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Monday, May 8, 2006

—
Speaker: The Honourable Peter Milliken

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HOUSE OF COMMONS

Monday, May 8, 2006

The House met at 11 a.m.

Prayers

GOVERNMENT ORDERS

● (1055)
[English]

THE BUDGET

FINANCIAL STATEMENT OF MINISTER OF FINANCE

The House resumed from May 3 consideration of the motion that this House approves in general the budgetary policy of the government, of the amendment and of the amendment to the amendment.

The Speaker: When the matter was last before the House the hon. member for Oak Ridges—Markham had the floor. There are four minutes remaining in the time allotted for his remarks.

I therefore call upon the hon. member for Oak Ridges—Markham.

● (1100)

Mr. Lui Temelkovski (Oak Ridges—Markham, Lib.): Mr. Speaker, instead of focusing on dollars for prevention, the Conservatives are focusing on more law enforcement and more prisons. This is definitely not what Canadians want. The Conservative approach to crime is clearly one of hang them high and hang them higher.

Residents of my riding of Oak Ridges—Markham are very concerned about environmental issues. After all, my riding contains much of the famous Oak Ridges Moraine. The Oak Ridges Moraine, for those who do not know, is an ecological treasure and a natural habitat, providing a home to numerous species and a system that acts as a powerful filter for the millions of people living within and around its domain.

Nothing in the budget gives Canadians hope that the Conservative government places any importance on Canada's environment or its environmental jewel like the moraine. The budget does nothing to address present environmental concerns. The budget only mentions that \$2 billion would be allocated over five years for this made in Canada climate change initiative that is still under construction.

The Conservative budget represents a 93% cut to environmental funding and does nothing to reassure future generations that Canada

is a mindful custodian of its environment. The budget represents a 100% cut in funding for climate change ensuring that Canada will be unable to meet its Kyoto commitments.

The Conservative budget is a lot like the Conservative Speech from the Throne. It offers no real vision for the country. The throne speech focused on a few narrow priorities at the expense of other areas that require leadership. The budget focuses on misguided tax cuts, destroying signed child care agreements and lip service to the environment. The budget does not advance Canada in any way and does not offer an overarching plan for Canada's future.

Nonetheless, I am pleased to offer my comments on the budget today and I look forward to debating it further with my colleagues.

● (1105)

Mr. Ken Epp (Edmonton—Sherwood Park, CPC): Mr. Speaker, I am absolutely astounded that the member would begin the debate on this beautiful Monday morning by being so shy on facts. The observations that he declared about our budget and throne speech are just the opposite of what is actually contained in those documents.

We had many years of Liberal government where the Liberals had a long list of commitments just to try to persuade Canadians to vote for them. Did they fulfill those commitments? Did they keep those promises? No, they did not.

In contrast, during the campaign, in our throne speech and in the budget, our party focused on the main priorities. It is really so novel. I talked to several people who said that it was unique for a new government to actually, as its first action, implement the things it ran on in the election.

I must challenge the member's statements and invite him to rethink what he said with respect to the evaluation he gave of this government and of the budget.

Mr. Lui Temelkovski: Mr. Speaker, the member is assuming too much when he comments that I do not know the facts. If he were to revisit last year's program that the Liberal government delivered, he would see that it was within 14 to 16 months that we delivered the Kyoto agreement, child care and the Kelowna agreement for communities and cities. It only took the Conservatives one month to cut all of those programs.

We worked very hard for Canadians to ensure the Kyoto protocol would be enforced within a short time and the new government took only a few days to cut that very program that would have helped Canada and Canadians.

The Budget

•(1110)

Mr. Peter Van Loan (Parliamentary Secretary to the Minister of Foreign Affairs, CPC): Mr. Speaker, I know the member has only been elected for the second time but to suggest that the Liberal government was able to increase emissions under Kyoto by 30% over the target in just 14 months is not true. Everybody knows that Kyoto was signed many years ago and it took the Liberals four or five years to achieve that 30% increase in emissions.

I know it is one of the few areas where we have managed to exceed the United States. The Americans, who did not sign Kyoto, only increased their greenhouse gas emissions about 14%. However, the Liberals, a track record which the member is so proudly defending, increased greenhouse gas emissions by 30%.

It reminds me of the fellow who threw himself for mercy before the court after murdering his parents arguing that he should have mercy because he was an orphan. That is the Liberal approach on the environment. Under the Liberals' watch and after they signed Kyoto we have seen a 30% increase in greenhouse gases and then they stand as the defenders of Kyoto.

Could the member explain that contradiction and how the Liberals were able to create that increase in emissions so quickly?

Mr. Lui Temelkovski: Mr. Speaker, the contradiction is not on this side of the House. The contradiction is that once the Crown enters into an agreement and another government comes into power within a few weeks or months, the new government can cut the commitments made by the previous government. Canadians can see right through this. They know that this sort of action will not be very good for the future of Canada and Canadians.

Hon. Joseph Volpe (Eglinton—Lawrence, Lib.): Mr. Speaker, now we see that it took a budget document for the Conservatives to finally acknowledge the legacy that they inherited from the Liberal government. If members do not believe me they should listen to the quote from the budget speech on page 15. It states:

—Canadians have reached a level of accomplishment few other countries can rival.... Canadian workers and business people have shown the world what talent and hard work can do.

Unemployment is at a 30 year low. We have low inflation, strong consumer confidence and corporate profits are at record levels.

[Translation]

It says exactly the same thing in French:

Les réalisations des Canadiens font l'envie de nombreux pays.

— les travailleurs et les gens d'affaires du Canada ont montré au monde ce que peuvent apporter le talent et le travail acharné.

— les Canadiens ont plusieurs raisons d'avoir confiance. Le chômage est à son plus bas niveau en 30 ans, notre inflation est faible, les consommateurs sont très confiants et les bénéfices des entreprises battent des records.

[English]

Clearly this happy outcome is a result of focused, strategic investment in our economy and in our people by the past Liberal government. On examining the budget, Canadians of course are right to ask, "What does the Conservative plan for the future do to enhance those strategies or improve on the conditions they so heartily applaud in their budget document?"

Not much. The Conservatives' focus on five simplistic priorities is designed to beguile and to deceive, but not for the purpose of national interest. Hence, for them, an increase in the personal tax rate for low and middle income Canadians, from 15% to 15.5%, becomes, are we ready for it, a reduction. So much for accountability.

Let me quote again from page 16 of that same budget document:

—accountability means...the numbers must be presented clearly. It means we have to be frank about where we stand financially.

•(1115)

[Translation]

And the French says:

[Cela] signifie que les chiffres doivent être présentés clairement. [L'imputabilité] signifie que notre situation financière doit être présentée avec franchise.

However, they are not frank in this document.

[English]

Yet, awash with cash as a result of Liberal economic management, they choose not to invest but, as my colleague said, to dismantle. They begin with distortion. That is the first step to dishonesty.

So a reduction in investment in post-secondary education from \$2.5 billion, under the Liberal plan, to \$200 million in this budget plan is touted as something progressive. For those out there who are looking for investment in the future, \$200 million is touted as progressive.

How can we build for the future without investing in the creation of a skills and intelligence infrastructure? In an era when 70% of all net new jobs being created will require more than a high school diploma, the Conservatives are oblivious, first, to the need to invest in new, innovative and hence productivity-enhancing technologies, second, to the need to expand on the commercialization of those innovations, and third, to the fact that the early school leaving rate will create a class of permanently underemployed and vulnerably employed Canadians.

[Translation]

If we want to become productive and competitive in the world economy, we must invest in skills development and graduate research and become a nation that can export its talent, innovation and technology, a nation that can attract foreign investment because we have the labour force and the talent to guarantee a good return on that investment.

[English]

Instead, the Conservative plan tinkers with tactics and abandons overall strategic investment. Deception, that is the order of the day, whether it is with older workers, immigration, the environment or infrastructure.

With older workers, for example, the government plans to use them to make, and I quote the budget document once again, "Canada more competitive in the global market". But how? It promises to "undertake a feasibility study of measures to help such workers, including the possibility of income assistance and retraining". Can members believe this?

The Budget

[*Translation*]

The government will undertake a feasibility study of measures to help such workers, including the possibility of income assistance and retraining.

[*English*]

It is absolutely laughable, as is the claim that the Conservatives will increase immigration settlement funding by \$307 million. In fact, the Liberals had already negotiated with provinces and started to roll out a \$1.3 billion amount to invest in the settlement, integration and retention of new Canadians to meet the labour market and demographic needs of the country.

However, with classic bait and switch tactics, with which the Conservatives are familiar, the budget talks about a country “built by people seeking a better life for themselves and their families”. It offers the velvet glove of a reduction in the right of landing fee, to \$490, for those who actually get to make it here, but delivers the iron fist of deportation and removal through the Canada Border Services Agency, going so far as to have officers forcibly remove children from classrooms in front of their friends.

It is a classic Conservative approach to demographic challenge and immigration: send them back and keep them out. This “to heck with you” approach permeates the entire budget document. Gone is the \$5 billion investment in environmental strategies and climate change. Hello, \$400 million for local programs, still, according to the budget document, “being developed by the Minister...”.

What have the Conservatives been doing for four months? No, I am sorry, what have they been doing for 12 years? They have been aping or copying our strategies. Envious that Liberals could think big, could plan macro, they focus on acting small. They attack us for our infrastructure program, but note that their plans will:

—maintain the...current funding under existing infrastructure initiatives...the existing gas tax funding commitment under the New Deal for Cities and Communities, and the full GST rebate and the federal portion of the HST paid by municipalities.

As well, I might add, they will pass off the highway border infrastructure fund, the municipal rural infrastructure fund, the cities strategic fund, the transit capital trust fund, and the Pacific gateway initiative as new—note that word “new”, although we had already put them in place and funded them—and as theirs. Can hon. members imagine this? After spending two years vilifying Liberals, with all Canadians watching, the Conservatives have now decided to offer Liberals the highest form of flattery. It is called imitation. That is what the budget document, through these programs, tries to do: imitate Liberal initiatives.

Regrettably, now that they have discovered that our government was replete with action, performance and achievement—let us see if we can get this right in German—the Conservatives' approach is now tentative and is identified by, “Let us hurry up and wait”. Except for the increase in personal income tax rates, disguised as a cut, which will come into effect with the passage of the budget, Canadians will have to wait until 2008, no, 2009, no, further, to 2010, to taste tax reductions in small business taxes or corporate taxes.

We might ask why. Surely if we believe in a competitive Canadian business sector, the time to make it so would be to cut taxes when the

economy's performance, thanks to Liberal management, is producing unimagined surpluses. Liberals cut \$100 billion in taxes when times were tougher, so why the timidity of these tax cut proponents in boom times? The answer is—

• (1120)

The Acting Speaker (Mr. Royal Galipeau): Questions and comments, the hon. member for Palliser.

Mr. Dave Batters (Palliser, CPC): Mr. Speaker, we are 20 minutes into today's session and, frankly, the level of partisanship is a bit unbelievable. The member, who seeks the leadership of his party, has taken sarcasm to new levels. Perhaps he figures that is the way to push him over the top. I am not sure if members opposite are going to buy into that or not; we will have to wait until December.

The member should realize by now that fearmongering simply does not work, nor do crying or deception. Canadians voted for change on January 23 and change is what they received. They knew what they wanted. They wanted something different. They were sick and tired of 13 years of Liberal corruption and mismanagement, they voted for change, and that is what they received in this budget.

As for the gall of that member and his suggestion about the great state of the country, yes, things are good in Canada right now, with the economy up and the dollar up, absolutely, but we know who deserves the applause for that: we know it is the hard work, the innovation and the competitive spirit of Canadians that deserves the applause. It sure as heck is not the Liberal government of 13 years. That is ridiculous.

The member has to look at the totality of the budget picture. He would realize that yes, taxes are down for all Canadians. That is a fact. He knows that is a fact when we consider the totality and things like the Canada employment credit. Let us go a little further. In terms of lowering the GST, the Liberals did not honour their commitment in 1993.

Here is my question for the member opposite. He talks about accountability. I would like to know from him, the pizza king, if he is not a bit red-faced when he talks about accountability and yet billed \$134 for pizza for two. Accountability—

The Acting Speaker (Mr. Royal Galipeau): The hon. member for Eglinton—Lawrence.

Hon. Joseph Volpe: Mr. Speaker, it would have been nice if the member had actually done his research, because on this side of the House, what we did was put in place transparency and accountability measures that allowed people to examine everything that every cabinet minister did. I would be delighted if the member actually were to use an examination of those figures to find out that Canadians can examine what people do with the resources available to them. I am never going to apologize for doing a 100% job in my capacity as political minister for Ontario and in Toronto.

The Budget

One of the things that the member opposite, who was talking about fearmongering, might want to explain to all Canadians is why the Prime Minister of Canada has no time for the premier of Canada's largest province and most populous province, but he has time to sit with a sleazy Republican strategist who says to dig up dirt, create dirt, deal with people as corruption, because they have actually produced the kinds of conditions that the member says are great for Canada.

• (1125)

Mr. Michael Savage (Dartmouth—Cole Harbour, Lib.): Mr. Speaker, I want to congratulate my colleague on his speech. I would have one exception, though. He talked about imitation in this budget, and there is a fair amount of that, and I would characterize it as the missing of a great opportunity based on the economy the Conservative Party inherited. There is one thing the Conservatives did not imitate, or one of many, I should say, and that was in the post-secondary file.

As a former minister of human resources and skills development, my colleague knows well the investments that we made in research and innovation, taking Canada to the top of the G-7 in publicly funded research. In the last couple of years, we moved significantly on student access, which I would suggest is now the big challenge. If our friends in the New Democratic Party had supported the economic update, many low income Canadians would now be getting the benefit of expanded Canada access grants. Economists say that if we want productivity, and that is the challenge, then we should invest in people, not cut the consumption tax.

I would like to hear my colleague's thoughts on how little attention education has received in this budget, particularly post-secondary education, which is so important to our productivity.

The Acting Speaker (Mr. Royal Galipeau): The member has 30 seconds for his answer.

Hon. Joseph Volpe: Thirty seconds, Mr. Speaker, but I would need about 300 minutes in order to describe the achievements of the Liberal government. We started by creating a culture of lifelong learning. We made investments in the Canada learning bond, with \$500 on the birth of a child and \$100 every year to establish a fund for education. We talked about a fifty-fifty format, whereby 50% of tuition in a student's first year would be picked up by the federal government, and 50% in the last year, and in between we provided relief for students in debt with access to loans—

The Acting Speaker (Mr. Royal Galipeau): The hon. member for Lévis—Bellechasse.

[*Translation*]

Mr. Steven Blaney (Lévis—Bellechasse, CPC): Mr. Speaker, I will be sharing my time with the hon. member for Niagara West—Glanbrook.

I rise today in support of the budget. This Conservative budget aims initially at moving us out of an era of spending and into an era of fiscal responsibility.

With costly programs, the previous government was spending taxpayers' money, but without really enriching or benefiting them. For years, Canadians have been overtaxed. The people in my riding, in Lévis, in Bellechasse and in Etchemins have been obliged to

contribute to the welfare of the Liberal Party through the sponsorship scandal.

That has got to stop. We need to correct the situation and we need a government that will re-establish confidence. One of the three reasons I support the budget this morning is that it aims to re-establish the bond of trust between taxpayers and the government.

The sponsorship scandal remains fresh in our memories, encouraging us to take action and change things. The government proposes to lighten taxes in this budget. This shows that before, during and after the election we say and do the same thing, and that pleases me. We were not accustomed to such a practice with the previous government. It accustomed us to promises, which came without fulfillment or commitment. We are here to make commitments and to honour them.

Let us have a look at the promises in the election campaign. The reduction in the GST is included in the budget, as are the tax cuts we had not promised. We are giving more than our election promises indicated. We are giving parents a universal allowance. It is Canadians who know best how to manage their money. So we put it in the pockets of taxpayers so they can look after our greatest national treasure—our children.

We also are equipping ourselves to establish legislation on responsibility, accountability, ways that taxpayers can find out how Ottawa manages their money.

More concretely, some 655,000 low-income Canadians will no longer pay federal taxes with this Conservative budget. Families earning between \$15,000 and \$30,000 will save \$300. Of course, those with slightly higher incomes will save a little more and so forth. This budget offers concrete tax cuts to all taxpayers and to all Canadians.

