allies that are part of the TPP and restart the program. I believe that eventually, the U.S. will come around to a pro-trade pattern and will pursue the TPP as a balance against the burgeoning issue of China. We need to trade more with Japan and our allies overseas that share our same democratic values.

The government needs to make very clear that it supports free trade and be a lot more vocal about it. It needs to work strongly in the U.S. to protect our interests within NAFTA but also make very clear that we support trade with other countries and will go ahead with free trade with our allies, with or without the U.S.

Mr. Garnett Genuis (Sherwood Park—Fort Saskatchewan, CPC): Mr. Speaker, I know my friend is doing great work representing the people of his riding in the greater Sherwood Park area. I wonder if he could speak more about the current climate we are in internationally. There are a lot of critics of trade, people from different parts of the spectrum who are critical of the very idea of trade.

We know that trade brings economic prosperity. We also know that trade helps bring peace and builds community among nations and also that it flows from the freedom we all expect to buy products and services we want from other countries.

How can Canada make, and what role should Canada play in making, that argument in the kind of international climate we find ourselves in?

The Speaker: I get the impression the hon. member means, by the greater Sherwood Park area, the city of Edmonton. I will leave that to him when he gets up in a couple of minutes.

The hon. member for Edmonton West.

Mr. Kelly McCauley: Mr. Speaker, I am very pleased to be one of the 28 Conservative MPs who are part of the greater Sherwood Park collective. Some people may also have referred to it in the past as Alberta, but now it is the greater Sherwood Park collective.

The member is right on a lot of trade issues. It is affecting Alberta right now. We need to very strongly move forward on our trade initiatives, whether it is CETA or following with other countries. Canada, we know, is very clearly a trading nation. About 60% of our GDP is wrapped up with trade.

I see I am running out of time. I spent too much time on the greater Sherwood Park area.

Mr. Garnett Genuis (Sherwood Park—Fort Saskatchewan, CPC): Mr. Speaker, as much as I would love to spend the next 20 minutes clarifying that point, we better get on to discussing the Canada-EU free trade deal. I think this will be my last opportunity in the House to address this important agreement, and even my colleagues are happy about that fact.

This really is a very important trade deal. It is important for Canada's prosperity and it is important for the prosperity of the European Union. It also comes at an important time in terms of the broader international conversations that we are having about trade.

To review the basic facts, this is a trade agreement that could bring a 20% boost in bilateral trade between Canada and the EU, a \$12-billion annual increase in Canada's economy. That is the economic equivalent of adding \$1,000 to the average Canadian family's income or almost 80,000 new jobs to the Canadian economy. It is a significant, very direct impact. People watching at home should know that we are talking about \$1,000 to the average family's income possibly resulting from the expansion of economic activity that would result from this trade deal. This is a clear benefit in terms of prosperity that flows from this trade deal, but there are other benefits.

For the first part of my speech, before I go on to discuss some of the positives in terms of trade, I want to respond to some of the arguments that I have heard in the House throughout this debate on this particular agreement but also on other agreements. What are people saying against this trade deal and what can or should be said in response to that?

We hear five principal criticisms of trade coming from different parties in the House and other directions as well. We have heard concerns raised about investor-state provisions. We have heard some people say that we should not be signing these big multilateral trade deals and that they would prefer that Canada focus on bilateral trade deals, which is what the NDP is talking about. We have heard people say that there is a risk to jobs from this. We have heard people talk about trade balance. We have also heard in this discussion about fair trade, that trade is fine but it has to be fair. I want to speak to each of these points, which may not be criticisms but arguments that come generally from those who are more critical of trade.

Government Orders

First, on the question of investor-state provisions, the criticism is raised by some people that trade deals involve a process inevitably of adjudication. When a company or an individual feels that the commitments made in a trade deal are not being followed, there is an adjudication process. This allows the critics of trade to come out and say that trade deals allow private companies to sue the government, which is sort of held up as a big red flag.

Let us put this criticism of trade deals in context. We know that a key hallmark of a free society is that governments as well as all of us are bound by law. The law is not simply the means by which the state controls the rest of society; rather, the law is a thing that binds every actor, governmental and non-governmental, within a society. There is a fixed process by which a law is changed, and that process as well must be honoured by the government. This idea that the rule of law structures our life in every way outside of even trade deals has its roots in our very ancient constitutional tradition as well as theories of natural law, that government is bound by law as well.

Even in the absence of trade deals, there is an opportunity for individuals, companies, and civil society groups to bring legal action against the government, to hold the government accountable to the law. That is part of the rule of law. It is central to a good society that government is bound by law. In the context of trade deals, of course, these trade deals impose certain requirements on government.

Governments make commitments to abide by certain provisions with respect to these trade deals. It is necessary, if one is going to have a trade deal that has force, that has meaning, that there be a mechanism by which those who feel they are negatively affected when governments do not follow the provisions of the trade deal can bring forward legal action to challenge the behaviour of governments that are not following through on the commitments that are in these deals.

● (1525)

That speaks to why we have to have some kind of adjudication process as part of trade deals. We have to have an ability for companies, individuals, civil society groups, to bring action against governments if those individuals, companies, civil society groups are negatively impacted by the government's failure to adhere to the provisions of the deal. That is why trade deals have these kinds of provisions that allow the bringing forward of action against governments. It is because governments have to be bound by their commitments in trade deals or elsewhere. Governments, like the rest of us, have to follow the law.

I would understand if some people object and say that they do not like this, that or another provision of a particular trade deal, although I think, on balance, this trade deal is very good. It is one thing to say we do not like specific aspects of a trade deal, but it does not make much sense to me to say we should not have an adjudication process to hold governments up to the standards set by the trade deal. If we are going to have a meaningful trade deal, we have to have some kind of process of adjudication against that deal to ensure that the commitments made in the deal are actually followed through on. That is why these investor-state provisions are important. I think that point needs to be understood and appreciated by some members of the House and elsewhere who have focused their criticisms on this

particular aspect of the different trade deals that we have seen here and seen debated elsewhere.

The second criticism we have heard, and we have heard this from the NDP members, is they are willing to support certain bilateral trade deals but have generally been suspicious or critical of trade deals that are undertaken on a more multilateral basis. I know they supported the Canada-Korea free trade deal and they are supportive, at this stage at least, of the Canada-Ukraine free trade deal, but they have made the point, in questions and comments, that these are bilateral trade deals and not multilateral trade deals. I scratch my head when I hear that point in terms of trying to understand what the actual difference is.

Of course, there is the obvious difference that one involves more countries than another but really, philosophically, multilateral trade deals move us faster forward in getting trade access to more countries. They allow us to advance our desire to access more markets and give more economic freedom to Canadians more quickly. The negotiation process can be more elongated and more complex, but there is no fundamental reason to support bilateral trade deals and not multilateral trade deals.

I would also make the point that if we are not keen on multilateral trade deals, effectively we shut out the possibility of trade with certain blocs of countries that have already entered into trading arrangements which preclude any individual country from within that arrangement from making individual bilateral agreements.

Within the European Union, of course, as we are discussing today, an individual country in the EU cannot go out and sign a bilateral trade deal with Canada because the conditions of the union are such that the union as a collective must sign these new trade deals to move forward.

The position of the NDP in accepting bilateral trade deals but not multilateral trade deals is effectively to shut off the possibility of trade with large regional blocs. I would just add that as we see the emergence of more of these regional trade blocs, that position would effectively really limit Canada's ability to expand its economic relationships with other countries. I think we should hope for trade deals that bring in as many countries as possible, that expand the sphere of prosperity and of freedom, and cast that net as wide as we can.

The third criticism we have heard throughout this debate is people say that a trade deal is going to put jobs at risk. Usually it is not phrased like that. They say that in a particular sector we're going to expose jobs to competition, so we're going to lose those jobs.

● (1530)

It, of course, does not follow that when we open up the possibility of exchange and competition we are necessarily going to lose those jobs. We may well create the conditions for improvements in that sector, for the expansion of jobs here, and improvements in technology and other things through competition that is beneficial to consumers.

Government Orders

What is the alternative to open trade? One can understand maybe the allure of protectionism, putting up trade walls and preventing one's industry from needing to compete against other industries, but in the long run, protectionism does not create jobs; it kills jobs, because when one limits the market access of one's industry, investments that might otherwise get made here get made in other places. In the long run, we do not see the new investments in a protectionist environment that would actually create jobs for the future.

On this side of the House, as the Conservative Party, we are thinking not only about the businesses and jobs that exist today, but the businesses and jobs that do not yet exist but could exist under the right conditions. When we move forward with a robust trade agenda, it is with an eye, yes, to benefiting consumers and existing businesses, giving them access to new markets, but also to opening up the opportunity for businesses which do not yet exist to come into existence.

With this trade deal, Canada would be extremely well positioned to encourage the creation of new business. We would have preferential trade access to the United States and the European Union. I might add that we would have an opportunity, if the government proceeds in this direction, to pursue deeper trading relationships with major economies and like-minded democracies within the Asia-Pacific region. We have a real opportunity.

On the other hand, when we open ourselves up to competition through trade, it is important that we do not take steps that undermine the competitiveness of our industry. I worry that the government is doing things that are going to, in fact, undermine our competitiveness, such as the new taxes the Liberals are imposing, the carbon tax, the increase to the payroll tax, the elimination of the small business hiring credit, the effective tax increase on small businesses.

Yes, there is a squeeze on the taxation side coming from the government which is putting our economy at risk and is hurting our competitiveness, but nonetheless, in general terms, we see that opening ourselves up to competition and the benefits that come from exchange will benefit us and create jobs in the long run. The strategy of building up protectionist walls does not encourage investment. It is not a job-creation strategy. Protectionism is a job-killing strategy.

One of the other points we hear from those who are critical of trade is the need to be hypersensitive around the issue of a trade balance, that we cannot be running a trade deficit, that we should always be trying to export more than we import. Let us be very clear about what the objective of trade is. Fundamentally, the objective of trade is to increase the standard of living and quality of life for Canadians.

Some people still think about trade in this kind of 17th century mercantilist economic mode, where it is all about exports over imports. We have heard this criticism, in fact, from the government, saying that we have a trade deficit and that is somehow catastrophic. The reality is that a trade deficit, unlike a budget deficit, is not something that has to be paid off. In any normal economic exchange system, there are going to be times when one imports more than one exports, or vice versa.

Finally, I want to talk about the issue of fair trade. This is a frequent talking point around the trade issue: yes, free trade, but what about fair trade? When governments enter into trade negotiations, they are not themselves determining what goods will be traded. They are not determining the prices or the terms of trade between countries. Rather, they are undertaking negotiations to open up the space for trade to occur between private actors in individual countries. It is up to those private actors, of course, to make trades and exchanges that they regard as being in their own interests. People do not make exchanges if they are not usually beneficial. That is fairly clear in any normal interaction.

● (1535)

In the international trade discussion, people are often asking whether it is fair and who is winning in that trade deal. I made this point before. When I go to the grocery store, who is winning? Is it me or the store? Actually, we are both winning. The store is getting my money and I am getting groceries that I need. Mutually beneficial exchange is not about someone winning or losing; it is about everyone being better off.

Therefore, when governments undertake trade negotiations, they open up the possibility for a mutually beneficial exchange to occur between individuals in the different countries. There might be certain conditions, where in the absence of proper environmental protections or proper labour rights protections, there would be an unfairness that would result from that. However, generally speaking there is no creation of compulsory trade as a result of these agreements, so there is not a need to worry that there would be some unfairness that emerges in trade, for instance, in an agreement between Canada and the EU. What we are doing is giving private individuals and companies the freedom to enter into trading relationships that are beneficial for them, for their customers, and for the people they are exchanging things with.

I hope that for those members of other parties who are listening, this addresses many of the principal criticisms of trade deals that are out there, the criticisms around investor-state provisions, around multilateral versus bilateral trade deals, around jobs, around trade balance, and around questions of fairness.

If I can, in the time I have, I will briefly make some comments about the future of our trade agenda.

I commend the government on moving forward to implement a number of trade initiatives that were begun, and, in the case of this deal, signed by the previous government. It is a credit to the Liberals that they are moving forward with a trade deal that was put on their desk.

Government Orders

On the other hand, we had the trans-Pacific partnership, which was put on their desk, and they dragged their feet and it is still there. Of course, the signals we are getting from the American administration has put a big question mark beside that. In whatever form, it is critical that the government lead on trade in the Asia-Pacific region. There is huge opportunity for Canada to expand its economic activity in the Asia-Pacific. The basic logic of emphasizing our relationships in the Pacific is still very much there. It is important, because we need to make trading agreements with like-minded democratic countries, like Japan, Australia, and New Zealand, countries that share our values, and to use those agreements to set the terms of trade in a way that is consistent with the rule of law in that region. That is an opportunity that we have, and we need to lead and speak clearly about the value of that trade.

We need to work with the Americans to have them continue to engage with freer trade in the Asia-Pacific region as well. I was always a big supporter of the trans-Pacific partnership and will continue to be. In whatever form we move forward, I would encourage the government to not just move forward with some of the agreements that we signed, but to undertake new trade initiatives that reflect new challenges and new realities, and especially to consider that opportunity and need in the context of the Asia-Pacific region.

We know, as I said at the beginning of my remarks, the benefits that come from free trade, and from this deal in particular. Estimates tell us that this could bring in a \$12-billion annual increase to Canada's economy. That is the equivalent of adding \$1,000 to the average family's income and almost 80,000 new jobs to the Canadian economy. That involves exposing existing industry to competition. It involves giving consumers the benefit of a much wider degree of trade access, and it creates an opportunity for not one side to win or lose, but for Canada and Europe to prosper and to strengthen ourselves together.

I hope we move forward with this, and I hope we see the continuing development of new trade initiatives that will allow us to achieve shared prosperity with other countries as well.

