



House of Commons
CANADA

Standing Committee on Human Resources, Social Development and the Status of Persons with Disabilities

HUMA • NUMBER 009 • 2nd SESSION • 39th PARLIAMENT

EVIDENCE

Thursday, January 31, 2008

—
Chair

Mr. Dean Allison

Also available on the Parliament of Canada Web Site at the following address:

<http://www.parl.gc.ca>

Standing Committee on Human Resources, Social Development and the Status of Persons with Disabilities

Thursday, January 31, 2008

• (0905)

[Translation]

The Chair (Mr. Dean Allison (Niagara West—Glanbrook, CPC)): The committee is now in open session.

Mr. Yves Lessard (Chambly—Borduas, BQ): Mr. Chair, I'm pleased that we can study the Bloc québécois motion from the start of our proceedings this morning.

This motion concerns the severity of the current crisis in the manufacturing and forestry sectors. It reads as follows:

That the committee recommend to the government, in view of the serious crisis in the forestry and manufacturing sectors, that it implement without delay an improved assistance plan for the forestry and manufacturing sectors, including \$1.5 billion in support measures for workers affected by the crisis, including \$60 million for an income support program for senior workers and a \$1.44 billion reserve for the employment insurance fund to be placed in a special fund until an independent fund is created; and that the adoption of this motion be reported to the House at the earliest opportunity.

Mr. Chair, do you prefer that I present my arguments or that we immediately move on to the debate?

I don't think anyone can be excluded from this debate in Canada. We've examined the scope of the problem that has been raging in the manufacturing and even the forestry sector for a number of years now, particularly in the past three or four years.

Tens of jobs have been lost. In fact, we're even talking about more than 130,000 jobs lost in four years in the manufacturing sector. All political parties, and more particularly the opposition parties, are dealing with this problem. The government showed encouraging signs when it announced an assistance program in the context of a trust. However, to general surprise, we observed that that program was inadequate, on the one hand, and that the funding was misallocated, on the other. The allocation was based on the population of each of the provinces, rather than the scope of the problems affecting the specific provinces, particularly Quebec and Ontario.

In addition, the government made that announcement conditional on adoption of the next budget, which we consider utterly unacceptable. If I understand correctly, that's also the view of the other opposition parties. It is not up to me to speak on their behalf, but that's what we've understood from the messages they are sending, from the statements they have made and from the positions they have taken. Not acting now, we feel, would be to fail in our responsibilities as parliamentarians.

Using all surpluses to pay down the debt, which the government is preparing to do again, is tantamount to acting as though only one group was important in society. In other words, the Conservatives' approach is to favour the oil companies and Western Canada as much as possible and to pretend to make an effort, if I can put it that way, for those who need assistance now.

In our society, those who need help now are the manufacturing and forestry businesses. It's also, if not more so, the workers affected by this crisis. I would say this involves entire communities. In Quebec, hundreds of villages are doomed to economic death since they depend solely on forestry, in particular.

Mr. Chair, as I said earlier, action must be taken now. Since the government has not acted in good faith, we of the Bloc québécois thought it was our duty to intervene in the committees. Intervening at the right time to correct unacceptable situations, among other things, is the committees' primary function.

Of course, engaging in politics also means anticipating, foreseeing events, and planning management policies. In this case, however, two successive governments have refused to anticipate. For years now, the Bloc québécois has announced that we were headed toward a major crisis in the manufacturing sector and has spoken out on the announced crisis among the forestry companies.

• (0910)

Mr. Chair, I am pleased that you've put this motion at the top of the agenda, because I believe you too recognize that there is some urgency here. This is the call I am also making to all our colleagues on this committee, including, of course, our colleagues from the Conservative Party who constitute the present government.

The work we're doing this morning is not partisan work designed to prove our party right. We have introduced a motion. We don't claim to be perfect, but what we do claim is that the effort must be commensurate with the needs. Furthermore, the amounts in question and the way they are allocated must be recognized by this committee and recommended to the House of Commons.

I would be pleased to hear the opinions of our colleagues on the committee. Thank you.

[English]

The Chair: Thank you, Mr. Lessard.

So far, all I have on the list is Mr. Martin.

Mr. Martin.

Mr. Tony Martin (Sault Ste. Marie, NDP): I want to go on the record on behalf of the New Democratic Party caucus in support of this motion. I think it's absolutely necessary and certainly timely in light of the damage that is happening in communities, particularly in my experience across northern Ontario, where community after community is losing its mill and the whole town then is traumatized. People aren't sure what they're going to do. They are in immediate need of some income security so that they can have some time to plan for their future.

It seems to me that the EI fund, which has some major challenges following changes that were made to that system back in the early to mid-1990s, is a perfect vehicle to use to this end. If we simply leave those communities to their own efforts, we will end up with a lot of devastated towns, families, and individuals, as this change to the forestry industry takes hold and rolls itself out.

I know from having travelled across northern Ontario with a private member's bill that I proposed to the government to give FedNor, for example, bumped up capacity to actually participate, make some investments, and give some leadership in that part of the country, and having sat down and talked with leaders in those communities, that they're beside themselves as to what to do.

I look back to the early 1990s when my own community of Sault Ste. Marie was in some difficult straits and governments, both provincial and federal, came to the table with leadership, with resources, and with the willingness to see a future for those industries. Whereas at that time Algoma Steel, St. Marys Paper, and the Algoma Central Railway were virtually in bankruptcy, we were able to turn that around and they are now today very important pieces of infrastructure in that whole area, providing employment and generating great wealth and opportunity for further investment. I think this could be the case for many towns across Canada in front of this very devastating forestry challenge that we're facing.