My primary reason for supporting this budget is that it respects our commitments and rebuilds trust, but I also support it because it addresses the federal government's priorities in matters under its jurisdiction. I am talking about national defence. The whittling down of the federal government's commitment to defence has forced us to turn to our allies to transport our troops and move our equipment. This is unacceptable for a large country like ours. It is important to reinvest in defence in order to ensure our sovereignty and the safety of Canadians and to pursue the humanitarian and military missions for which we are known. We must also improve security at our borders. It is the responsibility of the federal government to do so. These are the areas we must invest in first.

The Canadian Coast Guard has not purchased any large ships since 1987. It therefore performs its activities and carries out its mandate with an aging civilian fleet. As you can see, it is time to re-inject funding into our priorities.

The Budget

Priorities such as immigration, justice and law enforcement, international aid and aboriginal peoples, who need assistance and who have inadequate water treatment systems. I know what I am talking about since I spent the last four years of career working on this.

They also need tools for improved accountability. That is what we promise to do in this budget. With this federal budget we will invest in federal priorities and allow our partners to have authority over their own jurisdictions, especially in areas of provincial jurisdiction.

• (1130)

You know the old adage: stick to what you know. That describes the proposed Conservative budget: a budget that focuses on the services the federal government is mandated to provide for Canadians. Among the government's responsibilities are infrastructure and the environment. We will therefore move ahead.

To those who object to this budget, I would say that it is a budget that addresses environmental issues and does not simply make promises. I would like to quickly list some of the measures in the budget.

First, the government is making a commitment to reduce the deficit. This will also have an impact on intergenerational balance and sustainable development. The government will spend \$3 billion a year to pay down Canada's debt, which is a burden on future generations. As well, the government is making a commitment to establish a climate change plan, with investments of more than \$2 billion over five years. And that does not include the transit pass credit and measures to encourage Canadians to invest in environmentally sensitive areas. In addition, this budget gives Canadians responsibility for dealing with climate change by encouraging them to adopt behaviours that will reduce greenhouse gas emissions. All these are environmental measures.

With regard to infrastructure, as you know, it contributes to the economic vitality of communities by providing them with safe, reliable water systems. It also allows efficient transportation of goods to market, which helps improve our productivity.

My colleagues opposite like to talk about Kyoto as if it were the last stage of the fight against climate change. It is just the beginning. We still have a lot of things to do, and the Conservative government has made a commitment to do them.

• (1135)

[*English*]

This government has a clear plan for Canadians, a clear plan for Quebecers, a clear plan for my constituents.

The third reason I approve this budget is the new open and working federalism that is within.

[*Translation*]

This is something that Quebecers have not seen for some time, a federal government that intends to work within and respect provincial areas of jurisdiction. It is nice to hear provincial premiers say that they appreciated receiving a phone call from Ottawa and that they were able to add their two cents' worth to the agreement

concerning the softwood lumber dispute. Yes, everyone is a winner—every province and Canada as a whole.

I was in the red room last Friday to witness the successful and effective fulfillment of another election promise, namely, the UNESCO agreement that will allow Quebec's voice to be heard at that assembly. This is another example of the open federalism extolled by the budget.

Spouting rhetoric is all well and good, but money to back it up is also needed. The other aspect of this budget consists of restoring fiscal balance. This is why we have the support of our duly elected colleagues from Quebec. We are confident that the other members of this House will also support us. The 2002 report by the Séguin commission and many other studies here recognize that a fiscal imbalance exists and that balance must be restored between services provided by the levels of government and the sums of money that they receive.

It is simple: promises made, promises kept. Through the accountability act, we hope to restore confidence. We also hope to restore a sense of accountability to the citizens of Canada, as well as to the various levels of government. We promise to fight against climate change, we are moving towards open federalism and we hope to do something about the country's fiscal imbalance. For these three reasons, I support the budget and encourage all members of this House to do the same.

Mrs. Maria Mourani (Ahuntsic, BQ): Mr. Speaker, I commend my colleague for his speech. However, I would like to know what he thinks about the fact that there is absolutely nothing in this budget for women. Would he give the nod to an investment in women of \$100 million through the Women's Program, among others?

Mr. Steven Blaney (Lévis—Bellechasse, CPC): Mr. Speaker, I would like to thank my colleague for her question.

Over half the budget is aimed at women since they represent 50% of the Canadian population. There are also components for women who make different choices. I am referring to various tax measures including the \$1,200 universal child care benefit. This measure allows women and parents to make different choices, to take on responsibility for them and to have some assistance from the government. It is a concrete measure.

Other measures support families, such as the \$500 children's fitness tax credit. Our society is in shape and that is part of the government's objectives.

[*English*]

Hon. Larry Bagnell (Yukon, Lib.): Mr. Speaker, for some of the things the hon. member is supporting the hon. member should cross the floor and join us.

For instance, it takes a lot of nerve for anyone on that side to mention aboriginal people in a speech. It is almost shameful, the lack of commitment to the Kelowna accord which was a commitment by Canada as a nation, not of any particular party, with the aboriginal people of this country.

The Budget

The other item he and the people of Quebec do support is the environment. Once again that is a disaster in that some 15 environmental programs have been closed. When the previous government decreased greenhouse gases because the economy was going so well, but in spite of that, the Liberals cut thousands of tonnes of greenhouse gases with biodiesel, with cellulose, ethanol, with support for solar, with support for photovoltaic, support for wind energy, for geothermal, for landfill gas and for the housing retrofits. They cut thousands of tonnes of greenhouse gases.

Does the member think that all members on that side support the tremendous cuts that have been made to programs pertaining to the environment and aboriginal people?

• (1140)

[*Translation*]

Mr. Steven Blaney: Mr. Speaker, I would like to thank my colleague for her question.

We should ask ourselves whether or not the Liberal plan, over the past 13 years, has had any effect on climate change.

After 13 years, Canada is at the back of the pack in terms of its environmental performance. It is disagreeable to state this in the House. The truth is that our strategy to fight climate change has not been effective. Furthermore, the proposed plan is a band-aid solution.

The real solution lies in an effective plan to fight climate change. This is what our government is committed to doing. I often tell my constituents that given how we are keeping our promises made during the election campaign, and the speed with which we included them in the budget, I am confident that we will be able to remedy the situation and put Canada on the road to truly reducing greenhouse gases.

[*English*]

Mr. Lui Temelkovski (Oak Ridges—Markham, Lib.): Mr. Speaker, the member mentioned that there will be thousands of Canadians taken off the tax rolls. I would be interested in hearing how this will be done when the Conservative government is proposing to increase income tax.

[*Translation*]

Mr. Steven Blaney: Mr. Speaker, I thank my colleague for his question.

As I was saying in my speech, 655,000 Canadians will not pay income tax any more thanks to the Conservative budget. That is a fact. That is what the budget proposes. It is not a promise; it is a commitment. With the support of my hon. colleague it is now on its way to becoming a reality.

[*English*]

Mr. Dean Allison (Niagara West—Glanbrook, CPC): Mr. Speaker, since this is my first opportunity to rise in the House, I want to thank the constituents of the riding of Niagara West—Glanbrook for sending me back to the House.

This budget is not about beer and popcorn, parents raising future criminals, destroying the environment or even tearing up agreements, as the Liberals would have Canadians believe. The budget is about putting Canadians first. It is about giving everyone the

opportunity to keep more of their hard earned dollars in their pockets, not just Liberal pockets. It is about real accountability.

Last Tuesday our government tabled its first budget, which has thrown open the doors in a new era in Canadian finance. The budget is a powerful example of Conservative promises kept.

During the election we promised to bring tax relief to hard-working Canadians. With this budget, we have kept this promise with \$20 billion of tax cuts that will benefit all Canadians. With the budget, the Conservative government has liberated Canadians from the shackles of the oppressive Liberal taxation and has swept the Liberal culture of entitlement into the dust bin of history.

The Conservative government will use these tax dollars thoughtfully and meaningfully and will do it with clearly defined priorities. We will be prudent stewards of Canadian taxpayers' money. The budget is precisely what Canadians voted for when they went to the polls in January. Finally, after 13 years of being ignored by a non-responsive Liberal government, hard-working Canadians of every income tax bracket and every age group will begin to enjoy the long-awaited benefits they so richly deserve.

Our government recognizes that for far too long the tax burdens of Canadians were simply too great. Accordingly we have taken concrete measures in the budget to deliver tax relief to all Canadians, which is long overdue.

While there are many areas in the budget, which I will mention, let me begin by mentioning one example of particular importance to many of my constituents. It is the relief provided to small and medium size wineries. The budget has announced a reduction in wine excise tax that will assist small and medium size wineries to be more competitive, both domestically and internationally. It will help to grow their businesses, strengthen the economy and ultimately help to put Canadian wines on the world stage.

Our support for small vendors is one example of the attention and consideration the budget has given to all small businesses. The budget proposes to increase the amount of small business income eligible for the 12% tax rate. This will help Canadian businesses become more viable, encourage growth and bring jobs into communities across the country.

In addition, the Conservative budget also reminds Canadians of the importance of our skilled trades people by offering tax based incentives such as a new tax credit up to \$2,000 to employers that hire and train apprentices, \$1,000 grant for apprentices and a new tax deduction of \$500 toward tools acquired in connection with their employment.

Budget 2006 will also put its support behind education and students. Almost 2 million full time students will benefit from a textbook tax credit of \$80 per year as well as benefit from the elimination of tax on scholarships and bursaries.

The Budget

Our support for Canadian families is also made unequivocal in the budget. The budget has captured the importance of Canadian families by including a universal child care benefit. Living in a riding with both rural and urban communities, it is clearly visible that a one-size-fits-all child care system could never meet the needs of all Canadian families raising young children. Unlike some hon. members of the opposition who seem to think that stay at home parents are raising future criminals, our Conservative government realizes that parents can be and should be trusted to raise their children. That is why we are providing all families with \$100 per month for each child in the family under the age of six. In doing so, we offer a child care system that gives families the choice and flexibility they need to provide the best care possible for their children.

Canadian parents want healthy and active children. We are helping them to achieve this by introducing a tax credit to promote up to \$500 in registration for children's physical activity programs. The government is clearly saying to Canadian parents that we recognize the cost of raising a child and we are on their side. This is saying to all those moms and dads, who take their children to early morning sports practices, that we understand and support their efforts.

• (1145)

Parents of children with a disability often face additional demands and pressures. To help alleviate these, our budget proposes to increase not only the maximum annual child disability benefit but also the amount of refundable medical expense supplement.

Just as Canada's children and youth are important to the government, so too are our senior citizens. That is why they can look forward to tax relief through an increased maximum amount of eligible pension income that can be claimed to \$2,000. Moreover, 85,000 low income seniors can also look forward to being removed from the tax roll.

Finally, every Canadian will benefit from a reduction in the GST, beginning this summer. Whether purchasing a home or a pack of gum, every dollar one spends will now be saving money, assuming goods are not purchased on expense accounts.

Directly and indirectly, every Canadian will benefit from all these cuts, personal, income tax measures, sales and excise tax and business income tax measures. These cuts and reductions will put tax dollars into the pockets of consumers. This is a cornerstone of the 2006 Conservative budget.

As the government moves forward to fulfill election promises in support of the trades, small businesses, agriculture, family, senior citizens and every Canadian, the budget will also help to heal the Canadian health care system, which fell so ill at the hands of our Liberal predecessors. Canadians value universal health care, but they want a system that works. They deserve a system that works and we will deliver a system that works.

To that end, we will increase the number of doctors and other professionals through a foreign credential recognition program. The budget also proposes to make \$52 million per year available to our health care partners to implement a national cancer strategy. Through these combined measures, Canadians will soon enjoy shorter wait times and better care.

I urge my fellow hon. members to listen to what Canadians have said and to support the budget, which responds to the Canadian health care concerns. Budget 2006 is proactive and addresses pivotal issues that will affect our country for years to come. By proposing new apprenticeship programs of \$500 million that will benefit 100,000 apprentices and by investing in colleges and universities, the budget is a testament to our support of skilled trades and post-secondary education. Budget 2006 is evident of the commitment that the government is making to Canada's future.

A commitment to Canada's future also means a commitment to help ensure we have a dynamic and viable agricultural sector. Our finance minister has shown, through the budget, that the Conservative government is squarely in the corner of Canadian farmers. Under the Liberal government, farm income stabilization and disaster relief was woefully mishandled and wholly unresponsive to the needs of farmers. Budget 2006 aims to correct these long-standing problems.

Farmers and the goods they provide are imperative to Canada's future. There are farmers who have been extremely successful in efforts to improve efficiency. Their efforts are constantly challenged by falling prices, trade disputes and natural disasters. By providing \$1.5 billion in new funding for Canadian farmers through the grain and oilseed payment program, farm support and assistance and the transition to overhaul the Canadian agricultural income stabilization program, our government is standing up for Canadian farmers.

The budget recognizes that we need Canadian farmers and that we will all reap the benefits of a vibrant agricultural industry. Through the budget, the Conservative government also acknowledges that in spite of positive measures this document contains and all the long overdue benefits it will return to Canadians, we can enjoy these benefits if our country is secure and our world is safe.

September 11, 2001, jarred us all. No longer could we take for granted that our extraordinary border relations with the United States would not be exploited by those wanting to do harm to law-abiding Canadians. In a departure from the previous government's blatant neglect of border security, last Tuesday's budget announcement places a much needed focus on Canadian security. By committing over \$300 million in funding to implement a border strategy and another \$101 million to enhance the ability of our border guards to effectively do their jobs, the Conservative government is committed to strengthening security at our border.

The Budget

Unfortunately, threats to Canadian values and our long history of national safety also dwell within our borders. The budget directly addresses the rise in crime that has rocked so many communities across Canada. It provides investment funding to strengthen the RCMP. This will also work to ensure that safety will be restored to our streets, towns and cities. Budget 2006 can also begin to restore Canada's role in the international community.

• (1150)

Each of the measures represent a positive step, whether it is the support of families, an investment in agriculture, in supporting the enhancement of border security or any other measure in between. Our government supports measures that are fiscally sound, economically wise and socially conscious.

Contrary to what the Liberals would have everyone believe, the budget will let Canadians keep more of their hard earned money.

Mr. Blair Wilson (West Vancouver—Sunshine Coast—Sea to Sky Country, Lib.): Mr. Speaker, I congratulate the member opposite on his first speech in the House. I wanted to clarify a few things and ask him a question.

Something I believe the member has forgotten in his speech is the fact that we have enjoyed 10 years of incredible prosperity in Canada. Canadians have to ask themselves, what has brought about the prosperity we enjoy in Canada? We had 10 years of a Liberal government that delivered eight balanced budgets and cut taxes to all Canadians, not only to the wealthy friends of the Conservatives, which this budget has put forward. The Liberals also took a balanced approach. We invested money in education and in the social safety net. Those are some of things about which the Conservative government has completely forgot and completely neglected in its budget.

The one thing the Conservatives have delivered, and I must give them credit for this, is tax cuts to their wealthy friends. The government has done that very well. What the government has completely forgotten, and this leads to my question, is the future. What is the government doing about the future? The government has set aside no money for investments for the future, be that paying down our debt, or investing money in health care, education and, specifically, post-secondary education.

The only answer the government comes back with is an investment of \$80 for students. I went to university on student loans and \$80 right now would probably buy me one textbook, if I am lucky. The Liberal fifty-fifty plan would have given \$6,000 to students, \$3,000 in their first year and \$3,000 in their second year.

Where in the budget is there any money for education? Where in the budget is there any money for the future of Canadians?

Mr. Dean Allison: Mr. Speaker, I will cut the member a little slack since this is his first session in the House. He probably does not understand why Canadians threw the Liberal government out. It was because the Liberal Party was doing well, but not all Canadians were.

The challenge was we knew the Liberal government was doing better. We knew friends of the Liberal Party did better. However, Canadians did not feel were doing better. This budget proposes to return some of their hard earned dollars back to their pockets.

In terms of what the Conservative government plans to do, the GST cuts are a great example of how every person will benefit. Regardless of income, all Canadians will be touched as a result of those cuts. We are also planning on paying down \$3 billion a year on Canada's debt. This is an investment in our future. As we continue to pay down that debt, we will free up interest dollars that can be spent on additional programs. This year alone the government will increase our spending by 6% on health care. These are very important things.