• (1540)

Mr. Kevin Lamoureux (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I have indicated and have had the opportunity to emphasize how important trade is to Canada. The member made reference to the whole idea of protecting investors, and that is incorporated into the agreement. It is reciprocal between the EU and Canada, which in essence allows for companies to invest with confidence.

Could the member expand on that point, that if potential investors in the EU are looking at investing a significant amount of resources into Canada, that the design and inclusion of that aspect of CETA is to provide assurances? By doing that, we believe there will be more opportunities for Canada to export goods and to see more investment coming into Canada. Could the member provide some further comments in regard to the benefits of that?

Mr. Garnett Genuis: Mr. Speaker, my friend is quite right to point out that there is a connection between these things. I spoke specifically about investor-state provisions as part of the normal functioning of a rule of law society in which businesses, private individuals, and civil society groups can bring actions against the

government when those actions of government do not conform to its commitments as defined in law. However, the member is quite right to point out that there is a connection between that and investor confidence. When there are mechanisms for investors who have been wronged to seek the appropriate review and remediation of that wrong, that obviously gives them a greater confidence and a greater willingness to invest.

• (1545)

Mr. Alistair MacGregor (Cowichan—Malahat—Langford, NDP): Mr. Speaker, I was especially interested in the part of the member's speech that dealt with the rule of law. In my mind, when we think about the rule of law, I think there are three basic constituent elements: legality, democracy, and human rights. We know that the bills passed in the House of Commons eventually become law. That is the legality part. Democracy comes in because the House is democratically accountable to the people of Canada; therefore, we have the authority to bring forth laws for the good of the nation. The human rights aspect is that all of our laws are subject to the Constitution of Canada and the Charter of Rights and Freedoms.

My question centres around the investor-state dispute resolution system, which has now been changed to the investor court system. The language has been watered down a bit, but it still comes to this fundamental philosophical question. If we have some kind of a dispute resolution system, which I would argue does not have any democratic accountability, how does he mesh that with his explanation about the rule of law? Where is that missing key component to the rule of law, the democratic accountability?

Mr. Garnett Genuis: Mr. Speaker, it is an interesting and important question that my friend has asked, but it is important for him to acknowledge that democratic accountability does not preclude the exercise of real power by adjudicative bodies that are not themselves democratic. We do not elect judges, and I do not think that the NDP members support, or have ever supported, the idea of electing judges. That is because they appreciate the fact that democracy takes place in terms of setting law in place. Typically in a rule of law society, there is the adjudication of individual claims that takes place underneath that legal framework, and that adjudication takes place in a context that is more independent.

My point is that there is a continuity between that process as it happens in the context of domestic law and these investor-state type of provisions. You have an adjudication of commitments that have been made by democratic governments, and have been ratified, passed, and supported by democratic legislatures. We have made the commitment, but the enforcement of those commitments is done through independent adjudicative bodies. The member might not like that in this case, but I think he would have to acknowledge that it is consistent with how rule of law systems practise these kinds of things across the board.

Government Orders

Mr. Tom Kmiec (Calgary Shepard, CPC): Mr. Speaker, one thing I have been asking members on both sides of the House today is on their thoughts about now until 2019. This is one of the last free agreements, which was mostly negotiated by the previous Conservative government and finalized by the current government, but we do not see much new in the agenda. There is not much in the way of a new pulse on where the new markets are going to be and what the new negotiations are going to be.

The previous government left off in some early discussions with Mercosur, a very few countries, but we have not really heard anything. The mandate letter to the Minister of International Trade mentions India and China, and a hopeful statement about Japan, but it is very brief.

I would like to hear from the member whether he shares my concern, which is that we may very well not see a single new free trade agreement brought before the House for consideration and ratification if it is a good free trade agreement. I would like to know if he agrees with me that this is an issue of concern between now and 2019.

Mr. Garnett Genuis: Mr. Speaker, let me reassure the member that if not a lot happens between now and 2019, the Conservatives will certainly resume a robust trade agenda after 2019.

The question of where we should be going next is an important one. Through the work of Brian Mulroney's Conservative government, there was free trade with our partners in North America. Now, thanks to the hard work undertaken by the Harper Conservative government, we are moving forward with trade with Europe.

The next step, and the member alluded to this, is to expand trade with like-minded democracies within Asia. Of course, there is a lot of economic growth happening there and some real opportunities. The Conservative government began the process of seeking free trade with India. Given the strong people-to-people ties that Canada has with India, and the economic opportunities that exist there, this is certainly very important. However, we should pursue multilateral trade arrangements within Asia as well.

The government has talked about seeking bilateral free trade with China, but I would suggest that if we focus on working with like-minded democracies, we have an opportunity to establish the terms of trade along rule of law lines that respect human rights, labour rights, environmental concerns, and other issues, and we can do that through a kind of partnership like the TPP. That would be a good basis on which to explore subsequent trade with China and other powers. However, the first step is to establish partnerships with countries like Australia, New Zealand, Japan, India, the Philippines, and others, with whom we clearly have relatively similar systems of government and ideas about the rule of law and democracy.

• (1550)

Mr. Erin Weir (Regina—Lewvan, NDP): Mr. Speaker, the member for Sherwood Park—Fort Saskatchewan dismissed concerns about the investor-state provisions of CETA by saying that provisions of trade agreements need to be subject to some sort of adjudication. I wonder if he would agree with investor rights being subject to the same dispute resolution process as the rest of the agreement.

Certainly what New Democrats are concerned about is not having an adjudication process, but creating an entirely separate adjudication process just for investor rights, which privileges them over many other rights and considerations.

Mr. Garnett Genuis: Mr. Speaker, it is encouraging to hear the member say that he is at least supportive of the principle of adjudication in the context of trade agreements. I do not know if that is the case with all of the critics of these provisions who have raised them. Of course, the specific mechanism for adjudication has to be one that is negotiated in the context of trade agreements, and it has to therefore involve an identified mechanism that is invested with the trust of both countries.

I do not agree at all with the suggestion that this somehow puts other rights on the back burner, especially since this and other trade deals are very much designed to ensure the protection of other kinds of rights. It is important to underline on trade deals that they are not just about looking at the economic dimension, but that there are always discussions of the other important dimensions of life. Trade deals are designed to ensure the protection of those things. Therefore, it is not at all correct to say that other rights are somehow pushed to the side.

Mr. Todd Doherty (Cariboo—Prince George, CPC): Mr. Speaker, I am thankful for the opportunity to rise in the House and talk about the Canada-European Union trade agreement, which is one that I have spoken on a number of times. We have the opportunity to stand in the House to speak about Canada's opportunities on the world stage and the promotion of Canada on the world stage. It always brings me back to the opportunities and experiences I had in the promotion of Canada for over 20 years working in aviation and trade. Indeed, it brings back some great memories.

I am going to focus my speech on a couple of different areas. Obviously, we have heard a lot of speeches over this debate and, indeed, on the earlier versions of this agreement. I am going to talk about why Canada has this agreement, and then get into the agreement as it sits today. I also want to talk a little bit beyond the trade agreements, what we need to do, and what the government needs to do to make sure that we capitalize on the opportunities that trade agreements bring.

The question we always have with respect to a trade agreement as we move forward is making sure that it is the right deal for Canadians, and making sure that Canadian jobs are always promoted first and foremost, and are top of mind. I know that for the previous government under Stephen Harper, first and foremost of critical importance was creating an environment that precipitated investment and trade, and also furthered trade. This was what Prime Minister Harper and his strong team of ministers focused on.

Again, we should always be mindful that we give kudos to the hon. colleague, the member for Abbotsford, who moved this agreement to where it is today. As well, we had the former minister of trade, the member for York—Simcoe, as well who did considerable work in moving agreements such as this.

Government Orders

If I remember correctly, our former Conservative government put over 40-plus agreements in place. The reason we got over 40 agreements done and in place is that we had a focused government that understood that Canada first and foremost is indeed a trading nation. We understood that our economy is predicated on the commodities that we produce. One in five Canadian jobs is directly or indirectly linked to trade. Trade allows us to secure and be the drivers of our prosperity. Every billion dollars in exports generates as many as 11,000 new jobs.

The Canada-EU agreement will be one of the largest agreements that we have had since NAFTA. The history of our Canada-EU relations goes back to 1497 when John Cabot landed. He was looking for spices, but instead found fish, cod at the time, and lots of it. Subsequently, a lot of boats from Europe came to get our cod, because Canadians had some of the best north Atlantic cod. It was dried, salted, and shipped over to Europe. This expanded into the fur trade with our first nations and further with the Hudson's Bay Company. We have a long history of trade with Europe.

As I said, earlier, the Canada-Europe trade agreement is a landmark agreement. It has been mentioned in the House that it really is a gold-plated agreement. It sets the standard for agreements.

This agreement connects producers to over 500 million consumers. It connects our producers to the world's largest economy. Indeed, the EU represents 500 million people and an annual economic activity of almost \$20 trillion.

•(1555)

The day that this agreement comes into place, it is said that Canada could experience a 20% boost in bilateral trade, and I believe it has been mentioned time and again that we could experience a \$12-billion annual increase in our Canadian economy. That is not chump change. That is a lot of money. That is a lot of jobs. That represents over 80,000 new Canadian jobs.

On the day that it comes into force, nearly 100% of all EU tariff lines on non-agricultural products would be duty-free, along with close to 94% of all EU tariff lines on agricultural products.

The Canada-EU agreement would also give Canadian service providers, which employ more than 13.8 million Canadians and account for 70% of Canada's total GDP, the best market access the EU has ever granted to any of its free trade agreement partners.

This agreement would also give Canadian suppliers of goods and services secure preferential access to the world's largest procurement market. The EU's \$3.3-trillion government procurement market would provide our industry and our service providers with the most significant new export opportunities that they have seen in decades.

We have talked a lot about what CETA would bring and we have talked a lot about when it comes into force. I always like to bring it back to what it means for my province of British Columbia. I am the first to stand to say how proud I am to be from British Columbia and to be one of the MPs from there. The EU is already B.C.'s fifth largest export destination and it is our fourth largest trading partner. British Columbia stands to benefit significantly from the preferential access to the EU market. Once in force, CETA would eliminate tariffs on almost all of B.C.'s exports and provide access to new market opportunities in the EU. The provision of CETA would help

erase regulatory barriers, reinforce intellectual property rights, and ensure more transparent rules for market access. B.C. would be positioned to have a competitive advantage over exporters from other countries that do not have a free trade agreement with the EU.

I have said this before, and I will say it again. We have one of the most business-ready and most competitive business environments and supportive climates in B.C. Our province consistently receives AAA credit ratings. We have vast resources, low tax rates, a stable and well-regulated financial system, and a fiscally responsible government that attracts investment from around the world.

Canada used to have that, as well.

In the previous government, we had a government that understood that to be competitive on the world stage, we had to create a business environment, an investment environment, with low taxes, quality jobs, quality tradespeople. Our government understood that.

B.C. is at the commercial crossroads of Asia-Pacific and North America. We are also equidistant, in terms of flights, between Asia and the European markets. Our fish and seafood exporters would benefit from CETA. I have said this before.

The seafood industry has gone through many transitions and, indeed, faces an uncertain future. We are just finishing up our study of the Fisheries Act review. We studied the northern cod. We are seeing that fishery has yet to rebound. We have studied our Atlantic salmon fisheries, as well. We know that our fishing communities on the east coast are hurting, but there are incredible opportunities for them. When CETA comes into force, almost 96% of EU tariff lines for fish and seafood products would be duty-free and on 7%, 100% of the products would be duty-free.

It is hugely important because the EU is the world's largest importer of fish and seafood products. EU tariffs for fish and seafood average 11% and can be as high as 25%. It comes down to a competitive advantage, and Canada has it. Once the deal comes into force, Canada can be even more competitive on the world stage.

•(1600)

I talked a lot about what CETA would do and what it would bring, but I want to focus on getting agreements in place, what that means, and how we go about doing that.

Government Orders

We have strong familial ties with Europe. There is a large European diaspora in Canada making sure we can connect with those Canadians. Getting trade access is about more than just formal agreements. It is not enough to just sign the agreement. We have to make sure we have resources and that we are doing everything in our power to build the capacity to take advantage of these opportunities. Whether it is a strategy that looks at our ports or an airports strategy, the previous Conservative government understood that. We invested in our trade commissioners. We invested in making sure that our air policy was there to support our trade and agreements.

I want to talk a bit about that. As we said, getting the agreements across the finish line is just one thing, but we need to make sure that we get a strategy that leverages all of our advantages, including our geographic advantages at home and abroad. Whether it is our trade commissioners, whether it is making available marketing dollars or export investment dollars, it is always so critically important that there is a holistic program that backs up any trade agreement. Access to markets and trade promotion are futile if we cannot move the goods we produce faster and more efficiently than our competitors.

Our former Conservative government invested \$14.5 billion in our gateway program, into our ports, our airports, and our transportation networks. We have a world-class multimodal system that competes with none other. We are well positioned to take advantage of our geographic position. In 2006, under former Prime Minister Harper, we launched the Asia-Pacific gateway program, and in 2007 we started a national policy framework for strategic gateways and corridors. On that, I would like to get into a bit about our gateway system. It is incumbent upon us that we talk about this. Again, signing the agreements is just one part of it. We have to be able to make sure that we can move our goods and move the people faster and more efficiently than others before.

I have spoken about the port of Prince Rupert time and again, the closest marine port to Asia compared to any other western seaport. It allows us the competitive advantage that our goods can arrive one to two days faster than from any other west coast port. As I said before, it means that products from and to North America arrive at their destination quicker, with less fuel and less risk. We also have the fastest and greenest road and rail networks into the U.S. Midwest, running right straight through Canada and into the heartland of the U.S. I mentioned the Prince George Airport, my home airport, that has the third longest runway in Canada. It was an investment that our previous government made so that we can compete on the world stage. That is just in my riding.