I was in Welland, your own area, about a week ago and spoke with some of the leadership there: people who are using their own resources along with some small contribution by different levels of government to try to deal with the results of the downsizing in the manufacturing sector. It's pretty depressing to listen to the stories and to hear these people talk about the effort and lack of resources that families are experiencing as they try to deal with some of the impact of the change in the manufacturing sector, particularly in the Welland area.

I am here this morning on behalf of our caucus to say that we will certainly be supporting any initiative that will provide people, communities, and some of these industries with some assistance to get through this very difficult time, to restructure, and to provide the opportunity that I believe is central to the Canadian economy and will be again at some point.

This is a very worthwhile resolution to be debating here this morning. It's very timely, and I think we should all get behind it and support it, so that we can get that kind of support out to those communities, those families, and those people in this very difficult time.

• (0915)

The Chair: Thank you, Mr. Martin.

On the list I have Mr. Lake, Ms. Yelich, Mr. Komarnicki, and Mr. Savage.

Mr. Lake.

Mr. Mike Lake (Edmonton—Mill Woods—Beaumont, CPC): My understanding, and maybe we can get some clarification on this, is that the finance committee has already voted to have a study on this exact issue. Is that not the case? Can anyone clarify that?

The Chair: There have been similar motions out there. I believe Natural Resources dealt with a similar motion in trade, although it was not specific because there weren't the identical dollar amounts, and a few other committees. Yes, I believe that Finance has committed a couple of days to look at this similar issue.

Mr. Mike Lake: And from what I am looking at, you are right, they are not exactly the same motion. In fact the finance committee motion encompasses everything in this motion plus some more. So the finance committee has already agreed to study everything within this motion.

I don't think there's any question that when you look at introducing virtually the same motion to five different committees, that is clearly an indication of the intent to obstruct Parliament. You cannot have five committees sitting on exactly the same thing. That makes no sense at all. Once one committee has decided to study it, there is no sense tying up four other committees with exactly the same study.

Clearly I would oppose this, and we'll move forward with the employability study. Obviously when we are dealing with the issues we are talking about and undertaking a study as important as our employability study, you would think that would be an absolute priority for us given that the finance committee has already agreed to study this issue.

• (0920)

The Chair: Thank you, Mr. Lake.

Ms. Yelich.

Mrs. Lynne Yelich (Blackstrap, CPC): I just wanted to hear what the Liberals had to say about that.

I find it quite amusing that Mr. Lessard is looking into the future and talking about being futuristic. Does that mean he is going to disband the Bloc Party and join a real national party? This is what the federal government does. It has programs for all of Canada, and there has been a lot of investment in the industries. There is the \$1.4 billion community development trust for all of Canada. Quebec itself has \$72.5 million in target initiatives for older workers. I am just wondering if he expects those programs already in place to be scrapped so that we can agree to his budget. I am just wondering what his thoughts are, and I just want to hear what the Liberals have to say about this.

The Chair: Okay. I have Mr. Savage, followed by Mr. Komarnicki, and then Ms. Sgro.

Mr. Michael Savage (Dartmouth—Cole Harbour, Lib.): Thank you, Mr. Chair.

First of all, I want to commend Mr. Lessard for bringing this forward. I think we've all been hit in our communities by the downturn in manufacturing and forestry. In my own riding, a plant closed two weeks before Christmas, putting over 500 people out of work.

I think the response from the government is inadequate, and I think this needs to be evaluated, so I commend Mr. Lessard for bringing this forward.

I have spoken to people on the finance committee who indicated to me that they will be looking at this. I don't think it makes sense for two committees to be doing it at the same time. I would rather not vote against this. I would rather table this until we see what the finance committee has to say. We would be very amenable to discussing this motion. We might have some amendments and some recommended changes that we would consider to be friendly, if the time came.

We think it is worthwhile having the discussion. It is a very important time in the history of Canada in the manufacturing and forestry sectors. They need more attention. But I do believe the finance committee is going to have a look at it. My recommendation would be to table it, see what the finance committee does with it, and then look at it again.

The Chair: Thank you, Mr. Savage.

I have Mr. Komarnicki and then Ms. Sgro.

Mr. Ed Komarnicki (Souris—Moose Mountain, CPC): Thank you, Mr. Chair.

It is good to see Mr. Lessard. I was previously on this committee, and certainly he has promoted older workers and dealt with the EI fund on numerous occasions. Although he may have the right sentiments, there is no question that when you are looking at the kinds of dollars he raises in this motion, that is something that would require budgetary considerations and that certainly should be looked at by Finance. We are not talking small dollars. He is talking \$1.5 billion and \$60 million and \$1.44 billion. Those kinds of considerations should go to the finance committee through budgeting and Treasury Board and so on.

As you well know, Mr. Chair, our government has created a \$1 billion community development trust fund to deal with issues like that. But again, it's contingent upon the budget and budgetary measures. There is an investment of \$72.5 million in targeted initiatives for older workers and also \$127.5 million for long-term competitiveness initiatives in the forestry industry. So there are a number of initiatives and variations of that.

When we talk of that degree of dollars, and specifically—and I think I agree with Mr. Savage—that a motion similar to this is being looked at by what I would consider the appropriate committee, that's where it should go. In my view, in this committee this motion should be opposed or set aside for future consideration for those reasons.

The Chair: Thank you.

Ms. Sgro, followed by Mr. Martin, followed by Mr. Lessard.

Ms. Sgro.

Hon. Judy Sgro (York West, Lib.): Thank you very much, Mr. Chair.

I too believe this is a really important issue. I would rather that we weren't even dealing with it, that our country would continue to move forward in a positive way, and that more job creation was happening and so on. But the reality is that anyone who has been in the U.S. has seen the downturn in the economy there. They're into a recession, whether they're ready to admit it or not. When that happens, we know it's going to happen here, and we know it's going to affect a lot of our workers and a lot of the companies. The auto industry has been really hit these last couple of months, and we continue to see jobs lost there.