What Canadians are wondering is, where are the \$40 million that were in the sponsorship fund? Why has that money not been paid back and what are we going to do about that?

• (1155)

[*Translation*]

Mr. Marc Lemay (Abitibi—Témiscamingue, BQ): Mr. Speaker, I have listened carefully to my colleague's remarks and to the questions put to him.

In his speech, in the questions put to him and in his answers and in the budget there is absolutely no mention of money for the first nations or for implementing the Kelowna accord.

The Kelowna accord was concluded after 18 months of concerted effort by first nations from all across Canada. Even they say it was a step in the right direction.

I have a very specific question for my colleague. Will he intervene with the Minister of Indian Affairs and Northern Development to ensure the Kelowna accord is honoured? It is fundamental to respect for Canada's first nations.

[*English*]

Mr. Dean Allison: Mr. Speaker, as we look at the budget, there will be additional money for first nations, and for on-reserve and off-reserve housing. I believe that the minister responsible for Indian and northern affairs has made it very clear that he would like to see accountability, ensuring that the dollars are spent wisely. I believe he will be doing that.

[*Translation*]

Mr. Thierry St-Cyr (Jeanne-Le Ber, BQ): Mr. Speaker, I will share my speaking time with the member from Richmond—Arthabaska.

During the last election campaign, the Conservative Party made a commitment to Quebeckers to practise a new federalism, an “open federalism”, it said. A promise was made to respect the areas of jurisdiction of Quebec and the provinces. Unfortunately, with this budget, one cannot but conclude that the commitment has not been kept. Unlike what our colleague from Lévis—Bellechasse said a little earlier today, this promise to respect the jurisdictions of Quebec and the provinces is for the time being only a promise. In fact, we have not seen it written down.

The Budget

For the benefit of this House, I have identified the numerous intrusions into Quebec's areas of jurisdiction. Already I am sorry to have shared my speaking time, because I am not convinced that the 10 minutes allotted to me will be enough.

First of all, let us discuss the much talked about allowance of \$1,200 for child care. This is a social policy falling clearly within Quebec jurisdiction. The Bloc Québécois, made a proposal in good faith, for a refundable tax credit, which respected Quebec jurisdictions, since the federal government is entitled to levy income tax as it wishes. Unfortunately, for a reason that has not been explained and for which we still have not had an answer, the government did not take this approach, did not follow our recommendation and preferred an inequitable method—some of my colleagues will talk about this later on—a method furthermore which amounts to interference in Quebec's areas of jurisdiction.

The Conservative government also proposed a pan-Canadian securities commission. Once again, this falls right into Quebec's area of jurisdiction. All the previous Quebec governments have always refused to allow the federal government to interfere in this area of jurisdiction. Again today, in this budget, they come back with this proposal which they already know Quebecers do not want. When I raised the question in the House, the minister encouraged me to convince the Government of Quebec that it should give up this area of jurisdiction. It is always that old attitude, "Ottawa knows best; we will show you how to do things".

Let us talk about the fiscal imbalance. The government made a commitment to fix it. We are giving it the benefit of the doubt, and this is why the Bloc will support this budget. Some things, however, remain worrisome. The document presented with the budget often refers to the obligation to be accountable and to pan-Canadian standards. The social union project is even openly mentioned, which Quebec rejected in the past. The Bloc Québécois will remain vigilant in this area. The fiscal imbalance should be fixed simply by making unconditional transfers of tax fields to Quebec, which it may use as it chooses.

In education, certain measures which fall within Ottawa's fields of jurisdiction have been taken. We salute them. For example, the elimination of income tax on income from scholarships and bursaries. The Bloc has long been asking for this, and it is happy to see the Conservative government concurring with its arguments. What is not so good, however, is the increased interference in Quebec affairs. For instance, funding is being increased for the Canada Foundation for Innovation, the Natural Sciences and Engineering Research Council of Canada, the Social Sciences and Humanities Research Council of Canada, and so forth. Once again, instead of transferring the money to the governments of Quebec and the provinces, which are in great need of it to rectify the underfunding of the universities, the Conservative government has kept the same old Liberal practice of opting for visibility by directly subsidizing the research agencies, instead of doing its work and giving the money to the Government of Quebec, which greatly needs it.

If there is one area of jurisdiction in the Constitution which is exclusively that of Quebec and the provinces, it is surely health. We recognize that, on certain issues and in emergencies, the federal government has a role to play, for example, in ordering quarantines

and in the inspection of food and the conditions of animals. Despite Quebec's repeated demands for the transfer of responsibilities and the money that goes to the health research institutes, the Conservative government is still not responding, despite its promise to respect Quebec's fields of jurisdiction.

• (1200)

That is so much the case that this budget provides for money for a Canadian cancer strategy. I must remind hon. members that this is blatant duplication, for a Quebec strategy already exists. If the Prime Minister had wanted to honour his commitment, he should have transferred that money so that this could be done in Quebec City, in compliance with provincial jurisdiction.

Immigration is another fine example where the federal government should have been tending to its own jurisdiction instead of once again interfering with that of Quebec. This government is planning to invest \$18 million over two years in an agency for the recognition of foreign credentials. Yet professional credentials are the responsibility of Quebec and the provinces. They have nothing to do with the federal government. Even if we agree with the idea of recognizing credentials, that has to be done in Quebec City, not in Ottawa. That fact has to be respected.

On the other hand, something that is under federal jurisdiction is the question of the refugee appeal division. We are talking about the paltry sum of \$10 million to establish a refugee appeal division. That was passed by the House in 2002, but it has still not been created. The Conservative government has made no provision for it. In other words, when it is time for the Conservative government to do something that is under its jurisdiction, it does not do it, while it jumps in with both feet when there is a chance to meddle in Quebec's affairs.

There is the same kind of problem with job training. For years, the Government of Quebec has been asking and calling for the job training agreement that was signed to be honoured. Nonetheless, that has still not been done in the budget. The federal government has decided to reserve certain client groups for itself and it is infringing on Quebec's areas of jurisdiction. It is perpetuating duplications. And yet on December 11, 2002, in the National Assembly, all members unanimously called on the federal government to withdraw from that area of jurisdiction. That promise is still not being kept by the Conservatives.

This is particularly surprising because it is hard to believe that the federal government knows what it is talking about when it talks about job training. Among other things, apprenticeship grants are being proposed. We are told that the trades in question are of strategic importance for the economy. However, the federal government does not have the knowledge to make those choices. That must be determined in Quebec and the provinces.

The budget also contains a section dealing with sport and healthy lifestyles. Once again, the provinces have exclusive jurisdiction over health and social services. The provinces are being told how to manage their money when that job should be done in the provinces and Quebec.

The Budget

If the head of government, the Prime Minister, really wanted to practise open federalism, he should give the Government of Quebec the complete right to withdraw, with full compensation, in all these areas—including amateur sport—so that it can work in its areas of jurisdiction.

In conclusion, we have to say that for the moment, the new open federalism is a very theoretical thing. In practice, the same old habits of the previous government, which told us what to think, “Ottawa knows best”, are still being followed.

Either the government has no intention at all of honouring its commitments to Quebeckers—and it will thus be deceiving those Quebeckers who believed its promise—or this government has got off to a false start, this government has made a youthful mistake; that is what I would hope. In that case, it will correct the situation very quickly and will respect Quebec’s areas of jurisdiction. In any event, the Bloc Québécois will ensure that it does. If it respects our areas of jurisdiction, we will support it; if it does not, it will find us standing in its way.

• (1205)

Mr. Steven Blaney (Lévis—Bellechasse, CPC): Mr. Speaker, I listened carefully to my colleague’s speech—he had a lot to say about the fiscal imbalance. I would like to hear his position on what I am about to say.

We know that there is a fiscal imbalance between the various levels of government. That said, I do not think we should see this as just a provincial-federal feud. There are also municipalities with major infrastructure needs, especially small municipalities, which have significant needs in terms of investments in infrastructure for drinking water and waste water treatment. We are now aware that these municipalities have been left to their own devices. They have a small tax base. They do not necessarily have many citizens.

I would like to know how the member sees the restoration of fiscal balance among all levels of government. I am referring not only to federal and provincial governments, but also to municipal governments and, ultimately, taxpayers.

Mr. Thierry St-Cyr: Mr. Speaker, the fact that my colleague for Lévis—Bellechasse has asked the question shows that he does not understand what respect for Quebec’s jurisdiction means.

Municipalities fall under Quebec’s jurisdiction. These decisions will be made in Quebec. It is not up to the federal government to preach to the Government of Quebec. That is what it means to respect Quebec’s jurisdiction.

That said, the government can invest in community infrastructure. The Bloc Québécois has asked it to do so. In fact, there is quite a lot of infrastructure in and around Quebec City that the federal government should contribute to. There is nothing in the current budget for those people. I find that unfortunate. The government should take care of that rather than tell Quebec how to run its municipalities.

• (1210)

[English]

Mr. Blair Wilson (West Vancouver—Sunshine Coast—Sea to Sky Country, Lib.): Mr. Speaker, I have a quick comment and a question for the hon. member. He is a smart gentleman who

obviously has gone through the budget and looked at things line by line. I would like to point out to him the lack of fiscal flexibility that the Conservative government now has since this budget has been delivered.

We have seen balanced budgets in the past eight years. We have seen \$3 billion in debt being paid off. We have also seen between \$1 billion and \$4 billion a year set aside as a cushion in case there is anything that happens within the country that requires some financial flexibility by the government. There is zero financial flexibility in this budget.

How can the member possibly believe that the government is serious about addressing the fiscal imbalance question when there is only \$600 million in surplus this year and zero next year, with \$22.5 billion in more cuts to come? Where is the money going to come from?

[Translation]

Mr. Thierry St-Cyr: Mr. Speaker, the Bloc Québécois already pointed out that it was very concerned about correcting the fiscal imbalance. It already pointed out that there did not seem to be enough money to address this issue.

In 2006-07, the surplus, including the contingency reserve, is \$3.6 billion. In 2007, it is \$2.8 billion. We are therefore talking about \$6.4 billion. This is far less than is needed, since post-secondary education alone requires \$4.9 billion a year. The federal government must leave Quebec its jurisdictions and look after its own in order to address this issue. We support the government on this. It promised Quebeckers it would do this. It also made this commitment in a budget document. We will see what the government does and will be there to monitor its actions.

Mr. Jean-Claude D'Amours (Madawaska—Restigouche, Lib.): Mr. Speaker, my question is about employment insurance.

The hon. member mentioned earlier that the Conservative government is a new government. But the Bloc Québécois is not necessarily a new political party. In my opinion, the Bloc has failed seasonal workers when it comes to employment insurance because it is now prepared to support a budget that is silent on employment insurance.

I wonder whether the hon. member really believes that the budget is so good for people in rural communities, when we worked to improve things. In addition, we listened to the committee that was looking at seasonal work in the Lower St. Lawrence region in order to advance this issue.

Mr. Thierry St-Cyr: Mr. Speaker, the Bloc Québécois insists on discussing the fiscal imbalance because it knows that this creates a social imbalance in Quebec. In fact, the government does not have the means to work for people in communities. Furthermore, in terms of unemployment, the previous government’s performance was pretty dismal. I am not particularly surprised that they are voting against this budget, since they have never even admitted that a fiscal imbalance exists.

The Budget

Mr. André Bellavance (Richmond—Arthabaska, BQ): Mr. Speaker, I would like to thank my colleague from Jeanne-Le Ber for allowing me to share his allotted time. I would also like to congratulate him on his work during the budget—given his role as deputy finance critic—in cooperation with the hon. member for Saint-Hyacinthe—Bagot, who for years has been working very hard to improve Quebec's position in terms of finances, and will continue to do so until sovereignty is achieved.

This budget marks the first time that we have seen the notion of a fiscal imbalance included. This is one of its positive points.

At home, the local media asked me about the budget. I replied that, like any budget, it has some positive aspects and some negative. I will focus on some of these points here today, particularly concerning agriculture, since I am the critic for the Bloc Québécois.

On the plus side, this budget sets out seven commitments including eliminating the fiscal imbalance by 2007. The Bloc Québécois is no stranger to this issue. On the contrary, the work that our party leader and my colleagues have done on this has paid off. This government understands that it is a minority and that it cannot be authoritarian like the last government was. Fortunately, this government has listened to some of our requests.

I had the opportunity to meet with several people over the weekend, namely mayors. They were satisfied with the supplementary \$1.5 billion for infrastructure. We were talking earlier about municipalities. In matters of infrastructure, money is always an issue. It is always very appreciated when the federal government, through our tax money, can contribute together with the provincial and municipal governments to improving community infrastructure.

However, this budget also has a negative side. Anything to do with the environment is quite worrisome. Some money is being allocated, but it is not clear. We do not know what it will be used for. We know that this government wants to destroy the Kyoto protocol and that worries us.

Earlier I heard an hon. member talk about employment insurance. There is nothing in this budget on that either except for a vague allusion to an older worker assistance program. For the rest, we are still looking for measures on employment insurance in this budget. Unfortunately, it is true to the Conservatives' line of thinking not to be really concerned about the less fortunate.

We must also talk about industrial sectors that are deteriorating under globalization. Let us take for instance the clothing, textile and furniture sectors in my riding. My constituency went through job losses because of the inaction and inefficiency of the previous Liberal government. The current government did not think to add anything in the budget to help these deteriorating sectors.

As far as the \$1,200 per child allowance is concerned, unfortunately, despite backlash from the Bloc Québécois and all the good advice coming from Quebec, this allowance is still taxable. My advice to families is to put money aside. When they file their income tax return they will have to pay tax on this allowance.

As I was saying, I want to spend the next few minutes on agriculture. We know that there is a very serious problem with farm incomes. There was a demonstration right here at Parliament on

April 5. There were very good reasons for it. Agriculture and Agri-Food Canada is forecasting a 50% drop in farm income in 2006 in comparison with 2005 and an 81% drop in comparison with 2004. In addition, farm debt has risen 90% since 1995. Producers are in it now over their heads. We must help them get their heads above water.

The budget plan is to spend \$1.5 billion on agriculture, of which \$1 billion would be in 2006. We still have some concerns, though, about how this envelope will be allocated. We need to specify how this money will be paid out. Unfortunately, neither the budget nor the minister have dropped a single word about this since the bill was introduced here in the House of Commons.

Our farmers cannot compete currently with American and European producers. We know the situation well. The latter benefit from huge subsidies. I have some figures here. In Canada, for example, the subsidies amount to about \$192 per capita in American dollars. In the United States, it is \$317 per capita, and in European Union countries, it is \$304.

●(1215)

In certain other countries, agricultural subsidies are even higher. In Japan, they are more than \$400 per capita.

We are unable, therefore, to get a level playing field with countries that are also members of the World Trade Organization.

In Quebec and Canada, the farm sector has lost more than \$6 billion in four years. That is a lot of money. The average annual net income per farm has been barely \$5,600. It is a historic low, and that is what we heard from farmers when they came to Parliament Hill. My colleagues in the Bloc Québécois and I marched with the 3,000 producers from Quebec who came to Ottawa to demand their share from this government just before the budget was brought down.

The Bloc Québécois demanded and obtained a take-note debate the day after this farmers' demonstration. That evening, the government got several messages. The current programs are not filling the gaping hole in farm incomes. We need an aid program that will enable farmers to survive until a new strategic framework is adopted for agriculture, something this government promised.

The marketing structures, such as supply management and the Canadian Wheat Board, have to be supported and maintained by the government. We are very concerned about this. One need only consider what is happening at the moment to the dairy producers, with the whole debate on milk proteins. Imports are going to lead to the loss of more and more money for our dairy producers. Those losses could reach \$500 million per year. Yet this government, like the previous one, does not want to acknowledge the problem.

The Budget

We are beginning to see demonstrations in Quebec on this subject, and I want to warn the government right away to be on its guard. Quebec farmers too are very concerned about what is happening. Import restriction is one of the pillars of supply management. We are in the process of weakening that pillar. We even risk the collapse of the entire supply management system if we do not formally acknowledge the situation and use the means at our disposal: we can utilize article 28 of the GATT, or we can change the regulations governing the way that milk proteins are imported into Quebec and Canada.