Port Metro Vancouver is North America's most diversified port. It trades \$75 billion worth of goods with more than 160 trading economies annually. The port-related activity alone has an economic impact of \$9.7 billion a year and continues to grow. These are all great investments that our previous government put in, and again it is about making sure that once they get that agreement in place they can capture those opportunities.

I want to talk again about the gateways. We have three major gateways in Canada. There is the Asia-Pacific gateway. We have the Ontario-Quebec continental gateway that our previous government invested huge amounts of money in. Thanks to CentrePort in Winnipeg and other trade corridors and supply chain logistics

investments in marketing, we were able to capture that movement into the U.S. heartlands.

• (1605)

The Atlantic Canada gateway program in 2007 capitalized on many centuries of background in terms of using Atlantic Canada as a springboard into the U.S. for trading.

Our Conservative government understood that investments went beyond just signing an agreement. We looked at investing in our trade corridors. Whether it was the third largest container port of Halifax or North America's most efficient class I rail carrier, double-stacked container service on both the east and west coasts, our government understood that it took more than just signing agreements to allow our consumers and producers to capitalize on them.

Trade is such a complex file. We have to look at many things. We talked about the umbrella, about ensuring we had a bit of strategy, a holistic approach to this. I go back to the agreement done in 2007. Our Conservative government recognized the direction we were moving in with our trade agreements and we recognized where we wanted to go. In December 2009, we signed a comprehensive air transport agreement, which allowed Canadian carriers access into 27 other markets. We reciprocated on that agreement, allowing those member states access to our Canadian market.

Atlantic Canada is situated right on the flight path. One of the very first airports in North America was Gander airport. It gets an incredible amount of traffic from Europe in the trans-Atlantic cargo network, and it is through the investments that our government made. We looked at our air policy to ensure our air cargo policy was where we wanted to go, that our aspirations matched what we were doing with our regulatory and policy framework.

Our government invested in information and technology to ensure Canada was in tune with some of its largest trading partners, whether it was the U.S. to the south of us and our largest trading partner, or the EU. We wanted to be in line with the information and technology of those countries. We wanted to ensure we had a secure supply chain as we moved forward.

I talk a lot about trade gateways and the promotion of Canada, because I was on the front line of promoting Canada. We always ask, why Canada? I had the opportunity to be in Europe this past fall. I boarded a bus with my Canadian pin. A handful of people wanted that pin. People want to trade with Canada. They want to be associated with Canada. Why? Because we have the rule of law and one of the most safe and secure countries in the world. We have a political system that rivals any.

Government Orders

Up until the last 18 months, for the most part, we had a secure business environment. Canada did not have a large debt, which usually creates political unrest, certainly with investors. We had principled and pragmatic leadership that saw where Canada wanted to go, but we looked at our policies, whether it was our air policy, our regulations, or our framework. We ensured our small and medium-sized enterprises could take that opportunity to invest, expand and see the benefits of trade agreements, whether it was our go global fund that helped with funding and marketing products.

Signing an agreement is just one part of the process. We celebrate and congratulate the government across the way for getting CETA to the finish line, but there are a whole host of things that need to accompany that agreement. Our Conservative government set them up very well. We hope the Liberal government recognizes that, sees this through and continues with some of the programs our government funded. We funded a number of different initiatives because, under Prime Minister Harper, we understood that Canada was a trading nation first and foremost and that Canadian jobs and Canadian prosperity depended on trade.

• (1610)

Ms. Filomena Tassi (Hamilton West—Ancaster—Dundas, Lib.): Mr. Speaker, trade is going to allow us to export products, which is very important. It is good for the manufacturing sector. In my riding, a lot of research and development is taking place. I have three post-secondary institutions, and I am very proud of the research they are coming up with that ultimately leads to the creation of products and makes Canada sought after by the world in having these products brought to their markets.

The member commented on how the agreement would impact jobs. I would like to hear a little more about that in terms of areas like research and development and how the agreement would lead to job creation for Canadians, which is one thing on which our government has been very focused.

Mr. Todd Doherty: Mr. Speaker, the benefit of trade agreements is our Canadian products and Canadian producers. We have some of the best and brightest, innovative, and technological companies in the world right in Canada. Being able to access new markets, the world's largest economy, is only going to create more jobs.

I will bring it back to the comment I made before about the third grader in my riding who asked what trade agreements did. If that third grader can only manufacture widgets and sell them within his small community of a couple hundred, it is not going to create jobs, and slowly but surely his product is not going to have any more market. If we can open it up to the communities and countries around us, all of a sudden that product can get to all of the largest economies in our world, whether the U.S., the EU, or, I hope, an Asia-Pacific pact, or the TPP. Trade is good. Trade creates jobs and ensures that our best and brightest are showcased on the world stage, and that is so important.

• (1615)

Mr. Erin Weir (Regina—Lewvan, NDP): Mr. Speaker, the labour mobility provisions of CETA would allow European companies to bring their own workers into Canada, without having to go through our immigration system. The deal would also allow vessels flagged in ports of convenience, like Malta and Cyprus, to

operate in Canadian waters, despite atrocious labour standards on board.

I wonder if the member for Cariboo—Prince George shares our concerns about CETA's effective expansion of the temporary foreign worker program.

Mr. Todd Doherty: Mr. Speaker, it is interesting, coming from the NDP. It is another poke in the hole of something, or a witch hunt on trade. The New Democrats say that they are standing up for Canadians, but they will find every excuse to go against a trade agreement. The bottom line is that in uncertain times, as we are seeing with our largest trading partner south of the border, we need to ensure we are not putting all of our eggs in one basket. That is exactly what CETA will bring.

Hon. Peter Kent (Thornhill, CPC): Mr. Speaker, Canada's economic interests in Europe are twofold. A prosperous Europe contributes to global prosperity and CETA represents a wonderful opening to a market of more than 500 million people.

Many of the remarks from our NDP colleagues focus on the uncertain voices that we hear from some quarters of the European Union, but they have very little to say about the enthusiasm from the vast majority of the EU membership, particularly in eastern Europe, where Latvia, for example, has praised CETA as the most progressive trade agreement ever negotiated by the EU.

Could my colleague speak to the fact that perhaps all members of the House should be a little less restrained and voice their enthusiasm, as our new impending European trade partners are so enthusiastically voicing their enthusiasm for CETA?

Mr. Todd Doherty: Mr. Speaker, we need to have a principled look at trade agreements. It is always important to look at the details of trade agreements. I mentioned in my speech that the Canada-EU relationship went back centuries. We have strong familial ties. In Canada, we have a large European diaspora. The agreement will not only connect families and grow our relations together, but also, as the hon. colleague mentioned, help those countries that are looking for other markets, or are helping other markets to boost their own economy as well. Trade agreements are good. Reciprocal trade agreements are even better, ensuring our agreement has benefits flowing on each side. I think we will only see benefits coming from this.

As my hon. colleague mentioned, Latvia has said this is one of the best agreements it has seen in decades. While we do have some naysayers in the House, I think all members of Parliament will agree that given the uncertain times south of the border and the increasing protectionist rhetoric, everything we can do to create new opportunities for Canadians and Canadian producers is something we should all celebrate.

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•(1620)

Mr. Kevin Lamoureux (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.): Mr. Speaker, we have had a great deal of debate over the last while on the benefits of the CETA. One thing that needs to be emphasized, and maybe the member could also comment on this, is that these agreements do not happen overnight. Whether it is our current minister, the former minister, or the minister responsible from the Conservative government, an incredibly intelligent, articulate, dedicated group of civil servants has negotiated on our behalf. We need to recognize that Canada as a nation has some incredible levels of expertise that are brought to the table to ensure we will do well under these agreements.

I listened to many of the comments of the members of the NDP. They have raised issues, and there will always be some. However, the net benefit for CETA is overwhelmingly positive from my perspective. I want to extend congratulations to all of those who have been involved in making this agreement possible. Maybe the member may want to make similar comments.

Mr. Todd Doherty: Mr. Speaker, maybe we should give credit where credit is due. We have an incredible group at Global Affairs Canada that had 10 years of great policy framework and some great investments in ports, airports, transportation, our gateway programs, also in terms of our trade commissioner programs at home and abroad, and our export marketing programs, whether it was go global, or Canexport, and our policy framework.

With respect to our Global Affairs group, Canada has some of the best people at the table. They were led by a strong member, the hon. colleague for Abbotsford. It is important to do everything we can do to ensure we celebrate where we are going, ensuring we give kudos where it is due. However, I would agree with my hon. colleague that we should be celebrating our agreements and celebrating those who get it across the line.

I know there was a considerable amount of work, effort and investment from the previous government and as well as former prime minister Stephen Harper. He had the foresight to set Canada up not only in our investments in our gateway program but also in our marketing and policy framework, moving that forward and subsequently complementing any trade agreement we move forward.

[*Translation*]

The Assistant Deputy Speaker (Mr. Anthony Rota): It is my duty, pursuant to Standing Order 38, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Longueuil—Saint-Hubert, Canadian Heritage; the hon. member for Provencher, Taxation.

[*English*]

Mr. Erin Weir (Regina—Lewvan, NDP): Mr. Speaker, I will be splitting my time with the member for Drummond.

My ears were burning during the speech of my colleague from Sherwood Park—Fort Saskatchewan, because he spoke about members of the House objecting to CETA based on the investor-state provisions. Having given several speeches to that effect, I thought it was a good opportunity to engage with the arguments that he brought forward.

The member for Sherwood Park—Fort Saskatchewan essentially made two arguments as to why investor-state provisions are okay. He said that we need to have some sort of adjudication of the provisions of trade agreements. He also said that we live in a society with rule of law, where individuals and businesses can sue the government, can take the government to court. At some level I actually agree with both of those statements, but I do not think either one of them supports the kind of investor-state provisions that we see in CETA and a number of other trade deals.

If we talk about the need to have some sort of adjudication process to enforce the provisions in trade agreements, that is very true. Almost all provisions of CETA are subject to a government-to-government dispute resolution system, and it would be entirely reasonable to have the investment provisions subject to that same type of dispute resolution where, if investors felt that their rights had been breached, they would convince the government they had a legitimate case, and the government would bring that case forward. That is how every other aspect of the deal works.

What is objectionable about the investor-state provisions is they set up an entirely separate process of dispute resolution just for investors. They set up an entirely separate tribunal process that is available only to financiers and property owners, not other parties that might have concerns or complaints or issues under the agreement. What this leads to is a lot of frivolous cases being brought forward under investor-state provisions, because there is no need for investors to even convince their own government that they have a reasonable case that is worth bringing forward. They can bring forward a case to kind of try their luck before the tribunal. They can bring forward a case just to harass a foreign government and try to push back on its democratic laws, regulations, and policies. The problem is not with having some sort of enforcement process; the problem is with setting up this entirely separate and much more powerful enforcement process that is available only to investors.

The next argument we heard from the member for Sherwood Park—Fort Saskatchewan was about the rule of law and how, in our current society, individuals and businesses can already take the government to court. Exactly, so why is it that we need to set up this entirely separate process for investment disputes under this agreement? There are functioning court systems in both Canada and the European Union. I think members would agree that both jurisdictions have legitimate judiciaries. Therefore, how does the existence of rule of law justify creating some sort of entirely separate process?

The original justification for investor-state provisions in NAFTA was that American and Canadian investors were suspicious of the Mexican judicial system and did not have confidence in the Mexican courts. Perhaps that was fair enough, but I really do not see how we would have the same sort of doubts or lack of confidence in the European judicial system. We really have not heard an answer as to why we need this special set of investor-state provisions in CETA.

Government Orders

To illustrate what I am saying about frivolous cases coming forward when we empower investors to directly bring these complaints without even having to clear them through their own governments, it is worth reviewing some of the obnoxious chapter 11 cases that have come forward under NAFTA.

We have the Ethyl Corporation case, where an American company was selling a gasoline additive that had actually already been banned in the United States. The Canadian government tried to ban it as well and Ethyl successfully challenged the Canadian government under NAFTA for lost profits, got \$13 million U.S., and had the Canadian government repeal that ban.

● (1625)

There was the AbitibiBowater case where that company shut down its last pulp and paper mill in the province of Newfoundland and Labrador. The provincial government reclaimed water rights that it had given to AbitibiBowater to operate the mills, but then the company challenged Canada under NAFTA for the loss of its water rights, which it was no longer even using for the purpose they were intended. Well, the previous Conservative government paid AbitibiBowater \$130 million to withdraw that NAFTA chapter 11 claim.

We have the current case of Lone Pine Resources. Like AbitibiBowater, it is basically a Canadian company that has registered itself in the United States. It has launched a challenge under NAFTA over a ban on fracking in the province of Quebec depriving it of potential business opportunities. It is claiming some \$250 million from our country.

Members can see that these investor-state provisions make it very easy for investors to come forward with almost frivolous cases just to see if they can get a favourable decision, just to sort of intimidate governments into paying them off. We do not want to replicate and amplify this under CETA.

Finally, I would point out that these investor-state provisions are actually having a pernicious effect on domestic politics in our own country. We are starting to see this in the Conservative leadership race where two of the contenders, the member for Regina—Qu'Appelle and the member for Beauce, are proposing to entrench private property rights in the Charter of Rights and Freedoms. Let us consider the arguments that the member for Lanark—Frontenac—Kingston made in endorsing this radical libertarian idea. He said:

The lack of constitutional protection for the private property rights of Canadians means that the rights of Canadians can be treated as second-class under NAFTA. Canadians deserve the same property rights that foreign companies enjoy in Canada....

We see that the presence of these investor-state provisions in free trade agreements is causing this proposal to entrench property rights in the Constitution. Let us consider some of the consequences of that. We have heard from the Conservatives a lot of rhetoric in favour of pipelines, but the reality is that the construction of pipelines, railroads, or highways depends almost all the time on the government expropriating some of the land along the route. If every single landowner along the route had a constitutionally enshrined veto, no pipelines, railroads, or highways would ever get built. Therefore, I would encourage the Conservatives to think through the implications of enshrining property rights in the Constitution before

they get too excited about the idea, and before their leadership candidates trip over each other too much in trying to be the most libertarian.