I think the issue is important, I think we need to be looking at it, and I think it's appropriate that this committee look at it. But I am concerned about the fact that Finance is where it all ends up. They are currently looking at it, and we have other things to do. I think we should get on with the employability study and try to get that finished so that we can move into some of the poverty issues we wanted to study.

I do think it's very important. We should be looking at it if it's not being dealt with properly at the finance committee. It should come back and we should be looking at it....

So I think you need a motion to table it at this particular time. Let's monitor what's going on at Finance so that we don't lose the importance of this issue, and we'll move on with it at a later date.

Thank you.

• (0925)

The Chair: Mr. Martin.

Mr. Tony Martin: I don't agree with tabling this and setting it aside. There's a real sense of urgency around this. Anybody who has gone out to speak to the families and communities that are being hit with this, particularly the one-industry communities, will know that there is no tomorrow here. They need assistance now or else they lose—they lose all their investments in their homes, their small businesses, their industries.

Yes, some of them may have to pick up and move to places like Calgary—where there is no housing.

These are very devastating and difficult circumstances. There are some communities in northern Ontario where people are actually walking in now, from the States particularly, with credit cards and buying up homes as cottages so that they can come up and spend the summers up there. This is pretty devastating stuff for these folks.

For us to suggest for a second that we put this off somehow to some other committee, or that somebody else deal with it.... I know that ultimately it would have to go through Finance, but I think we can send a message to Finance from this committee that this is really important. This is of some urgency.

In terms of the billion dollars the Conservatives rolled out—I'm wondering if they think that's enough—the hanger they put on it was that it not flow until the budget is brought down. Now I'm hearing from the finance minister that the budget is going to be.... We thought it was going to come soon, and now it's not going to come soon at all. It's going to be later, apparently.

How long are you going to make these communities twist in the wind here? How long are they going to wait before some money from the federal government flows out to them so that they can take care of their immediate needs? There's an urgency here, a real urgency around this. As I said, all you have to do is go out and meet with some of the people in these communities to get a real sense of that urgency.

So I would suggest that we not table this, that we not put it off, and that if in fact at the end of the day it is Finance that will deal with it ultimately, we send the message to Finance that this is really important and needs to be done, that we need to get the money out the door so that these communities and these families can take care of their issues in front of this terrible reality in the manufacturing and forestry sector that they had absolutely no hand in causing. They just got up every morning, packed their lunch pail, went to work, worked hard, and then one day the plant closed down. Now they're being asked to shoulder the whole burden, for the most part, in terms of the impact.

I think it's incumbent on us to do the right thing, and to do it immediately.

The Chair: Thank you, Mr. Martin.

I've never heard of people buying houses on credit cards, but....

Mr. Tony Martin: You should go into northern Ontario and have a chat with some of these folks.

The Chair: I've seen credit used in a lot of different ways, just never for buying houses.

Mr. Lessard, sir.

[*Translation*]

Mr. Yves Lessard: Thank you, Mr. Chair.

By way of a preamble, I would say that, in politics, there are those who make political statements and those who have a political will.

Ms. Yelich asked me whether this replaced existing programs. It doesn't replace existing programs, but rather those that have been cancelled, in particular the \$500 million Technology Partnerships Canada program, which was introduced by the previous government. That's what they've done during the crisis. They haven't put any programs in place, or consolidated any either; instead they've cancelled some. That's why we're in this situation today.

It's not because the question is being examined by the Finance Committee that it shouldn't be put before our committee. I don't accept that argument. The Finance Committee has to give its opinion on all financial commitments under its jurisdiction. Our committee must consider matters pertaining to human resources and social development, which includes the question of the safety net for workers who lose their jobs. The issue today is about all those individuals who have become vulnerable as a result of the crisis in

the manufacturing and forestry sectors. We have to discuss this to determine what measures we should recommend to the House, and to the Finance Committee, because it must have an overview and advise the House. However, it wouldn't be surprising at all if it were the Finance Committee that awaited our opinion. It's like the chicken and the egg. Which will come first? Them or us? We have to give an opinion, and we are responsible for protecting these people by protecting programs that can help them when they lose their jobs.

I'm very sensitive to Ms. Sgro's argument that there is an urgent need to talk about poverty. The committee has decided to discuss that subject. Our colleague Mr. Martin wants to do that, and I think we should pay tribute to him for all the work he has done in that area. This isn't a question of political parties. When people defend these kinds of issues so fervently, particularly when the need is so great, we must recognize that. However, I would remind our colleague Ms. Sgro that we're talking about a measure to protect poor people or people who are going to become poor.

Poverty is not an abstract thing that we can be happy to philosophize about and adopt nice positions on in a cyclical manner, as we did in 1990 and 1993, and then do nothing about. Child poverty has increased, not decreased, whereas we said we would reduce it by 50% before the year 2000. These are social measures. The employment insurance fund already has surpluses. The present government isn't in a poor financial position either, because it has generated significant surpluses, which even the previous government will recognize. This year once again, the government has generated a major surplus of \$11.5 billion. It wants to attach that to the next budget. However, this doesn't even concern the next budget.

We've examined the positions of the other parties. The Liberal Party feels that the total cost of all measures targeted at the manufacturing sector is between \$2.5 and \$3.6 billion, depending on the measures adopted. We come to roughly the same figures. So that means that we agree on the measures that should be taken and the needs recognized. We're identifying the right needs, but we're not necessarily going about meeting them in the same way.

● (0930)

Will we refuse to take this path, saying that someone else should decide for us? This is our responsibility, not that of the Finance Committee. The Finance Committee has to have an overview in order to determine what it is possible to allocate to the various budget items. That's how we have to look at it. Otherwise we'd never need to talk amongst ourselves when it came to finances relating to our responsibilities.