I now close my parenthesis and continue.

With regard to the farmers' demands, they have made it clear, both here and prior to the budget speech, that the funding granted should be flexible enough that Quebec and the provinces can set up and finance the appropriate mechanisms.

As I was saying, these key points were demanded before the budget. Now that we know that \$1 billion will be paid out to help farmers make the transition to more effective farm income stabilization and disaster relief programming, we need to know under what criteria that money will be made available.

The minister has decided to invest the billion dollars in the Canadian farm income stabilization program. That means the money will be distributed through that program, after an evaluation of or retroactive adjustments to inventories. However this method raises certain concerns. I met recently with members of the Canadian Federation of Agriculture, of which Laurent Pellerin, the president of the UPA, is the vice-president. Under this method, the aid will cover only the steep annual decline in prices.

So we wonder what will happen, for example, to the grain growers who are most affected by the farm crisis. This method may well be of no use to them, because the grains and oilseeds sector is subject to slower, long-term price reductions. Neither will the horticulture sector benefit from the use of inventory evaluations, since market gardeners do not carry their inventory forward from year to year.

Also according to the Canadian Federation of Agriculture, the differences between accounting systems could deprive Quebec farmers of the allocated funds. Quebec farmers have not forgotten that they received only \$42 million of the \$755 million distributed under the last federal assistance program.

The minister and his parliamentary secretaries, one of whom is an hon. member from Quebec, have crowed about that \$755 million. Yet it had been announced by the previous government and simply carried forward by the Conservative government. The government should be careful, for Quebec is quite aware that it has not received its fair share of that money.

I close by saying that the Bloc Québécois joins its voice to that of the agricultural producers in calling for the government to distribute the announced aid fairly between the provinces, and to really direct it to those who need it most.

• (1220)

[*English*]

Hon. Larry Bagnell (Yukon, Lib.): Mr. Speaker, the last two Bloc members did a great job of talking about all the things that were

wrong with the budget. My brief question is: Why is the Bloc voting for it?

The budget has all the things that are an anathema to Quebec. The Conservatives have slashed funding for the environment, for students, for low income people and for seniors. The budget contains nothing with respect to EI for seasonal workers. Child care, which is big in Quebec, has been slashed.

The Bloc has said that it does not like the securities part nor the lack of money for innovation, the humanities and social services. It also does not want the government meddling in Quebec's affairs.

The one thing Bloc members wanted was money for older workers. However the government has said that it will do a study on this even though a pilot project is already in place and a study has been done. The only excuse the Bloc members have given for voting for the budget is the fiscal imbalance. However there is no money in it for this and, in fact, the government is taking millions of dollars from Quebec for climate change, day care and aboriginal affairs.

For goodness sake, why would the Bloc members vote for this budget?

[*Translation*]

Mr. André Bellavance: Mr. Speaker, I thank the member for his question. It makes me laugh to hear the Liberals, who were in power for 13 years, listing everything that is bad in this budget, when they could have taken care of many of the problems that they are speaking about today with the billions of dollars in surpluses they accumulated over their years in power.

There is quite a credibility problem, in my view, when I hear the Liberals complain about what is happening now in the House of Commons. In addition, they are in the middle of their leadership race now and should therefore not try to make me believe that they are ready for an election after three months when we know very well or at least suspect—even though I am not the greatest political analyst in the world—that the Conservatives would return to power one month after the election with a budget very similar to this one.

We would then be back to where we started. And even though the Bloc has worked very hard to have the fiscal imbalance finally recognized, this recognition would probably be lost. For us, that is one reason not to defeat this government. Still, it is a transition budget. We are not going to let our guard down. When the next budget is tabled, we will see who has the last word.

• (1225)

Mr. Raynald Blais (Gaspésie—Îles-de-la-Madeleine, BQ): Mr. Speaker, if a member perseveres he will achieve his goal of getting a chance to ask questions here. I have a question for my colleague from Richmond—Arthabaska. I hope he gives me a frank answer.

The Budget

My colleague is very familiar with the income crisis in agriculture. A first step was made in the budget, but the problem is huge. All the farms in the regions of Quebec, in particular, are having great difficulty recovering from what has happened over the last few years because of the lack of action by the party that is now the official opposition but used to be the government.

I would like to hear the member for Richmond—Arthabaska in this regard because I remember very well what a great advocate he was of farmers and their concern over the crisis in farm incomes.

Mr. André Bellavance: Mr. Speaker, I prefer this question to the previous one because I know the member well and I know that he is a staunch defender of agricultural producers in his riding, whom I had a chance to visit during the land use tour. We met members of the Union des producteurs agricoles. We even met some in Îles-de-la-Madeleine, where there is not as much agriculture. These people are very active and dynamic. I truly appreciate his question.

He is quite right: this crisis is unprecedented. The budget does not offer a panacea or any extraordinary sums. Agricultural producers asked for more than that.

The Bloc was worried that only the \$500 million promised would be handed out, but a billion more has been allocated. This is a step in the right direction. However, as I said earlier, we have concerns about how the money will be distributed and how the allocations will be parcelled out to the provinces. We have to make sure that producers who need it can have access to the money right away. We would like the government to clarify what is happening with this.

In Quebec, another farm shuts down every week because of this serious agricultural income crisis. The member knows it and the government ought to understand it. All of these closures are worrisome. The government should consider the situation immediately and come to a decision sooner rather than later.

[English]

Mr. Norman Doyle (St. John's East, CPC): Mr. Speaker, I will be sharing my time with the member for Kildonan—St. Paul.

I am pleased to make a few remarks on the first Conservative federal budget in 13 years. I know when members have been given the opportunity to study the budget document and debate its merits, they all will come to the conclusion that it is indeed a very good budget and one that should be supported by all members of the House of Commons.

I consider it to be a good budget from the point of view of tax relief. It is also a good budget from the point of view of investments in key areas, especially infrastructure. The budget will see roughly \$17 billion spent on infrastructure and about \$20 billion in general tax relief.

It is very important to me as a member representing the city of St. John's that a great deal of money is set aside for infrastructure replacement and infrastructure relief. Why? Because I happen to represent the oldest city in North America. When one represents an old city, infrastructure replacement and having the government set aside infrastructure money are very important. I am very pleased to see \$17 billion set aside in the budget for infrastructure projects. My province will certainly be taking advantage of this money and will be applying for infrastructure replacement.

It is a budget that embraces a different vision of the country. The new Conservative government believes that Canadians really pay too much in taxes. All members have known for quite a number of years that Canadians pay too much money in taxes.

Any money that is in excess of what is needed to run the country and to make sure that the federal programs and responsibilities are met should be passed back to the taxpayers in the form of tax relief if at all possible. In the budget we are making sure that Canadians get some tax relief. Twenty billion dollars in tax relief is quite a step for a new government to take in its first budget.

Holding people's money to fund pet projects had long been the way our money was handled in this country. That is not the way it should be handled. I believe firmly that the government will make sure that the taxpayers' money is spent in a very wise and responsible way, and will not fund pet projects of politicians.

The budget takes some very significant steps. It honours our commitment to lower the GST by 1%. We are going to eventually lower the GST by 2%, but to begin with in our first budget it is being lowered by 1%. The GST has been a sore point for Canadians generally ever since it was implemented. It was brought on stream by the Progressive Conservative government a number of years ago. It has been a sore point for Canadians but it has helped tremendously in the effort to balance our budget over the years and to have the healthy surpluses that we have had.

•(1230)

The former government balanced the budget and had surpluses, but we cannot forget that the GST helped tremendously in that. Free trade helped tremendously as well. But the GST has been a sore point and we made a commitment in the election campaign to start the process of lowering the GST and lowering taxes generally for Canadians. This is what we are doing.

The budget has a number of initiatives. It creates a new \$1,000 Canada employment tax credit effective July 1. The GST reduction will start on July 1 as well. It is going to be a great Canada Day present for Canadians.

The employment tax credit will give Canadians a break on what it costs to work. That is visionary. We concentrate more on trying to find employment for people and create new jobs, but we never really concentrate on what it costs for people to go to work. It is going to give Canadians a break on what it costs to work, recognizing expenses for things such as home computers, uniforms and supplies which can be quite a significant cost. That is a bit of a visionary thing.

The budget will also increase the basic personal exemption not only this year but for the next three years. Ultimately the basic personal exemption will be \$10,000, which is something Canadians have been asking for as well.

The Budget

The budget also keeps our election commitment on child care. Starting July 1, and it is no coincidence that we are starting on Canada Day, families with young children under six will receive \$100 a month per child to assist with the cost of child care, \$1,200 per child per year. This money is not going to be clawed back through reductions in any other income tested family support programs currently being offered by the federal government.

People were worried that it would be clawed back because of our federal income support programs. It is not going to be clawed back. We are encouraging the provinces not to claw back any of these benefits through reductions in their family support programs. That is very important because our child care plan is truly universal. The former government had a child care plan which was one size fits all. It did not meet the needs of many families in rural areas, families where parents are shift workers or families with a stay at home parent. Our plan delivers \$1,200 per child per year to all families who have children under six years of age.

Also for families there is going to be a new physical fitness tax credit of up to \$500. We have to help families wherever we can because the family unit is the basic building block in our society. The family needs help in a lot of areas. When looking at our budget, people will see that families are receiving help, that it is a family oriented budget so to speak.

The budget will create a \$2,000 apprenticeship job creation tax credit for employers, a \$1,000 apprenticeship grant to new apprentices, and a \$500 deduction for the cost of tools needed to practise a trade.

This is the Conservatives' first budget, and it is indeed a good budget.

• (1235)

Mr. Michael Savage (Dartmouth—Cole Harbour, Lib.): Mr. Speaker, in this place where we hear so much false bravado and famed indignation, it is nice to hear a thoughtful speech. The member outlined very sincerely how he felt about the budget and I commend him for that.

I would like to ask him a serious question. As a fellow Atlantic Canadian, I was very concerned as there does not seem to be very much in the budget for us. It may partly be due to the lower representation in the government from Atlantic Canada. I would have thought that my hon. colleague might have made a very good parliamentary secretary, along with the members for Cumberland—Colchester and South Shore. Instead, parliamentary secretaries for things like ACOA come from Calgary and Toronto, which I think is disappointing.

Shortly after the election, we heard the Minister of Finance muse about the offshore accords that meant so much to the member's province and mine last year, indicating that it was bad fiscal policy. Then we heard that was not what he meant, that was not the fact. In the budget that was presented to us last week, it says specifically that the February 2005 agreements with Nova Scotia and Newfoundland and Labrador were widely criticized as undermining the principles on which the equalization program is based.

When I saw that, it made me a little angry considering all that we heard from the opposition when this was being debated and the

former prime minister made good on his commitment to fully ensure that Newfoundland and Labrador and my own province of Nova Scotia got 100% of offshore royalties.

How does my colleague feel about that being included in the budget speech itself? Does it cause him concern? Does he agree with it? If he does not agree with it, might he share that with the Minister of Finance?

• (1240)

Mr. Norman Doyle: No, Mr. Speaker, I am not really concerned about it. We worked very diligently for the Atlantic accord. The Atlantic accord is a document that has now been signed, sealed and delivered to the people of Newfoundland and Labrador and to Atlantic Canadians generally. It ensures that the oil revenues coming into the province are not going to be affected by equalization payments. As I said, that agreement was put to bed. It is signed, sealed and delivered.

The member mentioned that the budget does not deliver a great deal for Atlantic Canada. Of course, I do not represent all Canadians. I represent a specific area like St. John's. I could make a few observations on how this budget affects the people of Newfoundland and Labrador generally.

Earlier I said I was impressed by both the tax relief and the infrastructure spending in the budget, but as a result of the tax relief that I referenced earlier, the people of Newfoundland and Labrador, for instance, will pay \$124 million less in taxes to the federal government in 2007.

The \$1,200 per child per year child care plan is going to put \$33.7 million more in the hands of the parents in Newfoundland and Labrador over the next year. The budget will provide the provincial government with \$2 million in additional moneys for health care, bringing the cash transfer to the province to \$352 million for health care in 2006-07.

We will also benefit to the tune of about \$54 million in extra equalization payments. Equalization payments in the province of Newfoundland and Labrador for next year will be \$687 million. That is a result of this year's budget, which means we will get \$54 million more.

The budget puts \$1 billion extra into post-secondary education and infrastructure. We will get about \$15.8 million out of that as well.

Mrs. Joy Smith (Kildonan—St. Paul, CPC): Mr. Speaker, on May 2, Canada's new government presented its first budget.

We have provided Canadians with a budget that will benefit all Canadians. This budget turns over a new leaf for Canadians. It puts more money into the pockets of ordinary Canadians. It is a budget so unlike the ones we have seen in the past 13 years.

Our budget is much more modest. It is a budget that delivers on its promise. It is a budget that works on a two year timeframe. Therefore, when we promise, we must deliver. It is a budget that delivers. It delivers on tax relief, on focused spending, and it delivers on the priorities of Canadians and Manitobans.

The Budget

Budget 2006 delivers \$20 billion in tax relief over two years. That is more tax relief than the last four federal budgets combined. For every dollar spent in new spending, Canada's new government delivers \$2 in tax relief. As a result of these measures, people in Manitoba will pay almost \$300 million less in taxes in the year 2007.

The budget delivers on spending. As a government, we also have a responsibility to provide programs that are important to hard-working Canadians and, unlike the previous government which spent erratically on ever changing priorities, our new government has focused its spending on key federal priorities with programs that will get results and provide value for taxpayers' money.

The budget delivers for Manitoba. Budget 2006 confirms that Manitoba will receive \$1.7 billion in equalization in 2006-07. Manitoba will also receive \$19.2 million more in equalization than in November 2005.

Perhaps the greatest accomplishment of the budget is that it rolls back years of overtaxation by the past government. Simply put, government has been overtaxing Canadians for far too long. Under the previous government, billions of dollars were taken from Canadians through overtaxation, to fund large and often hidden federal surpluses. Meanwhile, Canadians are working longer, paying more in taxes and saving less than they were 13 years ago.

Under the former government, Ottawa had been wasting those tax dollars on scandals and boondoggles, such as the sponsorship program, a costly and ineffective gun registry, and debt repayment programs that simply did not work.

Enough is enough. Canadians work hard and Canadians pay too much in taxes. It is time to give back money to Canadians. The budget delivers \$20 billion in tax relief over two years. That is more, as I said before, than the last four federal budgets combined. It delivers tax relief for families, seniors, students, and for those who use our valuable infrastructure. We will reduce the GST from 7% to 6% effective July 1 of this year, and what a great Canada Day gift.

The budget, which delivers tax relief for families, will create a \$1,000 Canada employment credit, effective, again, July 1. This new tax credit gives Canadians a break on what it costs to work, recognizing the expenses for home computers, uniforms and supplies as mentioned earlier.

We will reduce the lowest personal income tax rate from 16% to 15.5% effective July 1. We will increase the amount that all Canadians can earn without paying federal income tax. We will provide also a fiscal fitness tax credit of up to \$500 to cover registration fees for children's sports.

We also think of the seniors and we will deliver on real tax relief for seniors. We will double the amount of eligible pension income that seniors can claim under the pension income credit, the first such increase in more than 30 years. Effective July 1, we will provide a 15.5% tax credit for the cost of transit passes. That means that a senior buying monthly passes in the city of Winnipeg can save up to \$132 per year.

We will also deliver on tax relief for our students. We will create an apprenticeship job creation tax credit for up to \$2,000, and completely eliminate the federal income tax on all income from

scholarships, bursaries and fellowships. We will also create a new text book tax credit for post-secondary students.

• (1245)

This budget is turning over a new leaf for families. Families earning between \$15,000 and \$30,000 per year will be better off by almost \$300 in 2007, and those earning \$45,000 to \$60,000 will save almost \$650. Focused spending means helping families. Raising children has never been easy and it is costly. Strong families mean a brighter future for Canada.

The most important investment we can make as a country is the next generation of Canadians. This new Conservative government is committed to supporting all Canadian parents in their choices. That is why we are investing \$3.7 billion over two years for the universal child care benefit. As of July 1, another Canada Day gift, families will receive \$1,200 per year for each child under six.