We have seen that the investor-state provisions of free trade agreements, including CETA, are not necessary, given that the agreements have a much more sensible government-to-government dispute resolution process already, and given that Canada and Europe already have functioning court systems. There have been many cautionary examples under NAFTA of frivolous cases coming forward with the Canadian government having to pay outrageous amounts of money based on very strange claims. Finally, we see that these investor-state provisions are having a corrupting influence on the political philosophy of our official opposition and are leading the Conservatives down this path of extreme libertarian ideas.

For all of those reasons, I am pleased to speak and vote against this bill.

● (1630)

Mr. Kevin Lamoureux (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.): Mr. Speaker, a couple of years back when we were debating the Jordan, Panama, and other trade agreements, I never heard that particular argument coming from the New Democrats. I suspect it does not really matter what is in this agreement and it is the NDP's full intention to vote against CETA. There is no appeasing the NDP on this agreement.

New Democrats just do not seem to understand the importance of trade to Canada. Canada is a trading nation. We are very dependent on being able to get our products and services to market. That is what creates the tens of thousands of jobs for Canada's middle class. There is so much potential there that could be realized. Yes, New Democrats voted for the Ukraine trade agreement, and we appreciate that, but I would suggest that was more political, possibly based on our heritage communities here in Canada.

Given the member's comments in regard to the free trade agreement with the United States, am I to be left with the impression that the NDP would vote against NAFTA if it was before us today? If we were to vote on NAFTA today, how would the NDP vote? If we based it on the member's speech, it would be no. Is that what people are left to believe?

● (1635)

Mr. Erin Weir: Mr. Speaker, as the member for Winnipeg North may be aware, the current American President is proposing a renegotiation of NAFTA, and the NDP has been very clear about the fact that in that renegotiation, our priority should be to remove chapter 11, the investor-state provisions of NAFTA. We also think it would make a lot of sense to remove the proportionality clause from NAFTA, given that it puts real limits on Canada's ability to decide where it would like to export our energy resources.

We believe there are some positive aspects of NAFTA. We also believe there are some aspects that could be improved.

Mr. Garnett Genuis (Sherwood Park—Fort Saskatchewan, CPC): Mr. Speaker, I appreciate my friend bringing attention to the great work the member for Regina—Qu'Appelle is doing. I know he is excited about the implications in his own riding of having a leader just down the road.

Government Orders

I would like to respond to his points about property rights. I do not think Canadians I talked to would consider it a radical idea that we have constitutional protection for property rights. Of course, he knows it is subject to section 1 of the charter. I think most Canadians would be surprised to know that we do not already have constitutional protection for property rights.

He talked about investors as being financiers and property owners. Of course, he should include in that investor category union pension funds as well, that are protected by these provisions.

He asked in his speech about this whole possibility of frivolous litigation, but the reality is, that could exist in any context. It is important that we have an adjudication process. He recognizes the need for an adjudication process, yet he somehow thinks that a state-to-state process, which does not give individual investors any standing, or a process that would involve adjudication solely on the basis of domestic law as opposed to on the basis of the trade agreement, are sufficient. He should be able to see that none of these things is actually sufficient for what these provisions are supposed to do, which is to allow investors the opportunity to directly, themselves, raise issues in which governments violate trade agreements. That seems to me to be a basic fairness mechanism. Whether it is financiers, business owners, or union pension funds, surely they should have the right to seek some kind of domestic remedy, regardless of what their own domestic government thinks, if rights that are supposed to be afforded to them are not protected.

However, if he does not believe in property rights, maybe that actually explains the logic behind it. I would be curious for his response.

Mr. Erin Weir: Mr. Speaker, certainly I do not believe in the constitutional entrenchment of property rights. As I pointed out in my speech, the construction of infrastructure, whether it be pipelines, railroads, or highways, typically requires the expropriation of some land. Giving a veto power to every private landowner along the route would result in no such infrastructure being built.

The argument suggested by the member for Sherwood Park—Fort Saskatchewan is that these property rights would be subject to section 1 of the charter. A judge could decide that an expropriation was a fair and reasonable limit on those property rights, but the Conservatives really want to hang their position of entrenching property rights in the charter on their faith in activist judges.

[*Translation*]

Mr. François Choquette (Drummond, NDP): Mr. Speaker, I am very pleased to rise in the House today to talk about Bill C-30, an act to implement the comprehensive economic and trade agreement between Canada and the European Union and its member states and to provide for certain other measures.

The NDP and I are in a very bad spot right now. The Liberals have put us in a very awkward position because we are completely in favour of a free trade agreement with Europe. The Liberals need to understand that. Unfortunately, the agreement was negotiated by Stephen Harper's Conservatives in total secrecy with no proper consultation whatsoever. We did not even have the document so that we could do the work properly. The agreement sacrifices several sectors of our economy. What that means for Drummond is that dairy and cheese producers are paying the price.

That is why we cannot support this agreement as it stands. Had it been done properly and wisely, had they negotiated by the book, we could have ended up with a deal that would have garnered the support of all parties in the House. Unfortunately, because of the way it was done, we cannot support it, so we have to vote against this bill.

The bill includes all the changes needed to implement the agreement right away, including the investor-court system provisions that are going to change, as the European states have already clearly indicated. Even if we accept the agreement, European countries will probably oppose that particular part.

The NDP has been calling for improved trade with Europe for some time now in order to diversify our markets. Many serious concerns and unanswered questions remain regarding the proposed agreement, as I mentioned.

Trade with Europe is too important for us to wind up with a botched deal, one that was negotiated by the Conservatives, based on Conservative concerns, and signed hastily by the Liberals without taking any time to properly review the deal and consult Canadians in all sectors of the economy. Some sectors have been completely ignored. I am thinking of the dairy and cheese producers in my riding of Drummond, for instance. I will expand on this a little later on.

With respect to dairy and cheese producers, it is important to point out that the Liberals are not offering adequate compensation. In fact, this agreement is going to result in a huge loss for our dairy producers. As the member representing the people of Drummond, a riding that is home to many dairy and cheese producers, I cannot support the agreement, which is not enough for our dairy producers.

The Liberals' plan to compensate dairy producers is not really a compensation plan. It is a program that is being added and that is totally inadequate. It consists of \$250 million over five years for dairy producers and \$100 million for cheese producers. However, we do not really know how this program will work. What will be the exact terms and conditions? Will the people of Drummond and Quebec be eligible? Will small cheese producers be eligible? It is not really clear.

I met with some dairy and cheese producers this summer. The members for Saint-Hyacinthe—Bagot and Berthier—Maskinongé accompanied me on a tour of the communities in my riding. We met with dairy producers. They were very angry with the Liberal government, not just because of the Canada-Europe agreement on the horizon, but also because of its failure to take action in the dairy sector, specifically with regard to the massive entry of diafiltered milk, which is completely illegal.

Government Orders

●(1640)

Today, while the Prime Minister is meeting with the President of the United States, we are still faced with a problem that began over a year ago: the issue of diafiltered milk. The Liberal government said that it would resolve this problem during its first three months in office. However, those three months ended a long time ago. Unfortunately, despite all the pressure dairy farmers and the NDP have been exerting to make them change their minds, the Liberals are still sitting back and doing nothing. Meanwhile, there is a fairly simple solution to this problem: apply the same definition to this product at the border as when it is used in dairy products. Milk is milk, but diafiltered milk products are not milk. They should never be used to produce cheese.

The government's inaction is costing dairy farmers a lot of money. The fact that the government is also signing a bad trade agreement with Europe without compensating producers is unacceptable.

It is important to remember that we are talking about 17,700 additional tonnes of cheese coming to Canada under the Canada-Europe free trade agreement. That is about the equivalent of all the cheese produced in Nova Scotia, for example. Cheese producers are being quickly and heavily penalized.

I will read a quote by Daniel Gosselin and Suzanne Dufresne, owners of the Fromagerie Au gré des champs:

People do not realize what it means to have 17,700 tonnes of European cheese arriving in Canada. It is simple: it is like having 1,000 cheesemakers our size suddenly open up in Quebec.

Small and medium-sized cheesemakers are quite worried, and rightly so, about the impending arrival of 17,700 tonnes of cheese in our market without any real compensation for them, without any real support.

I had the opportunity to visit a number of cheese factories in my region a few months ago. For those who have the good fortune of passing through the beautiful Saint-Guillaume area, the fresh cheese from the Fromagerie Saint-Guillaume is among the best. There is a cheese that the locals like to call "Le p'tit frais", not just because they are proud of it, but because it is made fresh daily. You can even find Le p'tit frais de Saint-Guillaume here in Ottawa. It is utterly delightful.

We also have the Lemaire cheese factory. It too makes an excellent cheese curd often used in poutine. As everyone knows, the Drummond region is the birthplace of poutine. That is where it was invented. In fact, the greater Drummond region hosts the annual poutine festival.

Anyone who visits the region should try the Lemaire cheese factory's poutine.

Lastly, I want to mention Agropur's five-year-old Grand Cheddar, which is made in Notre-Dame-du-Bon-Conseil and was first in its class at the Sélection Caseus competition. My region needs support for its dairy industry, and it needs protection for its cheese industry. This is extremely important.

We cannot allow our government to abandon our dairy and cheese producers or to ignore the diafiltered milk file. As if that were not enough, the government wants to saddle them with the negative

outcomes of a free trade agreement with Europe without providing compensation or a plan to help our cheese producers, who have been asking for import quotas for a long time. There is no news on that front.

I could go on about other issues, such as the legal action the government is opening itself up to, but I will stop there because I see that my time is up.

●(1645)

[*English*]

Mr. Kevin Lamoureux (Winnipeg North, Lib.): Mr. Speaker, whenever we have a trade agreement, there is going to be a need to look at different industries and how it might impact them. Let me give the House an example. The member across the way talked about the cheese industry. Manitoba has Bothwell Cheese. I argued the other day that it makes the best cheese in the world. I hope this company will continue to grow and prosper, even with this agreement. Am I concerned? Sure, I am concerned. We also have a fantastic pork industry in Manitoba. Our pork industry will benefit immensely from this agreement.

There are always going to be areas of concern, but the principle is what we are moving forward on, and that is the promotion of international trade, something on which Canada is dependent.

Would the member across the way not agree that no matter what the agreement, even the Ukraine agreement we unanimously passed just the other day, there are always going to be areas of concern related to manufacturing industries or service industries and so forth? Due diligence will ensure that we as MPs do what we can to protect our industries.

●(1650)

[*Translation*]

Mr. François Choquette: Mr. Speaker, I would respond to my colleague by saying that this deal was signed by Stephen Harper's Conservatives for the benefit of Stephen Harper's Conservatives.

The Liberals picked up where the Conservatives left off and introduced it quickly on October 31. They were practically ready to vote in favour of it the very next day. We need to take some time to read it and study the details. We proposed 11 amendments at our committee meetings, and I would like to commend my colleague from Essex for her hard work there.

There is no rush, because we have five years to finalize the details of the Canada-Europe agreement. Let us take the time to do things right, for this is a very important agreement, especially for the NDP. We want a good deal with Europe. We want a deal that works, one that will be in place for the long term, one that is beneficial for Canadians, for the people of Drummond, and for our dairy and cheese producers.

We are still waiting for you to resolve the issue of diafiltered milk, and we are tired of waiting.

The Assistant Deputy Speaker (Mr. Anthony Rota): I am sure the hon. member was not asking me to resolve the issue, but rather the member for Winnipeg North.

The hon. member for Sherwood Park—Fort Saskatchewan.

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[*English*]

Mr. Garnett Genuis (Sherwood Park—Fort Saskatchewan, CPC): Mr. Speaker, in my remarks earlier, I talked about being concerned about present businesses and present jobs but also about being interested in creating the conditions for future investment, and in that context, being concerned about jobs and businesses that do not yet exist but that could exist under the right conditions. Protectionist barriers do not create a climate in which people want to invest, because if they make investments in Canada, they will not have access to a wider array of markets.

Would the member not agree that one of the important features and advantages of the kind of trade access Canada has been pursuing is that we are encouraging not just the continuation of future business but new investments in this country? Exporters will know that they will have access to a great deal of the world's market by basing themselves in Canada, access they would not have in other countries. Is that not an important advantage of this trade deal?

[*Translation*]

Mr. François Choquette: Mr. Speaker, I apologize for directing my comments to you. I was wrong.

The Canada-Europe agreement is extremely important even for my region of Drummond. We need to develop new markets. We want an agreement with Europe, but a good agreement that will respect the environment and workers' health and rights. We are not so sure that will happen under the current agreement. There might be lawsuits.

In my riding, Drummond, people are very concerned about hydraulic fracturing and shale gas. Almost everyone in my riding has voiced their disapproval of hydraulic fracturing in their riding and in the entire St. Lawrence River sector. Accordingly, the Government of Quebec has put a moratorium on hydraulic fracturing in this sector because of the agricultural land and the protected lands in the area.

A suit was filed as a result of bad agreements and that is why we want a better agreement.

• (1655)

[*English*]

Mr. Arnold Viersen (Peace River—Westlock, CPC): Mr. Speaker, I am pleased to rise today to speak on the Canada-EU free trade agreement.

However, I would like to start off my discussion by recognizing that today is Alberta Oil and Gas Celebration Day. We are celebrating the 70th anniversary this year of the Leduc No. 1, which was one of the first oil wells discovered in Alberta, and the economic prosperity that has come from the oil and gas industry in Alberta since that time. I know there are big celebrations today. Members of my caucus are speaking at events happening there as well. I just thought I would bring that to the attention of the House today.