Out of a budget of \$235 or \$234 billion—you'll spare me \$1 billion—we've generated a surplus of \$11.5 billion. It's the Finance Committee that has to examine that question as a whole.

The introduction of these measures in no way requires us to reduce the funding of certain programs. The idea is simply to determine whether we have the political will to take this initiative. If we do, is it the right one? I understood that my opposition colleagues were prepared to take measures. I understood that my government colleagues also agreed, but that they were not ready to take measures. That's the difference between us. Are we going to take these measures?

I'll conclude by recalling that the money is there. So it's not a question of money. It remains for us to determine whether we will act on the political will we've shown. That way, we'll know who's speaking the truth.

Thank you, Mr. Chair.

● (0935)

[English]

The Chair: Thank you, Mr. Lessard.

On my list right now are the following: Mr. Lake, Ms. Sgro, Mr. Savage, Mr. Komarnicki, and Ms. Yelich.

Mr. Lake, go ahead, please.

Mr. Mike Lake: There are a lot of things in the last two statements to respond to. First of all, I take issue with the wording Tony is using in this: "There is no tomorrow." We've used some really big language to talk about the problem. This is a serious problem. There's no question that there are some serious issues out there, and we acknowledge that. We need to be realistic about the economy. We need to be realistic about how the situation in the U.S. is going to impact Canadians. We also need to be very careful. We're the leadership of the country, and we need to be very careful about how we articulate the issue. Consumer confidence, obviously, as anyone here in this room knows, is crucial to ensuring that the economy remains as strong as possible. We have to remember that right now the Canadian economy is, if not the strongest in the world, one of the strongest economies in the world.

Our employment situation in Canada is still very strong. Contrary to what Mr. Lessard might suggest, poverty is lower than it has been in the past across the country. People are employed across most of the country. The numbers are strong. Yes, there are some issues, and we're dealing with those issues. But we do have to be very careful how we articulate this.

We've taken some measures. I'm hoping that given some of the talk on the other side of the table that the opposition parties will be considering supporting the budget, and supporting the \$1 billion community development trust we've put in place. I also want to point out that in our economic update in the fall we took some steps that put us in a very good position to be ahead of the curve on this. In terms of the tax cuts that we made for Canadians, all Canadians, including the workers you're talking about, whom you represent, are going to be paying less money to the government and having more money to spend on the things they need for their families.

We've taken some steps that are going to make Canadian businesses more competitive. So as we move forward, Canadian businesses will be more competitive than any of the other businesses in countries in the G-8. We'll have the most competitive business environment in the entire G-8 when our corporate tax cuts come fully into place within the next five years. We've set that action in motion ahead of the curve in the economic update that we came out with in the fall. In Canada, we're probably in the best situation in the world heading into what may be a little bit of a tough economic ride.

Tony talked about pushing this off to another committee, but that's not the truth at all. We're not talking about pushing it off to another committee. The other committee has already voted to study this

issue. Surely there are other important issues at the same time as this that Parliament needs to be discussing without having five committees tied up studying exactly the same thing. It's ridiculous.

Every single word contained in this motion, from what I'm looking at, is also contained in the finance committee motion. There are a few extra things in the finance committee motion, but every single word contained in this is contained in the finance committee motion. Again, if we're going to do the job we're elected to do, we can't be studying the same motion in five separate committees.

I totally support Mr. Savage's suggestion that we table this. If as a committee we're not happy with what comes out of the finance committee, then we reserve the right to study this further if we want to.

● (0940)

The Chair: Thank you.

I have Ms. Sgro, Mr. Savage, Mr. Komarnicki, Ms. Yelich, and Mr. Lessard.

Hon. Judy Sgro: In the interest of time, I'm going to defer to Mr. Savage.

The Chair: Mr. Savage.

Mr. Michael Savage: In the interest of time, I'm not going to rebut Mr. Lake's long political statement about the accomplishments of this government, because I know he probably sincerely believes that. Seriously, I think it's entirely appropriate for this committee to study this motion. I have no question about that. I also think it's appropriate for the finance committee to do it. They've determined they're going to do some kind of a study on the motion that involves hearing some witnesses. I would like to table this, but not indefinitely.

I would like to ask our chair to discuss with the finance committee what their schedule is for examining this issue. If we don't think that will happen on a fast enough timeline, then maybe we should be doing a study on this issue. I think we should put a timeline on when we're going to bring this back.

With regard to Mr. Lessard's point, he's correct that our leader has been very front and centre on the manufacturing crisis issue. We do believe it's a crisis. He's put some ideas out there, and if we do discuss this motion, we will have some of our own ideas that we would want to put in and discuss back and forth. I'm sure that among us we could come up with a very reasonable motion that would go to the House. That would take some time, but we're prepared to engage in that. I do think that since Finance is looking at this first—and I think Ms. Sgro actually proposed a motion to table in her comments—I would like to add to that motion, Mr. Chair, that we have some kind of timeline on that. Perhaps it would involve your discussing with the chair of the finance committee when they're going to have a look at it. Maybe you know that now?

The Chair: I do, so if I could just—

Mr. Mike Lake: On a point of order, is the motion on the table a superseding motion?

The Chair: If he makes it, yes, it will be. But we'll get to that one.

I'll just let you know that they're finishing up their pre-budget consultation draft right now. That has to be reported back to the House by the 8th. They are committed to two meetings to handle that. It looks to me like within the next two weeks they'll be getting to those two meetings, if the draft is done before that.

It must be back in the House by the 8th, I've been led to believe, and they are committed to two meetings for after the draft.

Mr. Michael Savage: Directly after the draft?

The Chair: Yes. I will confirm that with them, but that's the information I have right now.