We will also invest in new child care spaces with \$250 million beginning in 2007 to create those child care spaces. We will work with governments, business and community organizations to come up with a plan that works, a plan that actually does create spaces. The universal child care benefit, which provides families with \$1,200 a year for each child under six, will put an estimated \$101.2 million in the hands of Manitoba parents over the next year.

Focused spending also means ensuring a commitment of our dollars for law and order, so we can do our job and protect Canadians. Our government is committed to ensuring Canadians are safe in their homes, safe in their communities, and safe on their streets. Safe streets are a defining characteristic of the Canadian way of life and must be preserved, but times are changing.

Our cities are changing. The safe streets and neighbourhoods we expect as Canadians are threatened by gun, gang and drug crime. With this budget, our government focuses spending to protect Canadians on their streets, in their communities, at their national border and throughout the world. We are cracking down on crime.

We will provide \$161 million to put more RCMP officers on the streets. We will invest \$37 million for the RCMP to expand its national training academy. We will set aside funds to expand Canada's correctional facilities. We will provide \$20 million for communities to use to develop programs designed to prevent youth crime. We will provide \$26 million to give victims a more effective voice. We will provide the money required to arm our border agents.

The Budget

As well, the infrastructure in our communities, our bridges, our roads and our transit, is very important. Over the next four years, we will invest a total of \$16.5 billion in new infrastructure initiatives, including \$3.5 billion this year and \$3.9 billion next year. We will provide more than \$5.5 billion in new federal funding for highways and border infrastructure, the municipal rural infrastructure fund, the Canada strategic infrastructure fund, the public transit capital trust, and the Pacific Gateway initiative.

We will maintain the estimated \$3.9 billion in current funding under existing infrastructure initiatives. We will maintain the existing gas tax funding commitment under the new deal for cities and communities, as well as the full GST rebate and the federal portion of the HST paid by municipalities. These tax measures amount to \$7.1 billion in infrastructure support for our cities and municipalities over the next four years.

To improve transit system infrastructure, Manitoba will be getting \$14.7 million right away. Further, any surplus funds in excess of \$2 billion in fiscal year 2005-06 will be used to provide the province with up to \$32.6 million through the public transit capital trust. Municipalities across Canada will receive an estimated \$4.4 billion over the next four years as a share of federal gas tax revenues, money they can invest in roads, clean water and other priorities.

The affordable housing trust will support investments to increase the supply of affordable housing, including transitional and supportive housing; up to \$29 million in Manitoba.

In conclusion, on January 23 Canadians voted for change and our new Prime Minister promised to honour their trust and deliver on our commitments. With its first budget, Canada's new government is delivering: it is delivering tax relief, delivering focused spending and delivering debt repayment. We are doing it in a way that will benefit Canadians now and will enable us all to continue reaching higher to build an even greater country. This budget delivers for business, for families, for Canada, and for all of us.

• (1250)

Mr. Lloyd St. Amand (Brant, Lib.): Mr. Speaker, I would like to ask the member how I should answer, as a member of Parliament, those many constituents who have contacted me about early learning and child care.

In particular, I have heard from single mothers who have one or two young children under six. They are single mothers who are not working and are responsible for their children day to day with a partner or husband not in the picture and with no child support flowing. They are single mothers who want to pick themselves up, who want to do better or who want to go back into the workforce but simply cannot do it.

I would like the member opposite to answer me without using the word choice, which is a phantom word frankly when it comes to the handout by the Conservatives. How is a single mother possibly going to benefit from the budget? How is she possibly going to return to the workforce?

• (1255)

Mrs. Joy Smith: Mr. Speaker, first of all, single mothers certainly do benefit from the budget greatly. They will receive \$1,200 for every child under six years of age plus the 1% GST reduction. There

are many things within the budget that really help young single mothers.

A lot of these young single mothers want to get an education. There is a tax credit for textbooks when they attend school. The whole budget is built on families.

I have heard from teachers about the early childhood education issue. It requires a great deal of training to address the needs that early childhood requires for those children to actually develop. Many teachers are saying that early childhood education is an extremely important component. It begins with highly trained people in schools and in day cares. These are people with teaching degrees who have been schooled in that area.

I think the budget is truly a budget for all Canadians, whether they be single moms and dads or whether they are two parent families. It will take 655,000 low income families off the tax rolls. Clearly, this will help everybody, including the single mom that the member talked about.

[*Translation*]

Mr. Raynald Blais (Gaspésie—Îles-de-la-Madeleine, BQ): Mr. Speaker, I would like to ask my colleague for Kildonan—St. Paul the following question: to be frank, is she not trying to hide the truth?

I would like the figures to be much more transparent. When talking about tax reductions, tax credits and so forth, she should be more specific. For example, with regard to the \$1,000 apprenticeship grant, the increase in the pension income credit or the tax credit for parents who register their children in sports activities, a specific amount is stated. However, the real amount that will be pocketed by taxpayers, after tax a year later, will not necessarily be the same. Families will not automatically receive \$500 for sports activities, but rather 15% of this amount, and so forth.

It is important for the member to be more transparent in her remarks.

[*English*]

Mrs. Joy Smith: Mr. Speaker, both members opposite and ourselves, on this side, are very concerned about accountability and transparency. That is why we put in, right at the offset, the federal accountability act that provides for that to happen.

We believe that Canadians should be able to see where tax dollars are spent. This government prides itself in presenting the federal accountability act which was our first order of business. I certainly agree and sympathize with the member across the way. Accountability is something that we are very proud of over here and we all need to be accountable to the taxpayers of Canada.

The Budget

Hon. Anita Neville (Winnipeg South Centre, Lib.): Mr. Speaker, one cannot have observed the government over the last three months without noting its flexible use of the English language.

The flexible use of language and the flexible marrying of words and actions remind me very much of the Lewis Carroll childhood favourite *Through the Looking Glass*. In this book, members may remember the quote:

“When I use a word,” Humpty Dumpty said in rather a scornful tone, “it means just what I choose it to mean — neither more nor less.”

“The question is,” said Alice, “whether you can make words mean so many different things.”

“The question is,” said Humpty Dumpty, “which is to be master — that’s all.”

It now appears that we have Humpty Dumpty in league with the government: words are being redefined, actions reinvented and the master will prevail.

The litany of reinventions prebudget are becoming folklore of contemporary politics.

The call for Senate reform in an elected Senate resulted in the appointment of a close crony. Is that true blue of democratic reform?

When the member for Newmarket—Aurora crossed the House we heard that it was scandalous. Now the crossing of the member for Vancouver Kingsway a few days after being re-elected is also cited as the true blue of democratic reform.

Mr. Speaker, I neglected to mention that I will be splitting my time with my colleague from Davenport.

Calls for democratic reform and the openness of government, now followed by the appointment of the caucus chair and committee chairs.

No lobbying for five years after a role in government and yet we see a lobbyist made a privy councillor, a defence industry lobbyist made defence minister and an exodus of dozens of Conservative workers to the lobbying world.

We heard a defence minister tell media to stay off the property in Trenton out of respect for the families. We learned that the families had not been consulted and yet we have the spectacle of seeing the ceremony through a chain-link fence.

Transparency is given yet another meaning here. A civil servant and a novelist, a true renaissance person, in the Department of the Environment, the day of his book launch for a science fiction novel on global warming, is told by the minister’s office not to attend the lunch honouring his book launch or to discuss his book with the media.

I repeat Lewis Carroll’s question, “The question is...which is to be master — that’s all.”

The doublespeak and reinvention of language by Humpty Dumpty across the floor continues in the budget process as well.

From the outset, among the first words in the budget, we heard that our personal income tax rate will be reduced from 16% to 15.5% so that taxes will go down for every single income class. Not acknowledged was that the lowest tax bracket was indeed be raised from 15% , in effect from January 2005, to the 15.5%, which is

estimated will reduce the average worker’s weekly take home pay by \$4.

Humpty Dumpty again, “When I use a word it means just what I choose it to mean — nothing more nor less”.

We have heard much about the so-called day care program. We have heard that spaces will be created across the country. What we have not heard from our province of Manitoba, Mr. Speaker, is that 68 day care spaces in northern Manitoba, 700 day care spaces in rural Manitoba and 1,600 child care spaces in the city of Winnipeg, a plan that is currently in place, a plan that was based on reality, a plan that was based on training for child care workers, a plan that was based on capital construction and development and a plan that was based on reality, has been thrown out for a plan in development, modeled on a plan that failed dramatically when introduced in provinces.

Is the government really forthright, or is it really a question of making, as Alice said, “words mean so many different things”?

● (1300)

We have heard endlessly in the House of the child care plan of \$1,200 per child until age six. Let us call it for what it is. It is a family allowance and not a child care plan. To call it otherwise is insulting to parents and to their children.

When this so-called plan was introduced, did the government tell us that it would cancel the child benefit that goes to the most needy families? Did it tell us of the inequities of the plan? Did it tell us that working poor and modest income families will end up with low net benefits and that one-earner couples would get more than single parents and two income couples?

We have heard much about choice but there is no choice. There is no choice for thousands of parents who want to go to school or enter the workplace. There is no choice if there is no quality child care available. In my own riding, waiting lists at child care facilities are so long that one young woman told me that they were not even returning her phone calls. Is this choice, or as Humpty Dumpty says, “—it means just what I choose it to mean — neither more nor less”?

Now let us turn to the plight of our aboriginal population. Canadians know that the economic and social conditions of aboriginal citizens is desperate. Canadians, along with the leadership everywhere in the country, but for the government in the House, know that the Kelowna accord was the greatest opportunity and held the most hope for peace and prosperity for aboriginal Canadians across the country.

We have the spectacle of a once well motivated minister telling members of the House that aboriginal Canadians are, “real winners under this budget”. It is Humpty Dumpty again, “When I use a word...it means just what I choose it to mean — neither more nor less” . Winners. What is a winner?

The Budget

Are aboriginal Canadians winners when a \$5.1 billion integrated strategy is substituted for \$450 million over two years for water supply, on reserve housing, education and general improvement of social conditions? We contrast that with a \$5.1 billion commitment where aboriginal peoples would receive \$1.8 billion for education, \$1.6 billion for housing and water, \$1.3 billion for health, \$200 million for economic development and \$170 million for governance. What does it mean?

Are aboriginal Canadians winners when the money booked for them by the previous government is reallocated to allow Canadians to pay a penny less for a cup of coffee, or to allow well off Canadians a break for their cars, their boats and their holidays?

Are aboriginal Canadians winners when an agreement in principle, negotiated by the previous government, where funds are booked by a previous government, are told that they are getting a settlement that was concluded by a previous government and the Conservatives were then on record of supporting it?

Are aboriginal Canadians winners when it is heard in the halls of this great building that, "Why should they get anything. They don't vote for us". What cynicism and what lack of respect.

Are aboriginal peoples winners when the Prime Minister, Humpty Dumpty the master, appoints a chair of the aboriginal affairs committee who is known to have a stereotypical negative attitude toward aboriginal peoples?

Are aboriginal peoples winners when they are told during the election campaign that Kelowna was written on the back of a napkin and the current minister then says that he speaks for this matter and that he supports Kelowna and, as their supposed champion, he now jettisons it in the name of political expediency? One expects when a government stands up for Canada it stands up for all its citizens.

Are they winners when a holistic long term plan, developed in consultation and collaboration across the country, focused on regional and local priorities, is replaced with a few isolated initiatives, cherry-picked without consultation, all in the name of knowing what is best?

I will repeat, "The question is," said Humpty Dumpty, "which is to be master — that's all".

The budget was called "Building a Stronger Canada" but it is not a stronger Canada for aboriginal citizens. There is doublespeak through so much of the government's proposals; words chosen to mean what the government chooses it to mean, the spin.

With regard to the environment, we hear the government saying that it is advocating its made in Canada plan and that it will invest in a Canadian solution and Canadian technology. The one tonne challenge and the energy guide rebate for seniors, were these not made in Canada?

• (1305)

We need to hear about what is important for western Canada. The government is made up of westerners and yet we have heard nothing about the Wheat Board, western economic diversification, the clean up of Lake Winnipeg nor the Museum of Human Rights. We also

have heard nothing about honouring labour market agreements, which, unfortunately, may be going down the tube.

It is important that the government stands up for all Canadians. I submit that Canadians want clarity and forthrightness. They do not want spin or a reinvention of words and concepts. They want to know that what is said is what the words mean. They want to know that the government will serve all Canadians fairly.

• (1310)

Mr. Nathan Cullen (Skeena—Bulkley Valley, NDP): Mr. Speaker, I thank the member for her passion on the various files she has worked on over the years. It seems to me that if the Conservative government has been working on its spin and is looking through the looking glass, it must have been studying the many years of the Liberal regime, particularly on the issue the member raised which was the environment.

After many reports from the auditor general and various proponents of the environment file we found that the Liberal government had made promises. In the words of the auditor's office, "They were gone before the confetti hit the floor." We saw a progressively eroding picture with respect to the environment and numbers simply cannot lie. The obfuscation and the spin that was produced by every budget did not represent what happened on the ground.

How can the member square the circle with respect to her own party's record on the environment and the Conservative Party just not following in the dastardly footsteps that the Liberals set forward?

Hon. Anita Neville: Mr. Speaker, the member knows full well that the previous government followed through on its commitments on the environment. We provided \$400,000 for the tar ponds. We made a commitment to clean up the Great Lakes and Lake Winnipeg. We had a series of programs that the Conservative government decided to axe without advising Canadians, again part of the spin.

If my hon. colleague truly supports issues like the child care plan and aboriginal peoples, why did his party sell out last November for political expediency?

[*Translation*]

Mr. Marc Lemay (Abitibi—Témiscamingue, BQ): Mr. Speaker, I listened to the member's speech and I also listened carefully to the translation. Wishing to be sure of her comments, I also listened to the speech in English. I share her concern for the plight of the first nations in the budget we are debating. I know that the honourable member was very involved with the first nation communities in negotiating the Kelowna accord.

The Kelowna accord is a nation-to-nation agreement, one between the first nations and the Government of Canada. What would be the consequences for aboriginal communities, the first nations and the northern Inuit if the Kelowna accord were not honoured?

*The Budget**[English]*

Hon. Anita Neville: Mr. Speaker, I know my colleague is a strong advocate of the Kelowna accord but the impact of not honouring the Kelowna accord, not honouring a government's commitment and the honour of the Crown with Kelowna, is far-reaching. The Kelowna accord was an integrated strategy that addressed many aspects, some of which I mentioned in my comments, such as education, housing, economic development, health and governance. It did it in an integrated manner that would have allowed local communities to design a strategy to best meet their needs. Aboriginal communities across the country are not all at the same spot. The beauty of the Kelowna accord was that it was respectful to the communities in terms of where they were.

The Deputy Speaker: A brief question, the hon. member for Nanaimo—Alberni

Mr. James Lunney (Nanaimo—Alberni, CPC): Mr. Speaker, the debate is getting interesting this afternoon.

It is puzzling to me that the Liberals continue to applaud their own accomplishments in terms of numbers. The Liberals seem to assume that a problem is solved when they attach a number to it.

What is it with the budget, which Canadians are applauding and receiving well, that these Liberals have trouble with? We have tax cuts. After Liberals overtaxed Canadians for more than a dozen years, we have tax cuts in 29 areas. We have \$1,200 per child coming forward. We are putting \$250 million into child care spaces, \$500 for children's sports and \$1,000 employment tax credit. That is something new. For students, there will be a \$500 credit for textbooks. The budget includes help for scholarships. Seniors will do better.

The Liberals like to talk about Kyoto. For all the billions of dollars they spent, our carbon emissions went up by 30%.

To finish where the member was on Kelowna, it had big numbers attached to it, but had no delivery mechanism or accountability worked in it. We are delivering \$450 million to help with water and for affordable housing on reserves, which the Liberals never addressed. We are delivering \$300 million to help with non-reserve aboriginal. We are also putting aside over \$2.2 billion—

● (1315)

The Deputy Speaker: Order, please. I did ask the hon. member to be brief. The hon. member for Winnipeg South Centre.

Hon. Anita Neville: Mr. Speaker, the member opposite knows full well the impact of Kelowna on aboriginal Canadians. We signed the accord and the dollars were committed. We negotiated with all the provinces, territories and aboriginal leadership. Everyone was signed on to it. The Conservative government chooses not to honour that.