I would like to congratulate all those who have worked very hard on the CETA deal over the last 10 years. I know that it has been a lot of hard work. The member for York—Simcoe has worked hard on this. The member for Abbotsford has worked hard. I would like to congratulate the current government for pushing this over the finish

line. This will have significant impacts on Canada in terms of prosperity for everyone.

We have talked a lot about the expanded market and things like that, but one of the things I would like to talk a bit about is the back and forth that happens with trade agreements.

My riding is a large rural riding in northern Alberta. We are mostly invested in the primary industries, such as logging, agriculture, oil and gas exploration, and a lot of spinoff comes from that. However, one of the things we import a lot of is the equipment that we need. I know that the agricultural industry in my riding is particularly looking forward to a lot of the state-of-the-art technology that the agriculture sector in Europe has and that we can speedily be importing into Canada.

I know there is a burgeoning hemp industry in Alberta. New strains are being developed that grow well in the colder climate we have in northern Alberta. There are big opportunities with this as well, in terms of the fibre that comes out of the hemp plant. Erosion prevention is one of the things that they use this for.

However, we are limited in the equipment used to plant, cultivate, and harvest this plant. They are looking forward to bringing equipment from the Netherlands in particular, which has worked very hard on this. I have been engaged with a number of farmers in my riding who are saying they are excited about this deal, as this will lower their equipment costs, which will only make that particular crop more profitable.

My home community was a pork-producing powerhouse in the early 1990s. Since then, we have watched the market essentially evaporate. There are many white elephant pork barns in my neighbourhood sitting empty that have not been used over the last number of years. This has the opportunity to revive that industry and bring it back.

Since the early 1990s, we have not been able to regain enough of the pork industry to produce our own pork. In fact, Canada imports pork now. It would be great if we could get a market so we could reinvigorate the pork industry and see our profits return on that particular commodity.

I know that a lot of farmers diversified. They were growing grain crops and had pork on the side. If the price was not there in the grain crops, they fed it to their pigs and made their money through the pigs. If the price was there for the crops, they would reduce the pork output. That was a great ability to diversify. We have lost that to some degree. They have diversified now more into the different types of crops that they grow rather than diversifying between two different areas within the agriculture sector.

The agriculture sector in particular is very much looking forward, not only to the new market they are going to get but to the new equipment they will be able to bring over and begin to use, and some of the techniques. The interplay between Europe and Canada will be helpful in bringing some of the techniques across the ocean.

Government Orders

• (1700)

These are just the benefits for Canada. However, one other thing we should talk about is how this would benefit the EU. I am a big advocate of prosperity. All people should be able to improve their station in life, and free trade is the best way to make life better for everyone.

The greatest discovery of the 20th century is probably the development of hydrocarbons as a form of energy. I know that the combination of petroleum products and farming techniques regarding fertilizer, but specifically the tractor, revolutionized the way that people farmed. It brought commercial-scale farming to what currently exists, and that has allowed us to feed the world a couple of times over now.

We need to ensure that the products we produce make it to those who need them. That is the biggest issue with free trade, that the products being produced can make it to the people who need them. In other places in the world, heating in the winter is a big priority. The natural gas produced in Canada has the potential for a large market in eastern Europe. It is not only the natural gas, but the technologies that have been developed in Canada over the last 100 years that have improved agriculture, hydrocarbon production, the way forests are managed, and things like that. That technology can be harnessed by eastern European countries to shift their dependence on natural gas from Russia.

Russia currently holds 31% of the EU's oil and gas imports. People I have spoken with have said that whenever Russia feels slighted by eastern European countries, it turns the natural gas off and people start to freeze. I feel that with this agreement, we will be able to export technology and products that will make people's lives better, shift their dependency from Russia, and make it so that we provide freedom and prosperity around the world. That is number one. Free markets bring freedom is the point that I am trying to make.

The natural gas and oil and gas industries have been a great source of prosperity for northern Alberta, and come mostly from the fact that there are a large number of people employed in it. As I understand it, there is a lot of opportunity in Europe to bring technologies from northern Alberta to the eastern bloc countries, specifically the process known as hydraulic fracturing. There is a lot of shale gas in Europe.

In the Netherlands, where my grandparents are from, there is a lot hydraulic fracturing and drilling there. Holland has managed to become a significant contributor to the EU's natural gas game. If that technology goes to other places in Europe, there is a big opportunity for companies that operate here in Canada to export not only their products but their technologies, manpower, and that kind of thing.

I want to shift to some things that have been brought up here today. In particular, I would like to talk about the investor-state legal issue that members of the NDP brought up. This, to me, seems fairly straightforward, in that investors want stability. They want to know that if they are going to invest in a country, whatever it may be, the laws of the land are not going to change tomorrow and their investment dry up. For example, there is a gentleman in my riding

who came from the U.K. in the early 1970s and built a nail factory in southern Alberta. He worked really hard to develop this nail factory.

• (1705)

He saw all the wooden houses that we have in northern Alberta and figured there must be a large market for that, but then was forced to compete with companies from eastern Canada. They were given subsidies on the transportation of their nails, which he was not given. Therefore, he said to just make it a level playing field to allow him to compete and he would be able to sell his product in Alberta as well. He ran that nail factory for a number of years, and then he retired from that and he has gone on since to become an advocate for free markets and free enterprise. I meet with him from time to time in my riding office.

He was initially concerned about this investor-state legal framework that he had heard about in CETA. I said this would be the same as if he built a nail factory in a new country and the day he opened his nail factory, after investing \$1 million in building it, that country's government outlawed making nails. I know this is a little facetious. I said that he would then be able to go to that government and say that since it had just outlawed making nails and he had just spent millions of dollars building his nail factory, could the government please reimburse him for the expense of building the nail factory.

That is essentially what this piece of the deal means. If people make an investment in a country based on the current laws of the land, but the law changes and their complete business model fails because of the law change, they can therefore sue the government.

My colleague from the NDP has mentioned this a number of times, but he seems to only think of it in terms of an investment that is coming here to Canada, which I would say is a positive thing. If people are willing to invest in Canada, it is because they see Canada as a place where they can come and make money, a place where they see that the money they invest is not going to disappear. They see the security and stability of our country and they say, "This is a good place to invest." For us here in Canada, if we go and invest in other countries to make money there and bring the money that we make back home, it would give us stability as well. We can say that we intended to build a nail factory in Ukraine and if the Ukrainians change the law to outlaw the building of nails, at least we could get our investment back and invest in a different country or bring that investment back home. Therefore, that is a very important part of this.

It is just an interesting place to be with my NDP colleague talking about free trade in particular. It seems that the New Democrats are always advocating for open borders when it comes to people, and yet never advocating for open borders when it comes to things. I know that there is always a bit of minutiae around these things. Everyone wants free trade, but not total free trade; and everyone wants open borders, but not total open borders. I expect them to respond to this and maybe clarify some of those things.

Government Orders

Regarding cereal crops in northern Alberta, I had the canola growers in my office a while back and I was bragging to them that I thought my riding was the largest canola-producing riding in all of Canada. They would not confirm that to me, but they did say that the largest canola-producing riding in all of Canada was in northern Alberta. That is one of three ridings, mine being one of them so I will take it. I think that I am, but they would not confirm it for me. The “can” part of the word canola is because it is a Canadian invention. It is something that we now export around the world. The new CETA would give us a new market for canola and we would be very excited to see where all that goes.

When it comes to exporting our products to other parts of the world, it is incredible to see some of the basic products that we export around the world and then to see what is done with them. One of the big advantages of new markets is that we get fresh eyes on a product with new ideas that come with it. A lot of times, we see a product that has been used in one particular way for a very long time and it enters a new market and gets used in completely new methods that we have never seen before.

• (1710)

I am really excited to see the interplay between the European Union and Canada and what kinds of new things come from that. One of the big areas where we will see job growth and innovation is with some of the new things that will come out of this new free trade agreement.

Another area our NDP colleagues have repeatedly addressed is that they believe that medication costs will go up significantly if we enter into CETA. However, we have people on record in this country saying that the opposite is true.

Phil Upshall, the executive director of the Mood Disorders Society of Canada, applauds CETA, saying, “CETA will ensure continued innovation in medicines and improve the health of all Canadians, including those with mental illness”.

Again, that is an example of the new ideas I am quite excited about that would come with our relationship with the EU. When we have ease of transporting people and things across borders, we also get an intermixing of ideas, which allows us to look at things in new ways, get new perspectives on things, and come up with new solutions, or the solution, for some of the greatest problems in the world.

One of the greatest things that could come from the CETA deal would be for us to cure cancer. That would be amazing. Some countries in the EU are cutting-edge when it comes to medical research. Right in our own province of Alberta, the University of Alberta is world renowned when it comes to health research. The interplay that could happen between the EU and Canada is something I am really looking forward to.

In my last few minutes, I would like to talk a little bit about the vision going forward.

I know that trade deals take a long time. From speaking with the member for York—Simcoe, I know that when he was the trade minister, he had already initiated some of the talks that started CETA, the TPP, and things like that. Now there has been significant movement on CETA. We are still looking forward to signing and

ratifying the TPP, but we are wondering what the next moves will be. Are we continuing to move forward with plans to set up free trade agreements with other countries around the world?

Japan is part of the TPP, but it would be interesting to see if we have to strike out on a separate deal with them as well. Israel, with the innovation and technology that comes out of that country, would be a great country to have an agreement with. Are we moving on that? India is one of the fastest growing economies in the world. It would stand to benefit greatly from some of the technologies we have here. I wonder if that is the direction we are going.

I know that it is a lot of hard work and something that is not for the faint of heart, but I wish to persuade the government to show us that it is advocating for these things and working hard on them to ensure that we get the next generation of free trade deals in the hopper, so to speak, because we know how much work and time they take to make happen.

It has been my pleasure to stand and speak today about the CETA free trade deal. I want to affirm once more that I think free trade has the opportunity to solve a lot of the problems in the world. With free trade comes freedom. Hopefully, through free trade deals, we can solve some of the greatest problems that we as humanity face. I see this as the big opportunity before us.

• (1715)

Mr. Kevin Lamoureux (Winnipeg North, Lib.): Mr. Speaker, I am going to pick up on the member's point in regards to what other kinds of deals might potentially be out and about. The Prime Minister has talked about Canada's diversity being possibly our greatest strength. The member made reference to India. Whether it is a reflection from within this chamber or a reflection of all Canadians, there is a strong link between our two countries in good part because of how we are enriched by the Indo-Canadian community.

I could say the same thing with regards to the Philippines. The Philippines is a beautiful country and it is Canada's number one source of immigrants. I had the opportunity to visit the Philippines in January where I talked about trade.

There are a lot of ideas out there. Canada is a diverse country and the opportunities are there but it takes time to develop those ideas and move them forward. Many agreements, the Korean agreement being one, were started under previous administrations. CETA was started under the previous administration. It takes time to get these things together.

I wonder if the member could talk about the benefits of Canada's diversity and how it enables us more than many other countries to get the types of agreements that will lead to trade, which all Canadians benefit from.

Government Orders

Mr. Arnold Viersen: Mr. Speaker, probably more than anything I would just confirm that is exactly the case. I come from Dutch heritage. I do not know whether Canada had a free trade agreement with the Netherlands or not but we did a lot of trade back home. I am a second-generation Canadian but I still have a lot of connections with the Netherlands. Trade with Canada was easy because the culture was the same. Both countries liked the same kinds of foods. We in the Netherlands wanted to have some of the classic foods back, one of them being the salty candies that we like. We call them droppies. Most Canadians think they taste awful but for some reason Dutch people really like them. Just importing Dutch candy into Canada was a small industry all on its own.

Ms. Elizabeth May (Saanich—Gulf Islands, GP): Mr. Speaker, I recognize my colleague's efforts to draw an analogy for why investor-state agreements are useful. He only criticized the NDP for its opposition. I guarantee the hon. member that I oppose investor-state agreements more. I have never voted for them at all and unfortunately my colleagues in the NDP caucus have done so. My colleague can take that with a grain of salt.

My concern is this. My colleague's nail factory analogy would be clear if it were this example. Let us say a nail factory is opened in a foreign country and the government of that country changes its minimum wage standards. It has nothing to do with the factory. It is not discriminatory. In a democratic society, if a government changes the wage standards or it changes the requirements for a company to pick up its own waste, then that is enough under the dispute history of investor-state agreements for a foreign corporation to have the right to bring an arbitration suit against the government. A domestic corporation would not have that right. That right is exclusive to foreign corporations. The litany of cases that are like this are not in any way categorized by discriminating against a foreign investor or being reckless or discriminatory. They are normal decisions of public policy that foreign corporations will have a right to seek arbitration relief in the hundreds of millions of dollars.

Mr. Arnold Viersen: Mr. Speaker, that sounds like a problem of having too many lawyers hanging around looking for something to do. I will state for the record that I am not a lawyer. I am an automotive mechanic.

My analogy is probably more complicated than I initially anticipated. To my colleague's analogy of changing the minimum wage rate, I would like the free market to set the wage rates. If government did not interfere with the wage rate, we would see free trade and we would see wages being reflected differently in different countries. I would like the wages of everybody to go up. If there was an opportunity to make more money in an area where the labour rate was cheaper, more companies would move there, investment in that country would typically go up, and the wage rate would go up. The wage advantage would disappear in that particular country. There is some give and take on that.

The member and I probably agree that when we have free trade agreements with other countries we would like the labour standards and the environmental standards to be the same as ours so that we would be on a level playing field. I am sure my colleague would agree with me on that.

● (1720)

Mr. Alistair MacGregor (Cowichan—Malahat—Langford, NDP): Mr. Speaker, during part of the member's speech, he was raising some of the concerns that we in the NDP have about the cost of pharmaceutical drugs. I should explain to him why we have that position. The increased patent protections granted to brand name pharmaceuticals are going to go way beyond Canada's existing obligations. We have evidence of this from the Canadian Generic Pharmaceutical Association. It conducted a study and showed that, if adopted, the proposals would delay the introduction of new generic medicines in Canada by an average of three and a half years. The cost of this delay to pharmaceutical payers was estimated at \$2.8 billion annually, based on generic prices in 2010.