Mr. Michael Savage: Mr. Chair, in essence, then, I propose that this motion be tabled for a period of perhaps two weeks and that we come back and determine what the finance committee has done with it and whether we should proceed with this motion, call some witnesses, or whatever we decide to do to further Mr. Lessard's motion.

The Chair: So that's the motion you're proposing right now?

Mr. Michael Savage: Yes. I think Ms. Sgro had the original motion.

Hon. Judy Sgro: Which was to table it.

The Chair: Okay, just to table it.

And you're suggesting for two weeks.

Hon. Judy Sgro: Suspending it for two weeks.

Mr. Michael Savage: Yes, to relook at what Finance has done with it in two weeks and determine whether we need to pursue this motion.

The Chair: Okay.

Mr. Michael Savage: Does that make parliamentary sense?

The Chair: We'll make it make parliamentary sense, for sure.

Mr. Michael Savage: I don't want to interject anything sensible into this Parliament....

The Chair: Okay, I still have people on the list. I would just remind you that we have now gone to a new motion, so we're talking about this particular motion.

Actually, my mistake. This motion is not debatable.

Mr. Mike Lake: On a point of order, now that there's a timeline attached, it's not necessarily a superceding motion, right? So with the condition, it is debatable.

The Chair: Okay.

I have on the list Mr. Komarnicki, Ms. Yelich, and Mr. Lessard.

Just keep in mind, we are talking about the new motion. Try to frame your comments in that context, or we could start a new list.

Mr. Komarnicki.

Mr. Ed Komarnicki: I'll be very brief.

Certainly this motion is along the lines that I think it should go. I'd like to say, with deference to Mr. Martin, that there's no question that the present announcement of \$1 billion—not a small amount of dollars for issues that relate to what we're talking about today—for a

community development fund and national initiative to help vulnerable communities and laid-off workers is a significant thing.

That's tied to the budget. There may be other things tied to the budget. I wonder how Mr. Martin can seriously say—and I know there's a measure of politics being played in this—that we need to do something when his leader, and in fact the Bloc Québécois as well, said they're going to oppose the budget before they've actually seen the budget, before they know what's there. How can you find yourself opposing something that does offer relief to the very issue that's pertinent to this motion? I find it somewhat hypocritical to say that we need to do something and then say, at the same time, while something is being done, “I oppose it”.

That's the comment I'd like to make. Thank you.

•(0945)

The Chair: Thank you, Mr. Komarnicki.

Ms. Yelich, and then Mr. Lessard.

Mrs. Lynne Yelich: I would like to remind the committee that we are all faced with these issues. We also have a forestry industry in Saskatchewan that has really been affected, even before this more recent crisis. We have been trying to deal with it provincially and federally. There are many of you who have cattle producers and hog producers who are also in crisis. It's even more of a crisis. We're trying to deal with all of these through programs.

That's why I'm surprised that this motion is so broad, and in some ways even vague. It's just about dollars, it's not about real.... As Mr. Lessard said, he wants to see a genuine, authentic will. I would say this is exactly what the government has been doing for a while. These issues have been escalating to a crisis level, and I think we have been working very hard. That's why I would like to see more of a building on.... Instead of just a blanket \$1.5 billion for this, \$60 million for that, and \$1.4 billion for that, why don't we look at what these community development trusts have and help our finance minister deliver programs that are really going to very quickly get into the hands...? As my colleague said, this makes it really easy for you to vote on this and get a budget through quite quickly. If you wait and there are those kinds of dollars in the budget, you have your \$1 billion. Plus, I think you should be working very hard on the target initiative for older workers.

We also have the other issue that is at a crisis level, and that is shortage of labour, and that is big in British Columbia and the oil sands. Right now, we're having issues with that. If we're going to look at this kind of motion, I think you should go back and do some work on trying to build on programs.

If you really do have the political will, as we do, as our party has shown.... The Conservative Party has a political will to address these problems because we are the government and are going to do prudently what's best and what can be done.

As Mr. Lessard even said, he doesn't even know, possibly, from this standpoint. He's talking like a finance minister. He doesn't really know what the surplus is. He's assuming there's going to be a surplus, without even suggesting that there might be a downturn in the economy. He's already presuming these programs aren't going to work, so I'm assuming he should maybe work a little harder and maybe put a little political will to this motion.

Thank you.

The Chair: Thank you, Ms. Yelich.

I have Mr. Lessard on the list. If I have no one else on the list, we'll go to the vote on Ms. Sgro's motion.

[*Translation*]

Mr. Yves Lessard: It surprises me that our colleague Ms. Yelich doesn't follow the periodic reports of the Minister of Finance on the status of the surplus. Once again we've just obtained a report from the Minister of Finance on the status of the surplus. It's in the order of \$11.5 billion. It surprises that she doesn't monitor that information closely.

She also mentioned that there are forestry companies in her riding as well. And yet she supports her government's position. That's why she belongs to this government. Like us, she'll have to be accountable to her voters. That may be the choice her voters make as well, but that's not the choice our voters are making back home. They're choosing not to let our communities die because the government didn't anticipate it, didn't put measures in place to prevent this crisis from hitting so hard. We can't always prevent crises, but we can minimize them.

She also raised the point that we're just talking about money. However, this kind of crisis isn't resolved by prayers and incantations. We resolve it through financial means, because the problem is financial. That's obvious. The problem would be twice as serious if the Canadian government didn't have the money, but it has the money.

Ms. Yelich and her colleagues have to justify why they aren't using that money to assist those who have been hit by a crisis. As far as I know, the oil companies haven't been hit by a crisis. And yet they're going to receive assistance in the form of \$920 million in tax deductions over the next three years.

Why this choice? It's a political choice that is up to you to make and that you will be accountable for, but it's not a political choice that we share, absolutely not. Our political choice, from the moment we have the means to do so, is to help those we have a responsibility to help. Otherwise, what are we doing here? Manufacturers are the ones that drive the economy. In this case, the forestry companies and the workers make it so these industries can make this contribution to society, with all that entails. It's as though that were abstract.