When the member said that I had thrown numbers at him, Kelowna was a consultative, collaborative process. It was done by all parties working together. What my colleague's government is proposing to do is impose. No one consulted. No one asked. No one worked with aboriginal communities. The difference is the processes of consultation, when we are dealing on a nation to nation basis, which is so critical to aboriginal communities, first nations communities.

Mr. Mario Silva (Davenport, Lib.): Mr. Speaker, I am pleased to have this opportunity to rise in the House to comment on the budget introduced by the Minister of Finance last Tuesday.

There is a tradition that is familiar to all of us in the House with respect to the passage of budgets. Governments must maintain the confidence the House. For if they cannot pass their budget bills, then they have lost the needed consent to govern. This is because budgetary matters are so essential to the business of the government and so fundamentally significant for the lives of those for whom we have been sent here to serve.

[Translation]

Budgets establish the government's priorities and should therefore reflect the priorities of all Canadians. As a parliamentarian and a Canadian, I find some aspects of the budget to be positive, although I am concerned about several flaws.

[English]

The environment is one area that should sound the alarm for many Canadians. I was extremely proud when, as a member of the previous Liberal government, we moved to implement our commitment under the Kyoto accord. This agreement represented a seismic step forward in terms of international cooperation in addressing significant climate change that threatened to impact so substantially the lives of all people across the world and of generations yet to come.

It was with pride that I watched Canada join with many of the world's most progressive nations in supporting the Kyoto accord. The previous Liberal government demonstrated its commitment to the principles of the Kyoto accord by committing the funds necessary to facilitate its implementation: \$5 billion was assigned to ensure that the environment we passed on to future generations of Canadians would be livable and sustainable.

This past Tuesday the government demonstrated that it did not share this significant commitment to the environment. Instead, Conservatives put forward what they described as a "made in Canada solution". If it were truly a made in Canada solution, it would reflect the very real and deeply felt commitments of Canadians to protection of the environment. I am afraid the budget does not demonstrate any such commitment.

There is also the issue of child care. The previous Liberal government had begun an enormous, important move forward in terms of providing the kind of affordability and quality that Canadian families deserved. My colleague, the previous minister of social development, the hon. member for York Centre, had already worked with provincial counterparts in several provinces to begin to put in place a national day care system of which we could all be proud.

The Budget

There are clearly very different visions at work here. My colleagues on the government benches believe that their program offers choice to Canadians. Then again, does it really? The previous Liberal government plan would have committed \$5 billion to establish a child care system that would have ensured the availability of day care service to Canadians who most needed them. In fact, in my home town of Toronto, it is now evident that the thousands of day care spaces, which would have been created under the Liberal plan, are now to be lost as a result of the direction that has been adopted by the government. This is very unfortunate for the many families across the country who had anticipated the availability of affordable day care in their communities. It is something they now see slipping away.

There has been much talk of the tax cuts that the budget extends to Canadians. Indeed, there are tax measures in the budget that will reduce the amount payable in tax. However, I was quite disappointed that the government would choose to reverse a Liberal tax cut aimed at those at the lowest end of the income scale. At a time of unparalleled prosperity in our country's history, it is really quite sad that the government's budget would choose to add to the burden faced by many of our country's most economically disadvantaged citizens. Canada is not about that. I know many Canadians feel distressed when hearing that those unable to pay taxes will actually see the Liberal tax cut aimed at helping them up in life eliminated by this budget plan.

• (1320)

[*Translation*]

Last year's Kelowna accord played an important role in the progress of first nations peoples. It showed first nations peoples dignity and respect, which was a priority for the previous federal government under the Liberal Party. That government also provided progressive funding in several areas to meet the needs of aboriginal peoples.

[*English*]

In this budget we see the commitment brushed aside, only to be replaced by a portion of the funds necessary to meet the needs of our first nations peoples. Indeed, I was saddened to see that the Assembly of First Nations has to state that "first nations will remain in last place as a result of...(the) federal budget".

The Kelowna accord was a major step forward in the relationship between the federal government and the first nations people of our country. My vision of Canada is one where aboriginal peoples are treated with respect and dignity and are welcomed to the table as equal partners. The accord signed last year went such a long way down the road to recognizing this need, yet we see the new government abandoning what so many well-intentioned and committed people worked so hard to achieve.

What about students? In the financial statement released last November, my colleague, the former finance minister and member for the riding of Wascana, outlined significant steps forward for those who would shape the future of our country. Significant funding was announced then to assist students, financially, by way of Canada access grants, workplace training innovation funds and the list went on. We did not see this kind of commitment being made in budget 2006.

Those in our post-secondary schools deserve the kind of support announced last winter by the Liberal government in the form of initiatives that came even before the announcement was made in the fiscal update in November. These young people are the future of our country. They are the next generation of doctors, teachers and our country's future leadership. They deserve the kind of support promised last November but missing in the spring.

What about the most vulnerable seniors who do not reap any benefit from the budget? These are older Canadians who may not have the benefit of significant private pension plans. Where are the initiatives to assist them? Indeed, where is the help for our cities that the previous Liberal government had demonstrated on a continual basis? Whether it is the environment, child care, seniors, students or our first nations peoples, budget 2006 leaves much to be desired.

While none of the provisions of this budget are negative in nature, there is so much to be concerned about that we need to bring attention to them in the House. So many times colleagues within the House have spoken of their vision of Canada, and this is an important concept.

[*Translation*]

Budgets are more than just figures and spreadsheets. They are also created for our citizens. We must be sure to help those in need and to encourage those who have the necessary means, so that everyone can have the fulfilling, satisfying lifestyle that they deserve.

[*English*]

We cannot build a future on shaky ground. To have a solid foundation, we must have the kind of investment that supports our families, child care centres, first nations peoples, cities, seniors, and the list goes on. Budget 2006 reflects a vision that will be alien to many Canadians. It really does not reflect our values of compassion, caring and inclusiveness. It does not match with our sense of fair play and our commitment to helping those among us most in need.

Like many Canadians, I had hoped for so much more for the sake of the future of our world, our country and our people.

Mr. Nathan Cullen (Skeena—Bulkley Valley, NDP): Mr. Speaker, I seem to be one of a few who has a strong interest in this debate, but I will soldier on.

I have a question for the hon. member. He mentioned students, however briefly, and the insult tossed at them in the budget of a few dollars for some books and the potential to borrow more money. What a fantastic option for students who are leaving school with \$25,000 to \$30,000 on average of student debt.

Could he comment on how it took the New Democrats to push the previous government to make investments in the last true budget of his government? When pushed up against the wall with the electoral gun to its head, suddenly a deathbed conversion was experienced in this place and the Liberal government of the day finally found it necessary to support students with over \$1 billion, which was included in Bill C-48 and passed through the House.

The Budget

Students everywhere were glad for it. Finally, some attention was paid to the growing deficit that our country had been running, year in and year out, when it came to students, our future generations and those looking to improve their lots in life, and to improve the efficiency and productivity in our economy. That did not happen until Bill C-48 showed its head and the New Democrats pushed the reluctant party of the day.

I would encourage the current government to look at such an intelligent and favourable move as well and prepare progressive legislation to support students who are striving to make their lives better.

• (1325)

Mr. Mario Silva: Mr. Speaker, the hon. member certainly is someone for whom I have a lot of respect, but I must say that one pattern is becoming quite clear in this House. That is, the New Democratic Party has decided that the opposition here is the Liberal Party, not the Conservatives, so I presume that all Canadians can be assured that the only opposition there is in the House to the Conservative Party is in fact the Liberal Party.

I would say that it is also easy to be critical when those members do not have to worry about governing a country and easy not to look at what options we have to put forward. In fact, we were working extremely well together with Canadians, families and cities. We had partnerships with the first nations people, and there were incredible partnerships we managed to make across this country on housing and social services, and on day care, unfortunately. I believed we had good cooperation with the New Democratic Party as well, until those members decided they wanted to join the Conservative Party. Unfortunately, this is a sad tale, but it is in fact the history of the NDP.

Hon. Jay Hill (Prince George—Peace River, CPC): Mr. Speaker, I am more than happy to participate in the debate this afternoon.

I would suggest to my hon. colleague across the way, who said, I think, that there are different visions at work here, that I would certainly agree. I think what we are seeing is the reality that Canadians from coast to coast to coast are responding to this particular budget because, for a change, they do see a government with some vision. I know, because I have been sitting here since 1993 through successive budgets by Liberal finance ministers, budgets that lacked any vision for this country. It was a status quo government that stumbled from one issue to another.

Yet in this particular budget, we are seeing the reality that the promises made in the recent election campaign are being acted upon. Canadians are responding positively to that. The reason they are responding is that they want some leadership, and this Prime Minister is providing it.

Specifically, the member mentioned the child care program. Quite honestly, I am getting more than a little fed up with this—

An hon. member: Myth.

Hon. Jay Hill: Yes, this myth is being perpetuated by the Liberals that somehow we had a national child care program last November. What we had was something that was cobbled together at the last minute to try to stave off defeat in this House and was presented to

Canadians as some sort of a national child care program. It is absolute nonsense.

Our plan is to deliver assistance to every parent in this country with a child under the age of six. Would the member stand and state that he supports delivering that assistance to all parents universally in this country? Or does he not support that? Does he believe, like some in his party, that if we support parents it only leads to future problems and producing criminals in this country?

Mr. Mario Silva: Mr. Speaker, there definitely is a difference in vision here. It seems that the Conservatives' vision is being shaped by the neo-cons of the Republican right who have come to Canada to tell them what to do and how we should be running our country. I guess the made in Canada solution is always an American solution to them. As proud Canadians, we should reject some of those very neo-con positions that have been enunciated by the Republicans in the U.S., particularly their anti-choice and anti-gay views. This type of vision is not something that Canada should be welcoming. It is unfortunate that this is the road map that they would like us to follow for the rest of Canada.

In fact, we in our party were building something with Canadians, something that unfortunately has been destroyed. Our child care plan was worked on with our partners across the country, with our provincial counterparts, with the centres, and with Canadian families. It was a workable plan that I think really was essential to create the social building blocks necessary to this country for its future. Unfortunately, that has been destroyed.

• (1330)

Mr. Mark Warawa (Parliamentary Secretary to the Minister of the Environment, CPC): Mr. Speaker, last week this government presented its first budget. The budget delivers. It delivers on tax relief. It delivers on focused spending. It delivers on paying down the debt.

The previous Liberal government had been overtaxing Canadians for far too long. Canadians were working longer, paying more in taxes and saving less than they were 13 years ago. It is time to give money back to Canadians. That is the bottom line of budget 2006.

This budget delivers \$20 billion in tax relief over two years, more than the last four Liberal budgets combined. This Conservative government is going to be lowering everyone's taxes.

We will reduce the GST from 7% to 6%, effective July 1.

We will create a new \$1,000 Canada employment credit, effective July 1. This new tax credit gives Canadians a break on what it costs to work, recognizing expenses for such things as home computers, uniforms and supplies.

We will increase the amount that all Canadians can earn without paying federal income tax.

We will create a new apprenticeship job creation tax credit for up to \$2,000 per apprentice.

Effective July 1, we will provide a tax credit for the cost of transit passes.

We will completely eliminate the federal income tax for all income from scholarships, bursaries and fellowships.

The Budget

We will create a new textbook tax credit for post-secondary students.

We will provide a physical fitness tax credit for up to \$500 to cover registration fees for children's sports.

We will double the amount of eligible pension income for seniors that they can claim under the pension income credit. This is the first increase in more than 30 years.

This government is putting money back into the pockets of Canadians.

There is more.

The most important investment we can make as a country is in the next generation of Canadians. This government is committed to supporting all Canadian parents and their choices. That is why we have invested \$3.7 billion over two years for the universal child care benefit. As of July 1, families will receive \$1,200 for each child under six.

The Conservative government will also invest in new child care spaces, spending \$250 million, beginning in 2007, to create 125,000 new child care spaces. We will work with governments, businesses and community organizations to create these new spaces.

Mr. Speaker, I will be splitting my time with the Minister of Human Resources.

Two women on my staff are working to raise young children under six at home. Both have opted for some form of private child care. Their choices in child care differ. However, they will join all other families who will benefit by receiving the child care benefit to allow them to spend their child care allowances as they choose.

I talked to a Langley woman yesterday who is a professional child care provider and has a two year old son of her own. She has worked in both child care and preschool. She confirmed that early years are incredibly important learning years for children. Over and over again, she said that no matter how good the child care facility is, nothing can replace a parent. That is why we will give parents choices in deciding what is best for their children.

Our government is committed to ensuring Canadians are safe in their homes and communities. Safe streets are the defining characteristic of the Canadian way of life and that must be preserved. Times are changing. Our cities are changing. The safe streets and neighbourhoods we expect as Canadians are threatened by gun, gang and drug crime.

Since I was elected almost two years ago, I have personally witnessed a Langley pedophile who sexually assaulted his neighbour's children and was sentenced to house arrest, with a view of his victims in their backyard. I have attended a dangerous sexual offender hearing for a man who kidnapped an 11 year old Langley girl right off the street in front of her best friend and sexually assaulted her before allowing her to escape.

In my riding, I have seen huge numbers of marijuana grow operations taken down by RCMP officers, who are overwhelmed with the number of grow ops reported. In Langley, my staff are currently attending the trials of two men who have been charged

with murdering three Langley residents in separate incidents. Talk about being bold, the clubhouse of the Hells Angels is located within feet of my constituency office.

• (1335)

The previous Liberal government allowed a soft on crime attitude to lead to ineffective sentences and underfunded police forces, and it allowed organized crime to take a foothold across this great country. Canadians want serious time for serious crime.

With this budget, the government focuses on spending to protect Canadians on our streets, in our communities and at our national borders. We are cracking down on crime.

We will provide \$161 million to put more RCMP officers on the streets. We will invest \$37 million for the RCMP to expand its national training academy. We will set aside funds to expand Canada's correctional facilities. We will provide \$20 million for communities to use to develop programs designed to prevent youth crime. We will provide \$26 million to give victims a more effective voice. We will arm our border agents. We will make Canada safer.

We are going to be investing in infrastructure, in bridges, roads and transit, and that is important. A great trading country like Canada needs to have the very best highway and border infrastructure.

My riding of Langley sits on the Canada-U.S. border. As part of the greater Vancouver regional district, Langley is victim to many years of Liberal mismanagement in the infrastructure department. Transportation is the number one political issue affecting my constituents. In Langley, a rail line runs right through the centre of town, closing off all five rail crossings at the same time when a train comes through, many times a day.

Traffic backlogs caused by the previous Liberal government's failure to provide adequate railroad separation have created a very dangerous situation. Delays in moving goods to market cost money. Delays make business less competitive. With the welcome expansion of Deltaport, funding for railroad separation must be provided.

The Budget

Our government is listening. Our government will increase its investment in new highways and border infrastructure. It is a long term commitment of unprecedented new investment. Over the next four years, we will invest a total of \$16.5 billion in new infrastructure initiatives, including \$3.5 billion this year and \$3.9 billion next year. We will provide more than \$5.5 billion in new federal funding for the highways and border infrastructure fund, the municipal rural infrastructure fund, the Canada strategic infrastructure fund, the public transit capital trust fund, and the Pacific gateway initiative.

We will maintain the estimated \$3.9 billion in current funding under existing infrastructure initiatives. We will maintain the existing gas tax funding commitment under the new deal for cities and communities and the full GST rebate and the federal portion of the HST paid by municipalities. These taxes measure up at about \$7.1 billion in infrastructure support for cities and municipalities over the next four years.

Canadians who live in cities are justifiably concerned about traffic congestion and the harmful emissions associated with it. Our government knows that investing in public transit infrastructure will help preserve our environment. That is why we are providing up to \$1.3 billion to support public transit capital investments. Effective July 1, we will also help Canadians with the cost of riding the bus, commuter train or subway by providing a tax credit for the cost of transit passes.

We know that we all need to do a lot more to help the environment, and our government will spend \$2 billion over the next five years to develop a made in Canada climate change program that will actually make a difference. As the Parliamentary Secretary to the Minister of Environment, I am very proud of the opportunity to work to improve our global environmental health.

We finally have a government that is working hard to make Canada cleaner, safer and prosperous, and with a commitment to be open and accountable.

This is a great budget that Canadians are happy with. I ask all members of the House to support it.