Therefore, my question for the member is this. If he disagrees with that particular statement, and may I remind him, this is coming from the Canadian Generic Pharmaceutical Association, which knows its stuff, can he offer evidence to the contrary?

Mr. Arnold Viersen: Mr. Speaker, I do not necessarily disagree or agree with that statement. If they are making it, that is fine. My basic assumption with free trade agreements is that we would probably increase the options available. If it takes longer to get the generic drug, that is probably the case. However, if we have an integration between the two areas of trade, Canada and the EU, we may increase the options for different kinds of drugs that are not necessarily available in Canada right now but may be available after the free trade agreement comes into force. We may not even have to use the particular drug that he was talking about before, as now we have a different one.

The other thing that comes into play, and I have mentioned this on and on, is the interplay between people, ideas, and things that would happen between our markets as we go to more and more free trade. We may actually find solutions to the problems that these drugs are trying to solve. We may make a particular drug obsolete and go on to a new one because of the interplay between the people, things, and ideas.

Mr. Garnett Genuis (Sherwood Park—Fort Saskatchewan, CPC): Mr. Speaker, the hon. member made a very good point about the kinds of problems we can solve if we work together across international lines. Free trade creates opportunities for interstate commerce, which can move human society forward in ways that are outside of just creating jobs. It could actually solve real problems that play off strengths of technologies that may exist in different places. I wonder if my friend could comment and elaborate on the opportunities that could come from co-operation between Canada and Europe.

Mr. Arnold Viersen: Mr. Speaker, I will go straight to the example that I was giving during my speech, and that was the production of the hemp plant and the fibre that comes with it. I know that this market has been significantly developed in the EU, and they have a real demand for the basic product, the hemp plant itself.

Government Orders

I cannot speak for the rest of the country, but we have an opportunity, specifically in northern Alberta, with available land. We have farmers who are looking for a new product in order to increase their profitability. Here is a huge opportunity for an interplay. We can get the equipment and the plants grown here, and have the raw product shipped over there, where they need more of it for their current production facilities

• (1725)

Mr. Harold Albrecht (Kitchener—Conestoga, CPC): Mr. Speaker, I will be sharing my time with the member for Barrie—Springwater—Oro-Medonte.

It is my privilege to speak on behalf of the residents of Kitchener—Conestoga on such an important piece of legislation that would have a huge impact on our local economy, as well as the entire Canadian economy.

Bill C-30, an act to implement the comprehensive economic and trade agreement between Canada and the European Union and its member states, better known as CETA, is a landmark agreement. This landmark agreement is a result of years of hard work, especially by our world-class trade negotiators, who did most of the heavy lifting.

I would also like to acknowledge the incredible hard work of my colleagues, the member for Abbotsford, the former trade minister, and also the member for Battlefords—Lloydminster, the former agriculture minister, who did a lot of work to ensure that this free trade agreement would, in fact, be put in place and benefit so many sectors in our society, not the least of which is the agriculture sector, which is largely represented in the riding of Kitchener—Conestoga. We welcome the opportunity to bring the deal into force.

With 28 member states, the EU represents 500 million people and annual economic activity of almost \$20 trillion. The EU is the world's largest economy. It is also the world's largest importing market for goods. The EU's annual imports alone are worth more than Canada's GDP.

Conservatives have always been the party of free trade. We will continue to be the party that stands up for free trade, because we know that with free trade comes higher-quality competition and cooperation among countries for shares of economic prosperity.

Between 2006 and 2015, under the leadership of Stephen Harper and exceptional ministers of international trade, the previous government was instrumental in negotiating not only CETA but many other free trade agreements globally. For example, the Conservative government brought negotiated free trade and saw the agreements come into force with Iceland, Liechtenstein, Norway, Switzerland, Peru, Colombia, Jordan, Panama, Honduras, and South Korea.

Today in Canada one in five Canadian jobs is linked to trade. In strengthening Canada's trade relations, we support these existing jobs, as well as job creation and economic growth. We know that the free flow of goods and services creates jobs and economic growth for all Canadians, and that is why I am proud to have been part of a government that always championed free trade globally.

It is because of all of this I am very disappointed that the trans-Pacific partnership seems to be in jeopardy as I truly believe that it, too, could have unleashed great economic prosperity within each country that was involved in its negotiations. However, I will be supporting this piece of legislation and expect members of the House to be unanimous as it stands to benefit the constituents of every single one of our ridings. However, based on comments from many of my NDP colleagues, it again looks like they will vote against jobs and more opportunity for their constituents.

A joint Canada-EU study that supported the launch of negotiations concluded that a trade agreement with the EU could bring a 20% boost in bilateral trade and a \$12-billion annual increase to Canada's economy, the economic equivalent of adding \$1,000 to the average Canadian family's income or almost 80,000 new jobs to the Canadian economy. This trade agreement is about job creation for Canadians.

These increases would be made possible, because when CETA comes into force, nearly 100% of all EU tariff lines on non-agricultural products will be duty-free, along with close to 94% of all EU tariff lines of agricultural products. This is especially important for Canada's beef, pork, grain and oilseeds producers. These sectors would benefit greatly from the implementation of CETA.

Canadian service suppliers would also have the best market access the EU has ever granted to its other free trade agreement partners. Why is this so substantial? This service industry employs more than 13 million Canadians and accounts for 70% of Canada's total GDP.

• (1730)

The Canada-EU trade agreement would also give Canadian suppliers of goods and services secure, preferential access to the world's largest procurement market. The EU's \$3.3 trillion government procurement market will provide them with significant new export opportunities. The agreement expands and secures opportunities for Canadian firms to supply their goods and services to the EU's 28 member states and thousands of regional and municipal government entities.

In the Waterloo region, we have a well-known high tech sector as well as advanced manufacturing. These companies stand to gain access to a huge market share in the EU, companies like Ontario Drive and Gear, which manufactures the all-terrain vehicle Argo and also manufactures high quality gear products; companies like MyoVision, Clearpath Robotics, Olympia, which manufactures ice clearing machines similar to the Zamboni but much better than the Zamboni, plus many other startups that are coming out of the Waterloo region.

I also spoke earlier about the benefit to the agricultural sector in my riding of beef, pork, grain, and oilseeds.

Government Orders

Allow me to highlight an award winning dairy farm in my riding, producing what is clearly the greatest cheese in all of Canada. I am talking about Mountainoak Cheese. I would urge all my colleagues, specifically those from southwestern Ontario, if they have not visited Mountainoak Cheese, it is an absolute must, especially for cheese lovers.

Mountainoak Cheese is the recipient of several awards, a few recent ones being first place for the three-year-old cheese in the hard cheese class; first place for its farmstead mild in the semi-firm cheese class. At the 2016 cheese competition at the Royal, its gold was first for the interior ripened Edam, Gouda, Asiago category and the grand champion variety cheese reserve.

Mountainoak has become so well known that even Rick Mercer recently visited to help it make some cheese.

I share this because it is businesses like these that will greatly benefit from the lower tariffs found in CETA specifically pertaining to specialty cheeses. They will be able to bring their award winning cheese to the EU and make us in Kitchener—Conestoga even more proud than we already are.

I remember when we signed this free trade agreement. The dairy industry had big concerns about the 3% import of cheese into the Canadian market. Because I knew about Mountainoak Cheese and other high quality cheese producers in Canada, I was convinced from the very beginning that if Canadian cheese producers were given the access to European markets, they had nothing to fear in terms of imports. In fact, by expanding their ability to ship into the European market, they would actually expand their ability to produce more and better quality cheese.

In conclusion, and keeping the dairy industry in mind, I would like to discuss the promises that our previous government made to this sector in order to help them with the transition into this new free trade agreement. I would also expect that the Liberal government would also honour commitments made to vital sectors of our economy, namely, the supply managed dairy industry as well as commitments made to the province of Newfoundland and Labrador in terms of the CETA fisheries investment fund.

Last week I rose in the House and asked the Minister of International Trade whether he would make the commitment to maintaining these assurances, specifically to the dairy industry, as I had met with the dairy industry just the day prior. Unfortunately, when I asked the minister this question, I was not given a straight answer. If the government were to withdraw or minimize the measures our government made to the dairy industry and to other supply managed sectors, in my opinion, it would be pulling the rug out from under these industries that had been relying upon these promises in order to make the transition.

As CETA approaches its final implementation, our party will continue to hold the Liberal government to account and ensure that Canadians will reap the rewards of free trade. I urge all my colleagues to support this trade agreement because it is in the interests of every Canadian and it is in the interests of creating new jobs and opportunities for Canadians.

● (1735)

Mr. Kevin Lamoureux (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.):

Mr. Speaker, as the member knows, this agreement has been in the making for a number of years. I earlier made reference to the many individuals involved in putting this together. Some of the finest negotiators in the world, I would argue, work for Global Affairs, and we are privileged to have that kind of capability and the ability to get the deals done that are so important to Canada.

My question for the member is related to the Canada–European Union trade deal compared to the Ukraine agreement. The New Democrats, for example, are voting in favour of the Ukraine deal and are voting against this particular agreement. The Conservatives and the Liberals are voting in favour of both agreements. Does the member differentiate anything of significance between the two agreements, beyond stating the obvious, which is the special relationship we have with Ukraine and the sense of pride in getting that one signed off? Does the member have any other thoughts in regard to the two agreements we have been dealing with over the last little while?

Mr. Harold Albrecht: Mr. Speaker, I have to say right up front that I do not consider myself an expert on the Canada–Ukraine free trade agreement. I have not studied it in preparation for this debate today.

Let me highlight again how important it is that we follow through with our commitments on the Canada–European Union free trade agreement because of the economic benefits it will bring to virtually every sector of our society. I mentioned the service sector, the agricultural sector, and the high-tech sector. There are so many sectors that would benefit from this free trade agreement, and if we fail on this, we are going to deny access to a huge market that is actually eager to receive the high-quality Canadian goods we produce and manufacture here in Canada.

Mr. Richard Cannings (South Okanagan—West Kootenay, NDP): Mr. Speaker, I would like to ask the member a question I asked earlier, simply because I think the member's colleague might have misinterpreted what I was asking. It was about the fact that when we finished negotiations for this treaty, it happened concurrently with the Brexit vote in the U.K.

In negotiating this treaty with the European Union, we obviously made some concessions because of the fact that we have a huge amount trade with the European Union, but almost half of that is with Britain. I wonder what the member feels about giving up concessions in this treaty, which now we may not get the benefits from, because Britain is not part of this treaty. I know we can do another treaty with the U.K., but we obviously need some assurances that this will not be a negative consequence.

Mr. Harold Albrecht: Mr. Speaker, in terms of the uncertainty around Brexit and those particular issues, I do not, as a member of Parliament, speculate as to the outcome of not having Britain as part of the EU free trade agreement. I am still convinced that the free trade agreement with the EU, even without Britain being part of it, will be a major advantage for all Canadians.

Government Orders

Mr. Colin Carrie (Oshawa, CPC): Mr. Speaker, I want to talk about Canada's place in the world. I was wondering if the member could comment on the concept of competitiveness. We have a Liberal government that, with this trade agreement, almost blew it. The Liberals put in policies such as raising taxes, a new carbon tax, and things along these lines.

Why are free trade agreements so important right now when we are looking at global competitiveness? Could the member mention the uniqueness now for Canada? With the North American free trade agreement, we have access to all of North America. We will be the only country in the world that has access to North America plus the European Union and potentially Asia, if that moves forward. Could the member talk about the importance to our competitiveness in that regard?

Mr. Harold Albrecht: Mr. Speaker, if we look at the current situation in terms of our relationship with the U.S., I think all of us in this House would agree that if there were ever a point where it was important that we sign more free trade agreements with more countries and diversify our ability to trade, it is this point, when we may be under threat of not having the same access to the U.S. market that we have now.

We add to that the possibility of higher taxes in Canada. For companies that are looking to invest in Canada, if they suddenly have a tax advantage in a neighbouring country, we can see that the business decision would definitely be in favour of the country with lower taxes. Therefore, it is important that Canada's business taxes stay low and that we do not add a carbon tax, in total contrast to our neighbours to the south. This would further damage our Canadian economy, for sure.

• (1740)

Mr. Alexander Nuttall (Barrie—Springwater—Oro-Medonte, CPC): Mr. Speaker, it is certainly an honour to rise again to speak in the debate regarding the free trade agreement with Europe which has taken many years to negotiate. It was done when many of us actually were not here in the House. I was one of the new MPs last year and while I have not been part of the process to secure this deal, I certainly congratulate both the previous government and the current government on the work they have been doing. I do not think Canadians are sitting at home wanting us to pat ourselves on the back, but I think it certainly needs to be recognized that there was significant work done on both sides of the House. This is perhaps an example where we can identify parties running in the same direction and certainly putting Canadian interests ahead of any political ones.

Mr. Speaker, you will know Barrie Welding because you are just up the highway from this company. It is certainly a great company that does a lot of business in Europe. When I originally spoke with them about the Canada-Europe Union free trade agreement, about CETA, one of the things that came out in the conversation was that they are not looking for any government handouts. They are not looking for the government to somehow prop up the business they are doing. What they are looking for is a good trade environment, a strong trade environment, which CETA certainly works toward, and stability in the marketplace, meaning that they do not want to see tax changes that would put the company at a disadvantage with its competitors, either inside or outside the country. They want a good stable place to do business to ensure that their investment is made on

good information and they will be able to reap the rewards of that investment. The reward for our municipality, for Simcoe County as well, is that the company is a strong employer, with many employees. In fact, it employs in the range of 600 persons.