This has to be done today, not tomorrow. Why always postpone, if not to avoid shouldering our responsibilities?

We've been asked to be prudent. What type of prudence? This is incredible. We're invited to be prudent now, and prudence would mean doing nothing. On the contrary, prudence tells us that we must take action now, and we are late because the damage has been done.

I go back to Mr. Lake's argument, because it's a big one. It makes no darn sense—I didn't swear, Mr. Chair—to tell us these kinds of things. You shouldn't take people for fools. They say the government has taken measures by reducing taxes for manufacturers and workers, but the store is closed and the workers aren't working. To pay less tax, there has to be less profit. It's not a matter of personal finances doing well. That serves no purpose. Workers who don't work don't pay any taxes. That argument can't stand.

When you advance these kinds of arguments, it's because you're backed into a corner, because you have nothing more to say and because your position is unjustifiable. That's what's currently happening on the government side. When you refer to the budget, as our colleague Mr. Komarnicki did, that's another silly way of taking people for fools.

● (0950)

It's tantamount to saying that, if the other parties don't vote for the budget, everyone will be punished and they'll get nothing. Because those parties will have voted against it, they'll be responsible for the situation. If the money weren't available and a complete budget adjustment had to be made, that would make us think, but that's not at all the case, Mr. Chair. That money is available; it's provided for in the present budget. There is no reason to attach that to the next budget, unless we want to engage in petty reactionary politics, as in the 1940s. But people said they no longer wanted that type of politics. We have to be careful, Mr. Chair.

They say that the job market is currently operating at full capacity and that poverty has declined. Perhaps there are fewer poor people, but those who are poor are much poorer than previously. When we see that there is more child poverty, let me tell you that it's a very good indicator that it isn't just children who are poor, because when children are poor, it's because their parents are poor.

I'll close by talking about older workers. This motion contains a provision for \$60 million to assist older workers. In fact, this is a supplementary expenditure of \$15 million because what this will actually cost, in the worst scenario, if an income support program for older workers is reinstated, is \$45 million. Why, Mr. Chair? Because 30% of that amount will be paid by the provinces.

Last February, Quebec unanimously passed a motion in the National Assembly asking the Government of Canada to reinstate the POWA. It said that it was prepared to contribute 30% of the cost of that measure immediately. Mr. Chair, every time employees are laid off at a business, at least 20% of the workers—that's roughly the average—are 55 years of age or more. Go see the forestry and manufacturing industries; they represent 20% of those people. Some of those who are laid off and who are over 55 years of age manage to find other jobs, but 30% of them wind up unemployed. That's the percentage. Once they've exhausted their employment insurance benefits, they wind up with nothing and are forced to use their savings. They know they will have to wait six, seven, eight, in some instances, even 10 years before receiving their old age pension.

From 1989 to 1997, there was a program, the POWA. In the last year, it cost only \$17 million, and yet it was cut by the previous government. This is a program that produced results, that worked well and that helped the least well-off older workers. The proposed \$60 million would be used to reinstate that program.

Last year, on behalf of the Bloc québécois, I sent the Prime Minister all the parameters for putting that program in place, and at his request. On June 4 last, in response to a question asked by the Bloc québécois leader as to whether the Prime Minister intended to reinstate the POWA, the latter answered that the government was interested in adopting a similar measure and asked the Bloc québécois leader to give him his perception of the program. We did that, Mr. Chair. No, nothing since then! That's what we're talking about here.

This morning—I say this with all due respect for my colleagues on this side of the table because you have taken a position on your side—you said no to my proposal. You're counting on an announced measure. I find that unfortunate, but you'll have to explain that to your voters: that's up to you; that's your choice, not ours. We want to take measures. I don't think it's a good idea to postpone those measures by linking the decision to that of the Finance Committee. If the committee decides to do it—I've always respected democratic decisions—we'll rally to it. However, I would invite my colleagues, if ever that were their decision, not to wait any later than next Tuesday.

● (0955)

Postponing the question for two weeks would make it possible for a number of tricks to be used to prevent those measures from being implemented. The Standing Committee on Finance will be sitting next Monday; we'll see what its members decide. If ever the committee decided by a majority to postpone the matter, I don't think that should go beyond Tuesday, so that a final decision can be made. I'll repeat myself once again, but I think it's worth the trouble to do so: postponing the matter from one day to the next would be tantamount to shirking our responsibilities.

[English]

The Chair: Thank you, Mr. Lessard.

We have Mr. Gourde and then Mr. Lake.

● (1000)

[Translation]

Mr. Jacques Gourde (Lotbinière—Chutes-de-la-Chaudière, CPC): Thank you very much, Mr. Chair.

Unlike my colleague, I've had the chance to visit a number of Quebec regions in the past six months. I'm sure he didn't have an opportunity to go see the workers in the forestry regions. First, people 55 years of age—

Mr. Yves Lessard: I met some. They told me about their troubles and difficulties.

[English]

Mr. Mike Lake: Who has the table?

[Translation]

Mr. Jacques Gourde: Could I finish?

Mr. Yves Lessard: Mr. Chair, I have a point of order.

I'm in favour of him making a speech, but I'd like him to avoid attributing to me actions that don't correspond to what I've done.

Mr. Jacques Gourde: Mr. Chair, we're talking about older workers; those I saw who were between 55 and 60 years of age didn't consider themselves old. These people also want to work. They've done it all their lives. These are very proud people—and I'm talking here about Quebeckers in the regions. They still have a number of years ahead of them in which they can contribute to the development of Quebec and Canada. What they're asking us is that we help them. They want jobs and know that the forestry sector is changing and evolving. They want us to help them through programs that will enable them to continue working in their regions. That's what we're currently doing.