• (1340)

Mr. Rodger Cuzner (Cape Breton—Canso, Lib.): Mr. Speaker, the member touched on a number of aspects of the budget. There is one that several government members mentioned during their speeches today: specifically, the \$500 tax deduction for registration for minor sports for those under 16 years of age.

Coming from that type of background and having three boys heavily engaged in minor sport, I am just wondering if the government truly believes that \$80 over the course of the year is going to have any impact on whether or not mom and dad put their son or daughter into a sports program. That is the one that befuddles me. We encourage them to lead healthy lives, to participate and to get out and interact, but is \$80 going to make a difference? Should we not be putting that money, working with the other levels of government, into building better facilities and investing in our coaches and leaders, into those types of initiatives?

I have a specific question that I would like to ask the member. During the last election, the Conservatives very much ballyhooed

their 1% of the health budget going toward sport and fitness. There is no mention of that in the budget. Where is the 1% of the health budget going toward sport and fitness?

Mr. Mark Warawa: Mr. Speaker, the hon. member suggested that he is befuddled. I would suggest that for 13 years his government was befuddled.

This government has a different philosophy. We trust parents. We trust Canadians. I also have children, four boys and a girl. It meant a lot of soccer games. We know parents need some help. The federal government does not want to be creating sports programs. We want to assist parents so they will be able to have choices, and that is our whole philosophy. We trust Canadians. We do not believe in big government telling parents what they have to do.

[*Translation*]

Mr. Thierry St-Cyr (Jeanne-Le Ber, BQ): Mr. Speaker, in his speech, the hon. member talked about parents' child care choices. I would also like us to talk about the choice Quebecers have made regarding child care.

For years, the federal government has been saving money at Quebecers' expense. Quebecers have chosen to make child care available for \$7 rather than paying higher fees, as in the rest of Canada. So the government is saving \$250 million because Quebecers have chosen to use tax dollars to subsidize child care fees.

Does this government intend to return the money it is saving at Quebecers' expense to the Government of Quebec?

[*English*]

Mr. Mark Warawa: Mr. Speaker, I trust my colleague asked a genuine question and has a genuine concern about the government providing adequate child care choices for Canadians. My Canada includes Quebec.

Canadians right across this great country need to have a choice. Some choose to take their children to an organized child care centre which has well trained staff that can provide as good care as possible. As I said in my speech, I talked to a unique individual in my riding who is a professional child care provider with children of her own. She believes that parents can provide a degree of care that is superior to institutionalized care. We want to give all parents a choice.

For 13 years no new spaces were created under the Liberal government. We will be creating 125,000 new spaces, and Quebec will be part of this. We will give parents the choice to take care of their children in a way they see fit.

• (1345)

Ms. Catherine Bell (Vancouver Island North, NDP): Mr. Speaker, I have heard many hon. members talk about what is in this budget but I am concerned about what is not in it. That is the lack of mention of something that is crucial to my riding.

Salmon fishing is a part of the culture of Vancouver Island North and that fishery is in decline. I have met with fishermen, first nations, fisheries biologists, and hatchery workers and they have all told me that we need more enhancement.

The Budget

With the \$10 million announcement for east coast aquaculture last week, could the member tell me why there was nothing in this budget about investment for salmon enhancement of our west coast fishery?

Mr. Mark Warawa: Mr. Speaker, fisheries is an important issue to this government. We have a very qualified minister and parliamentary secretary and a dedicated committee that will be working on this issue. My focus is on the environment. Fisheries is complementary to the environment. We have to make sure that our environment is clean in order to provide a good habitat. Fisheries also need good management. We are committed to making sure that we have healthy fisheries.

Hon. Diane Finley (Minister of Human Resources and Social Development, CPC): Mr. Speaker, I would like to thank my colleague, the hon. member for Langley, for sharing his time with me today.

Canada's new government campaigned on the items in this budget. Happily, Canadians gave us a mandate to implement our platform and we are now delivering on our commitments.

The budget provides some \$11.7 billion in total direct federal support to families in 2006-07 alone. The vast majority of benefits will go to low and middle income families.

I want to emphasize that the budget addresses a broad range of issues. Our support for child care has received most of the attention, but the budget invests in Canadians of all ages and stages of life and in many different circumstances. I will talk about some of those in a few minutes.

The hallmark of the budget is the five priorities in the Speech from the Throne. One of those five is to give parents a choice in child care. Our budget provides for a new universal child care plan that provides benefits directly to families and supports the creation of new child care spaces.

The new universal child care benefit will go directly to the parents of Canada's 2.1 million preschoolers. It will provide \$1,200 a year for each child under six to help parents choose the options for child care that best suit their family's unique circumstances.

We hope for swift passage of the budget and urge all parties to vote for what Canadians want and expect. Parents across the country want our universal child care benefit and are looking forward to receiving their first monthly cheque of \$100 for each preschool age child this July.

The universal child care benefit is only one of two components of our universal child care plan. We know that many parents want formal day care and that the demand for these spaces exceeds the current supply. The budget sets aside \$250 million per year beginning in 2007-08. We will create with that money 25,000 new spaces each year.

We want community associations, not for profit organizations, parents, and businesses both large and small to come up with ideas for child care spaces that make sense for them. In the coming months we will consult on the child care spaces initiative with the provinces and territories, employers and other stakeholders on ways to implement our spaces initiative.

In addition to helping all parents with their preschool age children, our government is following through on our commitment to help address the skills and labour shortage. To do this we have introduced several new measures.

First, we will introduce a new apprenticeship incentive grant. It will provide a cash grant of \$1,000 per year to apprentices in the first two years of an apprenticeship program in one of the red seal trades. This grant will promote the entry of new labourers into the trades.

Our budget also encourages employers to hire new apprentices through an apprenticeship job creation tax credit. Eligible employers will receive a tax credit of 10% of the apprentice's wages to a maximum of \$2,000 per apprentice per year for each of the apprentice's first two years.

The budget also delivers on our campaign commitment for a new tools tax deduction worth up to \$500 per year that will help apprentices and trades people pay for the cost of their tools.

These are the first steps in our longer term broad based agenda to respond to the concerns of employers, unions and workers who recognize the great need for more skilled trades people right across Canada.

We will also be consulting with the provinces, territories and other stakeholders on the creation of the Canadian agency for the assessment and recognition of foreign credentials. The agency will offer preassessment of international credentials and experience. On the basis of the advice that we receive, we will move quickly so that new Canadians can quickly put their skills to work for their benefit and for ours.

● (1350)

Because students are our future leaders, this budget introduces several new measures to help young Canadians get the education that they need. We want to make post-secondary studies more affordable for Canadians. The budget invests up to \$20 million annually to increase direct support to students and their families through the Canada student loans program. We will expand eligibility for student loans through a reduction in the expected parental contribution starting in August 2007. We have also introduced a textbook tax credit of \$65 per month for full time students and \$20 per month for part time students. While these tax reductions are modest, we know and understand that every little bit helps.

Our government also believes that hard work deserves to be rewarded. Our brightest young minds deserve to keep their hard-earned bursaries and scholarships. That is why our government is eliminating federal taxes on scholarship and bursary income.

While direct assistance to students is important, our government also recognizes that improving access to post-secondary education requires more than loans, grants and bursaries. The institutions themselves must have the capacity to support the growing number of students. That is why we are establishing a one time post-secondary education infrastructure trust fund. The budget provides \$1 billion for the provinces and territories to support urgent investments in infrastructure and equipment such as better classrooms and libraries, laboratories and research facilities, and to purchase new technologies and training equipment.

The demand for new skills and technologies sometimes displaces older workers. We made it clear that we will stand up for older workers. We recognize the important contribution that they make to the labour market. We are committed to finding ways to help them and will evaluate several options for assistance. Personally, I look forward to working with members of the opposition in addressing the needs of older workers.

While assistance to human capital is important, our government also recognizes the need for investment in housing infrastructure. We are determined to help make quality housing more affordable and available for Canadian families, particularly aboriginal Canadians and people living in Canada's north. To this effect, our government is investing \$800 million in affordable housing to help provinces and territories increase the number of safe and affordable housing units. In addition, the budget provides up to \$300 million to provinces to address immediate pressures in off reserve aboriginal housing and up to \$300 million to territories for affordable housing in the north.

Canada's seniors could also use their government's support. That is why our government is following through on our commitments to double the pension income credit from \$1,000 to \$2,000 in 2006. This will benefit nearly 2.7 million seniors with pension income and will remove approximately 85,000 pensioners from the tax roll.

Our government is also addressing the needs of some 3.6 million Canadians living with a disability. Effective this July, we will increase the maximum annual child disability benefit to \$2,300, up sharply from \$2,044. We are also extending eligibility for this benefit to virtually all families caring for a child who is eligible for the disability tax credit. This is good news for families struggling with the challenges of providing for the needs of their family members with disabilities.

Our government is following through on our campaign commitments. We offered Canadians a platform of hope and of change. Canadians voted for this change and we are now proud to follow through on our commitments. I urge all hon. members to support the choices of Canadians and to join me in supporting this budget.

• (1355)

Mr. Michael Savage (Dartmouth—Cole Harbour, Lib.): Mr. Speaker, there are a number of things in the minister's speech I would take issue with, not the least of which is the child care proposal which I have expressed in the House already. I have presented a number of petitions on that subject and will be presenting another one today.

I was taken by the comments she made early in her speech about tax relief, saying that the vast majority goes to low and middle income Canadians. Certainly when we reduced the lowest marginal

rate to 15%, that was true last year. Raising it by half a point is not helpful. I looked at the brochure that accompanied the budget documents. Under the heading "More Money in Canadians' Pockets", there is a table titled "Broad-Based Tax Relief for Individuals, by Family Income Group". I notice that those who make less than \$15,000 a year will benefit by \$96 in tax savings in 2007 according to the government's numbers, while those who make \$100,000 to \$150,000 a year will get over \$1,200, members of Parliament included and cabinet ministers much beyond that.

My question is simple. Does the minister really believe that MPs deserve 12 times as much of a tax break as families struggling to raise their kids on \$15,000 a year?

Hon. Diane Finley: Mr. Speaker, a lot has been said in the House and outside the House about this budget. Unfortunately, a lot of it is very misleading misinformation. For example, there has been talk about how the working poor and the poor will not benefit from our tax cuts.

The Conservative Party's tax cuts are the broadest, the most comprehensive and they exceed the tax cuts provided by the previous government in not one but four budgets.

By cutting the GST by 1% , the government will be providing a 1% cut in the taxes on expenditures that affect even the poorest. One-third of Canadians do not pay taxes. They will benefit from the cut in the GST. They would not benefit from the middle class income tax cuts that the previous government wanted. They will benefit from our cuts.

The Deputy Speaker: There are 2 minutes and 43 seconds left in questions and comments. We will now proceed to statements by members.

STATEMENTS BY MEMBERS

[English]

UNIVERSITY OF PRINCE EDWARD ISLAND

Hon. Shawn Murphy (Charlottetown, Lib.): Mr. Speaker, on May 13, the University of Prince Edward Island will host its 37th annual convocation. I would like at this time to extend my congratulations to the graduates and wish them continued success. I have no doubt that they will continue on to accomplish many great things.

As well, five honorary degrees will be awarded to outstanding members of the community. These individuals serve as excellent role models to the students and to societies. The recipients will be Elaine Campbell, Suzanne Lévesque, Fen Watkin, Pat Webster and David Rodd.

Statements by Members

In addition, David Rodd is also being recognized through a new scholarship in his honour. UPEI's "David W. Rodd Scholarship in Tourism and Hospitality" acknowledges David's contributions to his community. He is a highly respected entrepreneur and admired leader in the hospitality industry. He is also an active citizen serving in key roles in several organizations.

I ask my colleagues to join me in congratulating David, the honorary degree recipients and the newest graduates of UPEI.

* * *

• (1400)

[Translation]

BLOC QUÉBÉCOIS SUPPORTERS

Mr. Luc Malo (Verchères—Les Patriotes, BQ): Mr. Speaker, voters in a majority of ridings in Quebec selected the Bloc Québécois to represent them in the fifth consecutive federal election.

We owe this victory in large measure to the hard work and determination of generous volunteers, people of all ages, all walks of life and all backgrounds. The diversity of these people, who are defending ideas that reflect their experiences and their beliefs, enables the Bloc Québécois and its parliamentary wing to better defend the interests of Quebecers. I pay tribute to them for their invaluable work.

I thank them for their involvement and their generosity and specifically I thank the extraordinary group of supporters from my riding, whom we welcome to Parliament Hill today.

We are honoured by your presence and encouraged by your enthusiasm. Thank for not sparing your time or your energy in your efforts to make Quebec a sovereign country.

* * *

[English]

AERONAUTICS ACT

Mr. Bruce Stanton (Simcoe North, CPC): Mr. Speaker, I would like to express my support for my constituents. I had the opportunity to speak with a number of them this past weekend on different matters affecting the House. One in particular was the issue relating to the Aeronautics Act.

In speaking with people who, in particular, are part of the general aviation community, they take great interest in the government's work in advancing aeronautical safety, especially in light of the different environment of those who work in the visual flight rules and general aviation community, and the kinds of safety measures that this will bring.

* * *

WORLD RED CROSS RED AND CRESCENT DAY

Ms. Penny Priddy (Surrey North, NDP): Mr. Speaker, today, May 8, is the day that the international Red Cross and Red Crescent movement pays tribute to the 90 million volunteers who provide vital assistance worldwide. These humanitarian heroes, who sometimes risk their lives in order to help others, deserve the international community's thanks and recognition for their devotion and tireless efforts.

Around the world Red Cross and Red Crescent volunteers are active in a diverse range of activities, from alerting the public to the danger of landmines in Afghanistan, to fighting the stigma and discrimination related to HIV-AIDS in southern Africa. They also regularly come to the aid of millions of people affected by natural and man-made disasters, such as the Pakistan earthquake, the Darfur crisis and hurricanes in the Americas, while providing ongoing support to the survivors of the Asia tsunami.

Today and every day we honour those volunteers who make considerable personal sacrifices to help others.

* * *

WINNIPEG SOUTH

Mr. Rod Bruinooge (Winnipeg South, CPC): Mr. Speaker, as a proud citizen of Winnipeg, I would like to highlight the recent visits of the Minister for la Francophonie and Official Languages to our city's historical francophone communities.

Manitoba is home to numerous and long-standing French populations, many of which were founded by the *coureurs des bois*, or *voyageurs*, who were fur traders who bartered with local aboriginal nations, forming a unique community. During her visit, the minister spent her time witnessing the vibrant contribution made by these founding cultures.

I was also very proud to accompany the minister as she viewed important historical documents of Manitoba's Métis nation, cared for by the Franco-Manitoban Cultural Centre. The hard work of institutions like this will help ensure the preservation of our country's most treasured heritage. They deserve our heartfelt acknowledgement and thanks.

* * *

[Translation]

SAINT-JOSEPH DE MADAWASKA SCHOOL

Mr. Jean-Claude D'Amours (Madawaska—Restigouche, Lib.): Mr. Speaker, I will take time today to talk about a group of young students in my riding.

On March 27, I was invited to talk to a class at the Saint-Joseph de Madawaska school about the duties and responsibilities of a member of Parliament. In our discussions, the students were particularly interested in Canadian politics and the parliamentary system in general. I must say I answered a lot of interesting questions and came to understand through this opportunity that we must take the time to talk with our society's young people, as they are its future.

I would like to thank Jessica Bernier, Brenda Bossé, Stacey Bossé, Stéphanie Bossé, Beverlie Boucher, Kaven Lagacé, Pierre Landry, Jonathan Levesque, Mélanie Levesque, Vincent Michaud, Amélie Morin, Pénélope Morin, Dominic Nadeau, Chloé Ouellet, Frédéric Plourde, Vincent Sirois-Turgeon and Frédéric Thériault for welcoming me into their social studies class. My thanks as well to their teacher, Martine Martin.

•(1405)

NATIONAL MINING WEEK

Mr. Christian Paradis (Parliamentary Secretary to the Minister of Natural Resources, CPC): Mr. Speaker, from May 8 to 14, I invite all Canadians to celebrate National Mining week. This year's theme is "Canada's Mining Industry: Contributing to Economic Development at Home and Abroad".