When I look at trade overall, it certainly is a huge issue for the Canadian economy going forward. Diversification of our trade agenda was something which the previous government worked on with over over 40 agreements signed.

With this one in particular, we now have access to a market of 500 million people, with \$20 trillion a year in economic activity. This is a huge deal for the Canadian government. It is a huge deal for the Canadian public. It is very timely considering everything that is going on in the world. Diversification is something that perhaps has never been so paramount for the Canadian economy when considering what we are doing with the U.S.

We cannot be too reliant on the U.S. Traditionally, our strongest trading partner continues to be the U.S., but let us just imagine for a second that there was a U.S. president who wanted to tackle trade with Canada and there is a potential that we were going to see a reduction in that trade. This is certainly highlighting the opportunity with Europe, as well as the idea that we need to follow through and diversify and reduce our reliance upon our American counterparts south of the border.

When we look at the deal that was negotiated under the previous government, there were many tenets to it. It is a huge trade deal, but there were a couple of items which I know stood out for the people of Barrie—Springwater—Oro-Medonte. One of the unique things about the riding I represent is that we have both agriculture, a large rural area, as well as an inner city. The previous speaker and I have that in common. This was a trade agreement that had a wide-ranging effect on our economy, because we have both supply-managed farmers and on the other side we have great big manufacturers. About 15 minutes away from Barrie—Springwater—Oro-Medonte is a Honda plant that employs thousands. The word “plant” does not really describe what it is. It is more of a complex. This is certainly one of the local manufacturers that was seeing a positive return from CETA.

• (1745)

In fact, when I look at the supply-managed farmers, there was a decision regarding 17,000 tonnes of cheese and potential compensation available for those individual farmers, based on the loss of quota, etc. This was something that was committed to by the previous government. It included both CETA and the potential for TPP negotiations, which are certainly up in the air at this point. However, it was something that had been communicated to both this Parliament and the agricultural sector.

Unfortunately, one of the things that the government has not done is clearly articulate what its intentions are with regards to this piece of the trade agreement. We certainly do not want to see the government trading away supply management without the proper compensation put in place, as this is, after all, a government program. It is the government that has created this artificial value to the quota itself.

Government Orders

This has bred some uncertainty into the agricultural sector with regards to milk, cheese, etc., and just as it was in the manufacturing sector, the agricultural sector is looking for certainty and stability. It wants to know what the cost of doing business is going to be and certainly wants to know what the return on investment is in terms of a best case prediction and business plan going forward.

I will fast forward to Honda. I believe on March 15, 2015, and it might have been a little later in the month, there was an announcement made by the then prime minister, Stephen Harper, and the Canadian CEO of Honda Canada at the Honda plant in Alliston, that 40,000 vehicles, Honda CRVs, would be manufactured in that plant. There was going to be some retrofitting going on within the facility to allow Honda to create vehicles that would be used in Europe. This was going to spur a \$100-million investment by Honda Canada in the facility. Now we understand from Honda that it is no longer applicable and it is not going to produce those vehicles there. This comes back to the whole idea of stability and what is going on in the marketplace.

Since the original CETA decision was made by the previous government, we have seen some things change. It is clearly having an effect on Canadian jobs. It is having an effect on Canadian investment within manufacturing, and the result is that there will no longer be 40,000 vehicles built at Honda in Alliston and sent across to Europe. This means we are actually losing out on opportunity, we are losing out on jobs, and we are losing out on investment in Canadian manufacturing.

This is what changed. Previously, we had a government that said it would reduce small business taxes. In fact, today's government actually agreed and said that it would also reduce small business taxes, yet failed to follow through on that. We have a government today that is increasing taxes through a carbon tax, and \$50 per tonne of carbon is now going to be a tax going forward. It is being phased in from 2018 to 2022. It is having, obviously, a detrimental effect on the manufacturing sector.

The third piece was the cost of labour. We have seen payroll taxes coming down the line. Obviously it started with ORPP in Ontario and morphed into CPP nationally, and this is having a detrimental effect, a very bad effect, on the job market. The result that we have seen both across the country and in Barrie—Springwater—Oro-Medonte is that there is less investment, fewer jobs being create, and therefore more jobs being sent overseas, 53,000 last year alone.

Trade is not the only component to a strong economy. We want to have open arms to trade agreements with jurisdictions that we see a strong business case for, but we cannot kill our competitiveness at the same time. What the current government is doing through these increased taxes is killing our competitiveness while opening up these new trade agreements. Therefore, we would ask that Liberals to ensure that with all of our policies going forward, they change on the tax side to make Canada competitive again. Certainly we will support and follow through on CETA.

• (1750)

Ms. Filomena Tassi (Hamilton West—Ancaster—Dundas, Lib.): Mr. Speaker, I am happy the member is focusing on job creation. That is very important to this government. In fact, we made

record-breaking investments in infrastructure, and that is just one example of the many things this government has done to create jobs.

The opposition has voted against these investments. It is not in favour of these massive investments in infrastructure in order to create jobs. The member did a lot of criticizing about job creation, but he did not talk specifically about what CETA would do for job creation.

How will this agreement actually create jobs in our country?

Mr. Alexander Nuttall: Mr. Speaker, the member talked about record investments in infrastructure. I came from the private sector. In that sector, I did not judge my success by how much money I spent. I judged my success by the results achieved.

Unfortunately, the government is focusing on how much taxpayer money it can take out of government coffers and spend. It is not focusing on the jobs being created on the other side. That is why there are 53,000 less manufacturing jobs this year. That is why there are 29,000 less people working in natural resources this year. That is why there are 19,000 less people working in agriculture this year.

I would ask the government to focus on results, not just money.

Mr. Kelly McCauley (Edmonton West, CPC): Mr. Speaker, we on this side of the House support CETA. We support free trade with Ukraine. We also support the TPP. All of these items were created under the Conservative government. However, there seems to be a lack of vision and will by the current government on the next steps.

In industry, we always look down the road. In construction, we always look at, as it is ironically called, what is in the pipeline for future business. It is not just enough to do something today. We have to be looking a year or two years from now to keep things rolling. The Conservatives do not really see anything down the pipeline, and I am greatly concerned.

Does my colleague share the same concern that the government has done nothing else to kick-start the TPP or any other free trade agreement?

Mr. Alexander Nuttall: Mr. Speaker, what we have seen from the government, when it comes to the economy, is lack of a plan overall. It actually does not matter whether we are talking about trade, or the Minister of Innovation, Science and Economic Development, or the things the Conservatives hope would be included in a plan to create jobs in Canada. There is no plan. Nothing has been tabled or put forward, except for a 14-page report by an innovation committee that the minister struck.

Unfortunately, we will continue to be unable to follow a course to success and prosperity in Canada unless an agenda and a plan is put forward. It is not just about having an agenda or a plan; it is also about executing it properly.

I certainly join the member in waiting for this big master plan that we heard about during the entire election campaign, but have not seen a single piece put forward.

Government Orders

Mr. Alistair MacGregor (Cowichan—Malahat—Langford, NDP): Mr. Speaker, I am proud to rise today to speak to the third reading of Bill C-30, the implementing legislation for the comprehensive economic and trade agreement between Canada and the European Union, otherwise known as CETA.

I know there are those in the House who are quick to dismiss the opposition to this trade agreement, but I would remind all members that this is the people's House and these concerns deserve to have their say here in the heart of our democracy.

I also find it interesting that in today's debate, Liberal members of Parliament have decided to sit out and leave the heavy lifting to the NDP and the Conservatives. Perhaps they have grown tired of trying to defend this supposedly progressive trade deal. Be that as it may, I am proud to stand here today to provide a reasoned and principled progressive opposition to this implementation bill.

I want to start my speech by talking about the rushed process which the bill has gone through. I would go back to the solemn promise that the Prime Minister made in his open and accountable government publication, that ministers were to treat Parliament with respect and provide the necessary information for us to do our jobs. I quote from that publication:

Clear ministerial accountability to Parliament is fundamental to responsible government, and requires that Ministers provide Parliament with the information it needs to fulfill its roles of legislating, approving the appropriation of funds and holding the government to account. The Prime Minister expects Ministers to demonstrate respect and support for the parliamentary process.

When we look at what happened with Bill C-30, on October 30, 2016, the Prime Minister signed CETA at the Canada-EU leaders summit, and the implementing legislation was basically put forward on October 31. This rushed process violated the government's own policy on the tabling of treaties in Parliament, which requires the government to table a copy of the treaty along with an explanatory memorandum outlining key components of the treaty at least 21 sitting days before the legislation is presented.

This is just one more broken promise in a string of broken promises. The fact that the government violated its very own policy on this just shows how quickly the government forgets the principles for which it was elected.

We are also aware that all is not well among the members of the European Union. We know there have been several protests with over 100,000 people in attendance at each. In fact, the German constitutional challenge against CETA has garnered 125,000 signatures, and a recently launched referendum campaign in the Netherlands has collected over 200,000 signatures.

I do not believe that this opposition can be pegged simply on a rising tide of protectionism. There are very concrete reasons that people are opposed to CETA. What we have here is that Parliament is essentially being asked to write a blank cheque with this legislation to give the government the power to go ahead with it when we know that each one of the 28 member states of the EU still has to ratify this and it is a process that is expected to take anywhere from two to five years. Again, the question is, why do we have this rushed process?

To get to the crux of our opposition to this bill, it is about the investor-state dispute, the investor court system that is part of this agreement. New Democrats support trade deals that reduce tariffs and boost exports. If only we had a trade deal that was doing just that, but when we have components like investor-state provisions that threaten the sovereignty of our country and the ability of our country to make laws for the good of this place and its people, we believe those have no place in trade deals. The investor court system still allows foreign investors to seek compensation from any level of government over policy decisions that they feel impact their profits.

Earlier, I had an exchange with the member for Sherwood Park—Fort Saskatchewan on the rule of law. I think the rule of law has three constituent components to it: legality, democracy, and human rights.

Legality has to do with the fact that the bills are passed in a democratically elected House of Commons. They have a process they go through: first, second, and third readings, royal assent, and so on. Democracy comes from the fact that the members of the House who propose laws are democratically elected and are accountable to the people. Constitutionality comes from the fact that all laws that we make in this place are subject to the Constitution of Canada and the Charter of Rights and Freedoms.

● (1755)

I think he misinterpreted what I was trying to get at in our argument about the democratic accountability of the investor court system. I feel that when we have an investor court system that can supersede the democratically elected people's representatives, be they at the municipal, provincial, or federal level, that does not satisfy my definition of the rule of law. I think the rule of law is being superseded by a system that is profoundly undemocratic. Never mind that it was set up by an elected majority, which by the way, got there with 39% of the vote. It is the fact that it is able to overturn or sue lower levels of government precisely because of the way they are acting.

To give a perfect example, for my constituents in Cowichan—Malahat—Langford, we have a contaminated soil dump that is causing great grief to the local community. It is a gravelled area that is now taking in contaminated soil, and the company in question is, of course, receiving money for all the contaminated soil it is bringing in. The local government, and even the provincial government, have realized the error of their ways, and now there may be a process afoot to try to reverse that contaminated soil.

If we had an agreement in place like CETA, and it was a foreign company operating there, it could basically sue the local government and sue the provincial government for the loss in profits, for dumping contaminated soil in an area that supplies drinking water to a local community. Where, in all that is logical, does that make sense? For the residents of Cowichan—Malahat—Langford, my home riding, that puts in perspective what this could allow foreign companies to do.

Government Orders

The other thing we in the NDP have gone over is pharmaceutical costs. I used to serve as the New Democratic Party critic and spokesperson for seniors. I have handed that off to the member for North Island—Powell River, and she is doing a great job. We have testimony from the Canadian Generic Pharmaceutical Association, an association that is an expert on this subject. It had a study prepared for it that showed that the proposals in this agreement would delay the introduction of new generic medicines in Canada by an average of three and a half years. The cost to pharmaceutical payers for this delay was estimated to be \$2.8 billion annually, based on generic prices in 2010.

I have been helping seniors in my riding for many years. Before I was a member of Parliament, I worked as a constituency assistant. I saw first-hand how seniors are struggling with the cost of living. Many of them, when it comes to the high cost of pharmaceutical drugs, either do not take their dosage or take less than what is recommended by a doctor. This can lead to cascading health effects down the line. Why in the world would we institute a system that would increase the cost of pharmaceuticals, when all the talk in Parliament these days, and a lot of pressure, is on how we can institute a national pharmacare system to bring these costs down? It seems to be at odds.

We know from our conversations with small businesses, the small businesses in my riding, that they want more consistency. We know they want fewer regulations and they want standards that are simple to comply with: simple border processes, less paperwork, and lower costs. If we had a trade deal that was actually just about trade, the free movement of goods, and making sure tariffs were being lowered, we could deal with that. However, this implementing legislation contains a laundry list of acts of Parliament and regulations that are going to have to be changed. It is a 140-page bill, and it goes way beyond trade.

We believe that greater access to European markets is great for Canadian goods, but just as with the TPP, CETA is a massive trade and investment deal that makes significant changes on investor rights, intellectual property, pharmaceutical drugs, and more. I believe that Canada must maintain its sovereignty over the ability to make policy for the good of the country and its residents, and I will stand and defend that for as long as I can.

• (1800)

Mr. Robert-Falcon Ouellette (Winnipeg Centre, Lib.): Mr. Speaker, I believe that the CETA trade deal is a good thing. The European Union is a group of countries that share many similar values that we have here in Canada. Not only that, I believe it offers the opportunity of creating more jobs, and the potential for high-skills jobs in our country.

I wonder how the member can justify throwing away future potential growth with the number of jobs that we could have in this country.

• (1805)

Mr. Alistair MacGregor: Mr. Speaker, no one on this side is advocating that we throw that opportunity away. I would like to know how those key components, like the cost of pharmaceuticals to our seniors, matches with his government's plan of a national

pharmacare plan. How does the fact that we can have this investor court system somehow challenge the laws of our local municipalities and provincial governments make for the good of our citizens? If we are able to remove that specific provision, we would absolutely start looking at it.