Last week, I went to Abitibi-Témiscamingue to make a contribution to the Cyclofor company from Regional Economic Development Canada. That company has developed equipment that can gather forestry biomass following cutting. That biomass goes back to the plant and its bark is stripped once again; white woods are separated from the biomass. A host of other products can be made from that. One million tonnes a year is equal to another 150 jobs for these people. This is a good example of leadership among workers in the forestry regions. The workers we saw were all people 55 years of age.

So these people don't necessarily want programs that will enable them to stay home until they're 65. They're in good shape, want to work and are happy to do so. That's why our government is making available a host of programs that will help establish a new economy in the regions. Developing new products is the future of the forest economy in Quebec and Canada. You yourselves are aware of that, and you agree with me.

The money that we invest in the program that is implemented soon will improve matters. In fact, existing programs have not been used to their full potential. We're open to all requests from workers and we're in all Quebec regions, whether it be Abitibi, Lac-Saint-Jean or the Gaspé Peninsula, and in all the forest regions most affected. Since we've been in power, Economic Development Canada has contributed to 1,300 projects. We're talking about more than two projects a day designed to help manufacturers and workers find new products. That's made it possible to create a lot of jobs. It's also having a snowball effect.

So, Mr. Lessard, I don't understand why you're asking for money so that 55-year-old individuals can sit around waiting to retire. These people want to work. I'm aware of that; that's the message I'm getting from all Quebec regions. These people say that Bloc québécois members want them to stop working. They say they want to work and that they're going to vote for the Conservatives in the next election because it's with them that they're going to be able to develop their country.

Thank you.

[English]

The Chair: I have Mr. Lake and Mr. Lessard, and then I'm hopeful that maybe we can get to that motion.

Mr. Lake.

Mr. Mike Lake: Who knows, the way this is going?

I don't even know where to start. I am going to have to measure my words carefully here.

One billion dollars for a community development trust, \$72.5 million for targeted initiatives for older workers, \$127.5 million for the forestry industry long-term competitiveness initiative, several projects having to do with seasonal workers and unemployment—these steps that we have taken as a government are a very tough sell in my riding; they are a very tough sell in my province. Yet unlike yours, my vision for the country expands beyond the borders of my province.

Honestly, it is ridiculous. You talk about the Canadian government's money. The Canadian government doesn't have any money; it's taxpayers' money. Your motion has \$5 billion in it, and it is a motion that you didn't write. Your leadership wrote the motion, because it has been presented at five different committees. I am sure you didn't present the motion to all five committees.

You talk about political will. I would ask you to show some political will and stand up within your caucus and support a budget that has all of these measures to help the very people you are talking about. Don't come in here and lecture us on political will. I am sick and tired of that.

● (1005)

The Chair: Mr. Lake, I just—

Mr. Mike Lake: Sorry, Mr. Chair, I would ask that he not come in here and lecture us on political will.

The Chair: I ask everyone to direct their words to the chair. Thanks.

Mr. Mike Lake: Okay.

He talks about manufacturers going out of business, but the manufacturers who are creating jobs are manufacturers who are successful and expanding. That is where the jobs are created. The corporate tax measures we have put in place—the accelerated capital cost allowance that manufacturers have asked for, which the industry committee, including his own members, supported unanimously—are things that are going to help manufacturers who are creating jobs. They are going to create jobs. Those are the very jobs we are trying to create.

You say those who are poor aren't doing any better than before, and I agree with you that we need to help those who are poor. Absolutely, I am onside with that. But many of those who aren't poor any more aren't poor because they have jobs now that they didn't have before. Our employment rate is stronger than it has ever been.

In conclusion, I would encourage the honourable member to suck it up and show some political will, and let's get on with it. Instead of proposing five obstructionary measures in committees to clog up the entire parliamentary system, show some leadership. Let's agree to table the motion. Let's get on with the business we're supposed to do in this committee.

The Chair: Thank you, Mr. Lake.

[*Translation*]

Mr. Yves Lessard: We go from surprise to surprise, Mr. Chair.

They make a big deal because we're proposing measures that represent approximately \$5 billion for this year. Indeed, our measures represent \$15 billion and are allocated over three years. The surpluses are in the order of \$28 billion for the next three years, I believe. A portion will be used to reduce the debt. They're obsessed by the debt. We agree that a portion should be used to reduce the debt; that's planned.

I want to remind my eminent colleague that we're introducing measures so that they are debated in the House. That's very democratic and highly realistic. Our colleagues are trying to give us a lesson about accountability. Last year, a week after the House adjourned, this government announced \$17.5 billion worth of investments in military equipment. There were investments of \$23 billion over two years without any debate in the House of Commons. We don't need any lessons from them on democracy—that's the first thing—on judgment or on accountability to the public and our citizens.

We from Quebec can talk about that. First, we're going to talk about what we know. We don't want to speak for the other provinces, except where it's obvious, as in the case of the manufacturing and forestry companies. We know that Ontario is experiencing the same dynamic and the same problem as Quebec. We can raise that. The Premier of Ontario is raising it. We don't want to speak on his behalf, but we're saying that the people there are experiencing the same situation.

However, we do know one thing about the war: the people of Quebec don't want us to be in Afghanistan, but they'll support their soldiers, even though they didn't make the decision to go there. They have made a personal commitment, and others determine the situations in which we have to go into combat. If we in the House of Commons make that decision, they go, and we support our soldiers, even though that was not the political choice of the population of Quebec. In the past two years, the Conservative government has allocated \$23 billion to military equipment without any debate in the House of Commons. That also has to be said. That's what we're talking about when we talk about poverty. We want to intervene in this matter through concrete measures.

● (1010)

[*English*]

The Chair: A point of order, Ms. Sgro.