I agree with the member that trade with Europe is important. We have a common history and a common culture, and a lot of us speak the same language. These are countries that we want to do business with. They are democratically elected governments and so on. However, because of the provisions I outlined in my speech, on this side of the House, we have to maintain a principled opposition for those very reasons.

Ms. Tracey Ramsey (Essex, NDP): Mr. Speaker, all of us New Democrats did our due diligence around this piece of legislation, and I do not think the same can be said for other members of this House. This is an incredibly vast piece of legislation. This is the largest trade deal that we would sign since NAFTA.

It is a false premise to say that because we have a close relationship with Europe that there are not concerns with this deal. Europeans feel that there are concerns with this deal, and the likelihood of this passing through the member states is extremely low. Are we going to have our relationship with Europe hinge on European member states voting against an agreement that we have an opportunity to fix? It is too important to get it wrong. We should be fixing it.

I would like to say something around the ISDS or the investor court system that the member brought up, his concerns around what could happen, and the implications at the municipal and provincial levels. This is a provision that has not worked well for Canada. Chapter 11 in NAFTA has seen us be the most sued country in the world. Chapter 11 in NAFTA is the first time that we have had this provision between two developed countries. This has therefore not always existed between two developed nations.

I believe that we have a progressive court system in our country that can solve any trade issues that we bring. I wonder if the member can speak to that and whether he feels we should be signing trade agreements that include provisions that sign away our sovereignty.

Mr. Alistair MacGregor: Mr. Speaker, I would agree with my friend from Essex. I have absolute confidence in our Federal Court system. I believe that the judiciary, the legislative branch, and the executive in our country already have a good working relationship. I do not see that they need to interrupt that.

I will always take the side of defending Canada's sovereignty in its ability to make policy for the good of local citizens. If the Liberals and the Conservatives want to take the side of foreign corporations coming in and having the ability to challenge our local governments, I will take on that argument any day of the week.

[*Translation*]

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

Some hon. members: Question.

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

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And five or more members having risen:

The Deputy Speaker: Call in the members.

[English]

Mr. Kevin Lamoureux: Mr. Speaker, I request that the recorded division on the third reading of Bill C-30, the Canada-European Union comprehensive economic trade agreement implementation act, be deferred until the expiry of the time provided for oral questions tomorrow, Tuesday, February 14.

• (1810)

The Deputy Speaker: Accordingly, the recorded division is deferred until tomorrow, February 14, at the expiry of the time provided for oral questions.

Mr. Kevin Lamoureux: Mr. Speaker, on a point of order, I am sure if you were to canvass the House, you would see the will at this point to see the clock at 6:30 p.m.

The Deputy Speaker: Is it the pleasure of the House to see the clock at 6:30 p.m.?

Some hon. members: Agreed.

ADJOURNMENT PROCEEDINGS

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

[Translation]

CANADIAN HERITAGE

Mr. Pierre Nantel (Longueuil—Saint-Hubert, NDP): Mr. Speaker, I am rising in the House today to follow up on a critical question related to our cultural industries.

The minister's consultations were held in the fall. One point was repeatedly brought to the attention of the minister and her staff, and, I hope, to that of other departments and ministers. On October 26, I asked a question in this regard. I basically said that ADISQ is in crisis over streaming, print media is asking for help transitioning to digital media, and creators are once again considering purchasing advertising spots in children's programming, which is unbelievable.

In the meantime, the Minister of Canadian Heritage keeps giving a free pass to Facebook, Google, and Netflix, who are not paying their fair share and are literally working under the table.

I asked the Minister of Canadian Heritage whether she was finally going to stand up for the ecosystem for which she is ultimately

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responsible. She is a proud defender of that system, which she herself rightly refers to as an ecosystem. I asked her to ask her colleague, the finance minister, to ensure that these people pay their fair share.

She replied that the upheaval in the media and entertainment industry is precisely what prompted her and her team to take leadership on this issue and go beyond what was asked in her mandate letter, which is true. I commend her for that.

She was vague about the issue of sales tax, which is the most basic tax, the harmonized tax, or the GST, which usually covers most of our economic activities related to consumption.

It is unfair and there is no reason why some businesses do not have to collect these taxes and report their sales figures in Canada. I would call that freeloading. It is unbelievable and very difficult for consumers to understand why their invoice from services such as Apple Store or iTunes shows no tax, no GST, no QST on a transaction for a song, but that they pay tax on certain apps that they download from the same service.

When we dig a little deeper and ask tax and excise officials questions, they tell us that this situation, this irregularity, may be due simply to the fact that iTunes and the Apple store are aggregators and that if the product the aggregator is selling is made in Canada, it is taxable. That seems utterly absurd to me. It is contrary to the spirit of the law to put our own businesses at a disadvantage.

Consider services such as Shomi or the defunct Crave, which attempted to compete with the likes of Netflix, which is global in its reach. Here is the scenario. Suppose Netflix has 10 million subscribers in Canada. That is a made-up number. Multiply 10 million subscribers by about \$100 per year, and that is \$1 billion. If those transactions were taxed, that would be a lot of money. That is some significant corporate revenue that should be taxed and should be contributing to our system.

I would like to know if the Minister of Canadian Heritage or her department has had any word from the Minister of Finance about this.

• (1815)

[English]

Mr. Sean Casey (Parliamentary Secretary to the Minister of Canadian Heritage, Lib.): Mr. Speaker, I would like to thank my colleague from Longueuil—Saint-Hubert for raising this issue.

Our government recognizes the value of arts and culture to Canada's society and economy. We know we are living in exciting transformational times. Rapid technological advances and changing consumer behaviour are creating both challenges and opportunities.

[Translation]

The government consulted Canadians in order to ensure that its cultural toolkit is adapted to today's digital reality and that we can successfully meet all challenges related to the creation, discovery and export of Canadian content in a digital world.

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[English]

The government's focus is to ensure that Canadian creators have the tools necessary to thrive in the digital world.

[Translation]

The consultation will help us adapt our cultural policies to today's digital realities.

[English]

As the initial consultation paper indicated, the way forward is not in attempting to regulate content on the internet. Our focus should be on how to best support Canada's creators and cultural entrepreneurs in creating great content and in competing globally for both Canadian and international audiences.

Grabbing a bigger piece of the global pie is critical to building a strong and viable creative sector.

[Translation]

As part of the consultation process, we organized discussions in Vancouver, Halifax, Toronto, Iqaluit, Edmonton and Montreal. These discussions took place with representatives from a variety of creative sectors. ADISQ was one of the groups represented that took part in the event in Montreal on October 28, 2016.

[English]

As well, individual Canadians and groups were encouraged to submit their ideas to the consultation web portal. ADISQ took advantage of this opportunity to submit a paper, which is publicly available on our web portal. The information and data received from both the online consultations and in-person events is being analyzed and will be presented in a public report. This information will help inform the government's approach to continue to support the sector.

By directly consulting Canadians, the Government of Canada will be able to determine how best to support Canada's creators and cultural entrepreneurs in the new digital environment.

[Translation]

Mr. Pierre Nantel: Mr. Speaker, how disappointing. I was trying to give credit where credit is due when I said that the Minister of Canadian Heritage was sincerely interested in this industry. I cannot believe that her department would give her parliamentary secretary such a briefing. How disappointing. This smacks of a postcard written three months ago. There is no need for consultation. It does not take a rocket scientist. No taxes are being paid, but some taxes are being charged to Canadian entrepreneurs. It is unfair, period. I am not asking the Minister of Canadian Heritage to fix it. My question was: did she get a response from the Minister of Finance on this?

Honestly, I am extremely disappointed in this answer. He got a very bad briefing or there is someone who did not do their homework. It is not complicated. Just read the 300 testimonials that were sent to see that most people mention the sales tax that is not being collected on these types of transactions. It is not right. It is unfair to Canadian and Quebec entrepreneurs. I do not get it.

Mr. Sean Casey: Mr. Speaker, how unfortunate. What do we mean by enhancing the creation, discovery, and export of Canadian content in a digital world? It means that we want to give creators and

businesses in Canada's cultural sector the means to develop and fully contribute to Canada's economy.

[English]

It means creating pathways to market so creators can share compelling and engaging stories that positively shape an inclusive and open Canada. Above all, it means valuing the social and economic contributions of our creators and cultural entrepreneurs.

• (1820)

[Translation]

We have to acknowledge that creativity is at the heart of innovation. That is the basis for a strong middle class and it is key to the success of Canada in the 21st century.

[English]

TAXATION

Mr. Ted Falk (Provencher, CPC): Mr. Speaker, I am pleased to rise in the House today to revisit the question I asked the Minister of Canadian Heritage on October 31 of last year. That is over three months ago.

I asked the minister about a tax credit that was quietly brought forward by the Liberal government that would benefit talk shows. This tax credit was also to be backdated to February of 2016. In October, I asked the minister to tell the House how much this tax credit would cost hard-working Canadian families. In response, we did not learn how much the tax credit would cost taxpayers, nor was the tax credit even acknowledged in the minister's response. This is what brings us here tonight.

I cannot believe that yet another measure is being introduced by the Liberal government that will likely cost the taxpayer substantially while benefiting very few. Meanwhile, tax credits that benefit Canadians coast to coast are being revoked. We watched as the children's fitness tax credit and arts tax credit were revoked, and the Liberal government even cancelled income splitting for families. These tax credits and measures that would benefit the average Canadian are being repurposed to finance boutique issues and the Liberal elite.

As the media pointed out, the subsidy is sure to benefit a number of production companies in, of all places, the Prime Minister's home town of Montreal. As Canadians, we should be questioning the priorities of a government that is subsidizing talk shows while running a projected \$25 billion deficit, and indeed running deficits almost every year until 2055, according to the Department of Finance.

We should be questioning why the government chose to squander a federal surplus left by the previous government and is raising taxes on Canadians families to finance niche markets like talk shows. Given that the government cannot even follow its own ethical standards, Canadians deserve to know how much of their hard-earned tax dollars are going to fill the pockets of media elites who are friendly with the Liberal government. We should be looking into whose hands this money actually falls. Is this another way to finance cash for access fundraisers concocted by the Prime Minister and his Liberal cronies?

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As all of this unfolds in front of us, I worry for my children and grandchildren, who will be saddled with this enormous debt. In the meantime, Canadians will continue to be taxed, unable to decide how to spend the money that they worked hard to earn. We know that the Minister of Canadian Heritage is looking into a Netflix tax and that the government is considering a tax on health and dental benefits. These are taxes that would hurt the middle class, Canadians that the government claim to advocate for.

It is clear that the Liberals will propose tax credits when they help their friends hosting talk shows, but will cancel them when they help ordinary, hard-working Canadian families. Can the parliamentary secretary tell us today, definitively, how much this tax credit will cost taxpayers?

Mr. Sean Casey (Parliamentary Secretary to the Minister of Canadian Heritage, Lib.): Mr. Speaker, one of the things that the member for Provencher mentioned in the course of his remarks was his belief that the government is considering a Netflix tax. I can disabuse him of that again tonight. That is absolutely not the case.

On November 1, the Minister of Finance tabled his fall economic statement. Setting a new bar for transparency, this statement included economic projections for policy actions taken since budget 2016. This includes the regulatory change that now makes talk shows eligible for the Canadian film or video production tax credit, which dates back to 1995. The immediate value of this change is estimated in that document at \$8 million in 2016-17. Over time, this amount will increase as new productions emerge and become eligible to an estimated \$33 million.

[Translation]

Our government is proud to support Canada's film and television sector.

[English]

Indeed, federal support for this sector in 2015-16 was almost \$670 million, excluding CBC/Radio-Canada. In budget 2016, we made important new investments in Telefilm Canada, the National Film Board, and CBC/Radio-Canada. These investments will support a key economic driver in our country's cultural sector. Film and television activity in Canada generated an estimated \$8.5 billion in GDP in 2015-16.

• (1825)

[Translation]

This industry is also an important vector for job creation in Canada. It employs more than 140,600 Canadians and benefits small and medium-sized businesses across the country.

[English]

It is also a sector that is showing strong growth. In 2015-16, \$6.8 billion was spent on production budgets in Canada. This includes both the Canadian content productions supported by this tax credit and also foreign productions that shoot in Canada. As a labour-based tax credit, the Canadian film or video production tax credit increases as more films and television shows are produced in Canada and more Canadian creators are employed.

More film and television production is not only good for our economy today, but also helps us attract the international talent and investment that can position Canada as a future leader in a global economy where innovation and creativity will play an important role. There are enormous opportunities for our creative industries in an increasingly digital and global marketplace. Our government is working hard to support their current and future successes.

Mr. Ted Falk: Mr. Speaker, I want to thank the parliamentary secretary for answering the question that I presented to the minister. Just to reiterate, the tax will cost Canadian taxpayers \$8 million then grow to \$30 million over time for talk shows.

I was also pleased to hear the parliamentary secretary confirm that there will not be a tax on Netflix.

I am just wondering whether the parliamentary secretary would be so kind as to confirm that Canadians do not have to worry about their health and dental benefits being taxed as well. I am sure Canadian taxpayers would love to be reassured that they will not be burdened with another tax.

Mr. Sean Casey: Mr. Speaker, it is a little outside my portfolio to talk about the taxation of health and dental plans but I was here in the House, as I believe was the hon. member for Provencher, when the Prime Minister was absolutely unequivocal in his statement to that effect. That is the end of that discussion for me and I would certainly hope and expect for my colleague too.

The Deputy Speaker: The motion to adjourn the House is now deemed to have been adopted. Accordingly, the House stands adjourned until tomorrow at 10 a.m. pursuant to Standing Order 24(1).

(The House adjourned at 6:27 p.m.)

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