Hon. Judy Sgro: On a point of order, I think we were all trying to limit things so that we could get on to the employability study, which relates right back to the issue that we all care about. I think we need to move on and call a vote on this subject.

The Chair: I will just ask Mr. Lessard, have you concluded, or did you have a few more comments? Have you wrapped up?

[*Translation*]

Mr. Yves Lessard: Mr. Chair, I would just like us to reread Ms. Sgro's motion.

[*English*]

The Chair: Yes. We were going to have—

[*Translation*]

Mr. Yves Lessard: I'd like us to reread it because perhaps we could agree on the measures.

[English]

The Chair: Okay. Go ahead.

Do you want to re-read the motion, or do you want to hear Mr. Savage's?

[Translation]

Mr. Yves Lessard: I'm asking that we reread it. If I need to amend it, I'll do that afterwards. I'll announce an amendment immediately so that they don't announce something else.

[English]

The Chair: Mr. Komarnicki.

Mr. Ed Komarnicki: The debate here is done on his motion.

The Chair: That's correct, yes.

Mr. Ed Komarnicki: When they're reading that motion...or is he just going to...?

The Chair: I think we wanted clarification on Mr. Savage's motion, which we're going to have him re-read when everyone has finished talking.

Hopefully we can go ahead.

Mr. Savage.

Mr. Michael Savage: It's been a very informative discussion, not the least of which is that Mr. Lake and his fellow Conservatives are having a hard time selling their stunning generosity in Alberta, so I wish him well whenever the election comes.

I'm going to do the whole tabling motion with the amendment. I move that this motion be tabled until immediately after the finance committee has completed its study of this critical issue.

The Chair: Thank you very much.

All those in favour of the motion?

[Translation]

Mr. Yves Lessard: One moment.

[English]

Mr. Michael Savage: A point of clarification.

The Chair: Yes, go ahead, Mr. Savage.

Mr. Michael Savage: We're getting conflicting stories about when Finance is actually looking at it. Somebody has whispered to me that they may be looking at it on Monday and just having one meeting on that—

The Chair: I will talk to the chair today at question period and—

Mr. Michael Savage: —so rather than put a time limit on it, a specific time, as soon as they've made the decision... It's my view that we are going to discuss this again and that we should discuss it again. We want to discuss this again, but we don't want to take up Parliament's time at many different vantage points at the same time. So that's why I suggest waiting until immediately after the finance committee has completed its study of this critical issue.

The Chair: Okay.

Mr. Lessard, did you have a point of order or a question of clarification?

[Translation]

Mr. Yves Lessard: If I correctly understood our colleague Mr. Savage, it is being asked that the matter be immediately put before the Standing Committee on Human Resources, Social Development and the Status of Persons with Disabilities at the first opportunity following the decision of the Standing Committee on Finance.

Mr. Louis Plamondon (Bas-Richelieu—Nicolet—Bécancour, BQ): Let's say: at the first meeting.

Mr. Yves Lessard: That's it, at the first meeting following the decision of the Standing Committee on Finance.

[English]

Mr. Michael Savage: I'm saying immediately after they have completed their study.

So I would ask the chair to report back on what the finance committee has decided and then we'll decide whether we'll do this, whether as Liberals we might have an amendment, the government may have an amendment, we may have something else, Mr. Martin may have something....

The Chair: My understanding is that I will be in touch with the chair of Finance. I will bring back the information and then as a committee we'll decide what the next steps are.

Mr. Savage is merely pointing out that we should wait until we hear from Finance, but then as a committee we'll decide what needs to move forward.

All those in favour of the motion?

(Motion agreed to [See *Minutes of Proceedings*])

[Translation]

Mr. Yves Lessard: That's good.

[English]

The Chair: I will just remind the committee as well that we do have a lot of work before us. I know that we've talked to Mr. Martin about poverty. I'm just framing the context. I'm not sure why a motion should come in and take priority over what the committee has already decided. However, we are the masters of our own destiny. I will keep that in mind. I know that Mr. Martin has been waiting very patiently for this study on poverty, so I just want you as a group to keep that in mind. We're going to have a chance to look at what happens with Finance, etc.

But I think, as I said, Mr. Martin has been more than patient on this particular issue.

Mr. Martin.

Mr. Tony Martin: In that vein, could I suggest that we have a subcommittee meeting to look at the work of this committee as soon as possible.

The Chair: Sure.

My suggestion is that as we get closer to the completion of the study we should most definitely have a subcommittee meeting and map out exactly what we are going to do.

Why don't we suggest that for within the next couple of weeks?
How does that sound? Before the break. Does that sound reasonable?

Are there any other comments before we get to the employability
study?

Mr. Tony Martin: What about next week?

If you want to take five minutes, we'll go in camera.

The Chair: Next week? Okay, perfect. We'll set that up.

[Proceedings continue in camera]

Published under the authority of the Speaker of the House of Commons

Publié en conformité de l'autorité du Président de la Chambre des communes

**Also available on the Parliament of Canada Web Site at the following address:
Aussi disponible sur le site Web du Parlement du Canada à l'adresse suivante :
<http://www.parl.gc.ca>**

The Speaker of the House hereby grants permission to reproduce this document, in whole or in part, for use in schools and for other purposes such as private study, research, criticism, review or newspaper summary. Any commercial or other use or reproduction of this publication requires the express prior written authorization of the Speaker of the House of Commons.

Le Président de la Chambre des communes accorde, par la présente, l'autorisation de reproduire la totalité ou une partie de ce document à des fins éducatives et à des fins d'étude privée, de recherche, de critique, de compte rendu ou en vue d'en préparer un résumé de journal. Toute reproduction de ce document à des fins commerciales ou autres nécessite l'obtention au préalable d'une autorisation écrite du Président.