Mining is one of the Canadian economy's key engines of growth. From 2003 to 2004, total production value increased from \$50 billion to \$60 billion and it continues to increase. What is more, in just a few years' time, Canada has worked its way up to third place among diamond mining countries.

Mining is also one of our main tools for the socio-economic development of aboriginal peoples. In Canada, more than 1,200 aboriginal communities are located within a 200 kilometre radius of operating mines.

Positive effects of mining—jobs, training and benefits to the communities—are felt in every corner of Canada.

Our mining industry creates opportunities for the people and communities touched by its activities.

I invite all Canadians to join me in celebrating this important Canadian industry during National Mining Week.

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WORLD RED CROSS AND RED AND CRESCENT DAY

Ms. Christiane Gagnon (Québec, BQ): Mr. Speaker, today is World Red Cross and Red Crescent Day.

Since 1863, the Red Cross has been working to improve conditions for vulnerable people locally and globally.

In Quebec, nearly 10,000 volunteers operate more than 700 interventions annually to help disaster victims.

The International Committee of the Red Cross and the Red Crescent, working under the Fundamental Principle of neutrality, enters conflict areas to promote and reinforce international humanitarian law and principles.

Over the past decade, 160 of their delegates were killed in the performance of their duties. In 1979, Jean Pictet, former ICRC vice-president, said, "For the Red Cross there is no just war and no unjust war - there are only victims in need of help".

I want to commend and thank the Red Cross and the Red Crescent for their tireless dedication.

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[English]

HUMAN RIGHTS

Mr. Jason Kenney (Parliamentary Secretary to the Prime Minister, CPC): Mr. Speaker, I had the honour of being present on March 22 when the League for Human Rights of B'nai Brith Canada publicly released its 2005 audit of anti-Semitic incidents, an annual study on patterns of prejudice against Jews in our country. The audit

Statements by Members

is internationally recognized as the single-most credible source on anti-Semitism in Canada.

In total, 829 anti-Semitic incidents were reported to the league in 2005. This number marks the second highest total in the 23-year history of the audit. Since 2001, the total number of incidents has increased almost threefold in Canada. The explosion of hate on the Internet, which amounts to a global invasion, is a priority concern also documented in the audit.

Anti-Semitism has many faces, its expressions are both subtle and overt and no one segment of Canada's Jewish community is immune from it.

After commemorating Yom HaShoah, the systematic slaughter of six million Jews in the second world war, we must remember never to be complacent. I join all my colleagues and the government in recommitting ourselves to fighting the scourge of anti-Semitism here and throughout the world in all its forms.

* * *

MINING INDUSTRY

Hon. Roy Cullen (Etobicoke North, Lib.): Mr. Speaker, this week is Mining Week in Canada, a time to celebrate and highlight the many accomplishments of the mining industry and the contribution that this sector makes to Canada.

[Translation]

This industry employs more than 370,000 Canadians in rural and urban areas and is a world leader in sustainable mining technologies. It accounts for 4% of our gross domestic product and is the largest employer of aboriginal Canadians in the private sector.

[English]

While there are many positive things of which to speak, there are also challenges. The industry requires investment in geosciences and support for a geological mapping strategy. It also faces a growing labour shortage as the industry will require up to 81,000 new people in the next 10 years.

The recent Conservative budget failed to address these concerns.

A new Liberal government would meet these challenges head on and ensure that our very important mining industry in Canada continues to grow and prosper.

* * *

WINERIES

Mr. Dean Allison (Niagara West—Glanbrook, CPC): Mr. Speaker, earlier today I stood in the House to speak to the strengths of the budget announced by the hon. Minister of Finance last week, a budget that will give all Canadians the kind of tax relief that they so richly deserve.

While there are many things to be thankful for in this budget, let me mention one of particular interest and importance to many of my constituents.

Statements by Members

This budget has announced the elimination of excise tax on the first 500,000 litres of 100% VQA Canadian wine produced by each winery. This single decision will assist small and medium sized wineries to be more competitive, both domestically and internationally. It will also help them to grow their businesses, strengthen the economy and, ultimately, put Canadian wines on the world stage.

On behalf of the Canadian wineries and vintners, not only in my riding but across the country, let me thank the hon. Minister of Finance and this government for helping to build a brighter future for Canadians and for Canadian businesses.

* * *

●(1410)

JOHN ATKINSON

Mr. Joe Comartin (Windsor—Tecumseh, NDP): Mr. Speaker, it is with great sadness that I rise today to pay tribute to Constable John Atkinson, a Windsor police service constable who, on Friday afternoon in the process of intervening to stop a crime, was fatally shot.

This tragic incident has my community reeling with shock and sorrow. The city of Windsor is collectively mourning the loss of this dedicated and committed public servant, father and husband, a community-minded individual who, over his 14 years of service as a member of the Windsor Police, received 35 letters of recognition and 6 divisional commendations for his excellent work, a true testament to the type of man and officer he was.

The outpouring of love and sympathy, not only from local residents but from throughout the province and, in fact, the whole country, is recognition of Constable Atkinson's courage and heroism.

On behalf of myself, the member for Windsor West, members of this House and all the people of Windsor I express my deepest condolences to his family, particularly to his wife Shelly, his son Mitchell and his daughter Nicole. We mourn with them. Our thoughts and prayers are with them.

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WORLD RED CROSS RED CRESCENT DAY

Hon. Dominic LeBlanc (Beauséjour, Lib.): Mr. Speaker, today is World Red Cross Red Crescent Day. Every year on May 8 the international community recognizes the contribution made by the Red Cross movement to humanity.

The International Committee of the Red Cross was founded in 1863 by a Swiss businessperson named Henry Dunant after he had witnessed the terrible suffering of the war-wounded at the battle of Solferino in 1859.

From a small committee based in Geneva, the Red Cross movement has grown and expanded its activities to the point where there are national societies in 183 countries, 100 million volunteers and 300,000 staff members worldwide. It is the largest humanitarian organization in the world.

[*Translation*]

The mission of the Red Cross is to mobilize the power of humankind to help the most vulnerable. The growth of the Red Cross

shows the power of an idea and the impact one person can have on the course of events.

* * *

MEMBER FOR PAPINEAU

Mr. Maka Kotto (Saint-Lambert, BQ): Mr. Speaker, on May 3, the member for Papineau was awarded the Ordre de la Pléiade in recognition of her contribution to promoting francophone culture around the world.

Born in Haiti, the member for Papineau chose Quebec as her home in 1967, the year Montreal hosted the world exposition.

Senghor said: "The words of the French language shine with a thousand lights, like the diamonds of the Pleiades". The member for Papineau embodies this deep attachment to the French language, and she has fought for a better world in this language she holds so dear.

In 2002, in an impassioned plea, she said that to resist meant organizing our action around alternatives, around ways that will let us put the welfare of our people and the planet on every world leader's agenda.

We are honoured to have her fighting with us for an independent Quebec.

* * *

[*English*]

JOHN ATKINSON

Hon. Sue Barnes (London West, Lib.): Mr. Speaker, on Friday afternoon, Constable John Atkinson, a veteran officer with the Windsor Police, was tragically shot and killed in the line of duty.

John Atkinson, a plain-clothes officer, a husband and father of two, had loyally served the citizens of Windsor for 14 years. At this time of sorrow and grief, our thoughts and prayers are with Constable Atkinson's family, his friends and his loved ones.

Constable Atkinson's example of a career dedicated to upholding the law strengthens the resolve of all Canadians to combat violence in our communities.

We now join together, representatives of all parties, today in this chamber to honour the memory of Constable John Atkinson, a true Canadian hero.

* * *

●(1415)

AGRICULTURE

Mr. Kevin Sorenson (Crowfoot, CPC): Mr. Speaker, the Conservative Party of Canada stands up for Canadian agricultural producers. Our budget invests \$1.5 billion directly to our farmers in the current fiscal year, tripling our original commitment of \$500 million.

Only the Liberals could be angry about help for Canadian farmers.

The hon. member for Humber—St. Barbe—Baie Verte, a former Liberal cabinet minister, made national news criticizing a federal budget that helps farmers. He complained, "If you are a western Canadian farmer, you just hit pay dirt".

Oral Questions

This demonstrates a complete lack of understanding of the challenges Canadian farmers in all regions are facing.

For 13 years the Liberals dithered when it came to support for our farmers. Now we have some Liberals saying that we have helped too much. Their support for agriculture continues to be confused and contradictory.

We recognize the difficulties Canadian farmers face and we are taking action. We are standing up for our farmers. We are standing up for our industry.

ORAL QUESTIONS

[English]

JUSTICE

Hon. Bill Graham (Leader of the Opposition, Lib.): Mr. Speaker, Canadians are the envy of the world because we live in a country governed by laws, laws that are consistently and fairly applied by a competent, capable and independent judiciary.

For years the Conservatives, who do not like our democratically adopted laws, have been attacking our judges, but this weekend the member for Saskatoon—Wanuskewin went too far. “Ridiculous,” he said, “the judges think they are divine”, and accused the Chief Justice of the Supreme Court of believing she has mystical powers.

What does the Prime Minister intend to do to stop these absurd and politically motivated attacks on our Canadian judiciary?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, the hon. Leader of the Opposition should be aware that the member for Saskatoon—Wanuskewin has already said that these are his own personal views and that they do not represent the position of the government. They certainly do not represent the position of the government.

Hon. Bill Graham (Leader of the Opposition, Lib.): Mr. Speaker, it is his personal view that judges are trying to play the position of God and then he accuses the Chief Justices of Canada, when they step into this role, that suddenly some kind of mystical power comes over them?

This is not just from the member but it is from the party that so famously gave us, “To heck with the courts”.

Seriously, what action has the Prime Minister taken to rein in this embarrassing member and has he apologized to the chief justice and members of all the courts of our country?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, as I just said, the member for Saskatoon—Wanuskewin has already said that his statements do not represent the position of the government.

The member for Mississauga East—Cooksville said the following, “One man one vote has been replaced by one judge one vote. Sadly, the concept of justice is drowning in the courts”.

The member is the critic for citizenship and immigration so I am curious as to whether that represents the views of the Liberal Party.

[Translation]

Hon. Bill Graham (Leader of the Opposition, Lib.): Mr. Speaker, that is just hot air. Worse still, this is the same member who supported the people who abandoned an aboriginal man on the road one winter night when it was -25 degrees Celsius, and whom the Prime Minister appointed chair of the House Standing Committee on Aboriginal Affairs and Northern Development.

Out of respect for our judges and our aboriginal peoples who founded this country, will the Prime Minister demand that the chair of that committee resign?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, as I just said, as the member himself said, his position does not reflect that of either the Conservative Party or the Conservative government.

But what is the Liberal Party's stance on this issue?

If I may quote the hon. member for Scarborough—Guildwood:

[English]

That member said, “We apparently have judge made law in this country and we are just here for decoration”. The Leader of the Opposition named that member as the critic for crown corporations. Once again, what is the position of the Liberal Party on that statement?

● (1420)

[Translation]

Hon. Marlene Jennings (Notre-Dame-de-Grâce—Lachine, Lib.): Mr. Speaker, the member for Saskatoon—Wanuskewin recently made inappropriate statements concerning the Chief Justice of the Supreme Court of Canada. These statements by the fiercely pro-life member lead us to wonder whether he intended to intimidate the courts into not defending women's rights.

Does the Prime Minister intend to take disciplinary action against the member to stop him from attacking judicial independence?

[English]

Hon. Rob Nicholson (Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Mr. Speaker, the hon. member has already indicated that he does not speak for the government. I should let the House know something that we have known on this side for quite some time. The government has the greatest respect for all those who serve in the judiciary, including all those who serve their country by sitting on the Supreme Court of Canada.

[Translation]

Hon. Marlene Jennings (Notre-Dame-de-Grâce—Lachine, Lib.): Mr. Speaker, that is news to me, because during the last election campaign, that is not what the Prime Minister said as leader of the official opposition. Despite his serious error in judgment, the member in question still seems to have the confidence of the Prime Minister, who appointed him Chair of the Standing Committee on Aboriginal Affairs and Northern Development.

After making such virulent statements about the Chief Justice of the Supreme Court, does the member still have the Prime Minister's confidence?

*Oral Questions**[English]*

Hon. Rob Nicholson (Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Mr. Speaker, the hon. member should be embarrassed about the conduct of her party in the last Parliament with respect to the Gomery commission. All those issues still have not been resolved. Why does she not answer some of those?

The hon. member has already indicated that he does not speak for the government and we have the greatest respect for our court system and for all those who serve in the judiciary.

* * *

*[Translation]***UNESCO**

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, in introducing the agreement on Quebec's role in UNESCO, the Prime Minister made this disparaging comment, and I quote: "And for the Bloc anything short of Quebec being unable to veto the position of Canada at UNESCO is the humiliation of Quebec." It must be pointed out that humiliation and victimization have never been part of our strategy. We are sovereigntists out of pride, full stop.

Will the Prime Minister admit that the promise he made on December 19, to give Quebec status in UNESCO equivalent to what it has at the Sommet de la Francophonie, is an empty one? At the Sommet de la Francophonie, Quebec has a seat, a voice and a vote, which is impossible in UNESCO. Will he admit this?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, this Prime Minister, like a former Conservative prime minister, invited Quebec to participate in UNESCO fully, formally and directly. On Friday, we signed an historic agreement on Quebec's participation in UNESCO. It is a good agreement for Quebec and for Canada.

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, the Prime Minister is a man who pays attention to detail. He was well aware that he was promising a role similar to Quebec's role at the Sommet de la Francophonie, which meant that it would have a genuine voice at UNESCO and the right to vote.

How can the Prime Minister have promised that Quebec would have status equivalent to what it has at the Sommet de la Francophonie when he knew very well, on December 19, that this was impossible, unless Quebec were a sovereign country? He knew that. Why did he promise this when he knew that it was impossible?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, there are no votes at the Sommet de la Francophonie. This Prime Minister, like a former Conservative prime minister, invited Quebec to participate in UNESCO. We have signed an agreement.

Perhaps the Bloc Québécois prefers an independent Quebec in UNESCO.

Some hon. members: Yes!

Right Hon. Stephen Harper: They say "yes", but the position of this government is to have a stronger Quebec in a better, united Canada.

● (1425)

Mr. Michel Gauthier (Roberval—Lac-Saint-Jean, BQ): Mr. Speaker, does the Prime Minister realize that what he is offering Quebec is the privilege of whispering in the ear of Yvon Charbonneau at UNESCO, rather than having a seat, not only at UNESCO, but also at the UN, as if Quebec were independent? That is the difference between the two. Does he understand it?

Hon. Lawrence Cannon (Minister of Transport, Infrastructure and Communities, CPC): Mr. Speaker, obviously I would have liked the Bloc Québécois members to congratulate us on this excellent work and excellent negotiation. Even Louise Beaudoin, the former colleague of the member who has just asked the question, found that it was an excellent agreement. Pierre Curzi, of the Union des artistes, also found that it was. And even another former colleague of the member, Claude Morin, found that this was a good agreement.

Some hon. members: Oh, oh!

Hon. Lawrence Cannon: The members of the Bloc Québécois can laugh. But we seem to be watching the disintegration of the sovereigntist movement.

Mr. Michel Gauthier (Roberval—Lac-Saint-Jean, BQ): Mr. Speaker, we are seeing is the disintegration of a formal commitment made by the Prime Minister to all Quebecers, whereby Quebec would have a seat at UNESCO. But this is not the case. That is the reality we are witnessing.

Will the Prime Minister dare to deny that, with the agreement he has just offered Quebec, even in Quebec's areas of jurisdiction, the last word and the decision are Ottawa's and that in the end absolutely nothing has changed?

Hon. Lawrence Cannon (Minister of Transport, Infrastructure and Communities, CPC): Mr. Speaker, I invite my honourable colleague to reread the agreement carefully. In doing so, like us on this side of the House, he will see that, contrary to his statements to the effect that we have weakened Quebec, we have been able to strengthen Quebec, within Canada and within its delegation.

* * *

*[English]***ACCESS TO INFORMATION**

Hon. Jack Layton (Toronto—Danforth, NDP): Mr. Speaker, this is becoming a chamber of surprises. For 13 years of course we watched the Liberals make election commitments and break them, and that is no surprise. Last week we saw the Bloc Québécois abandon its longstanding commitment to progressive ideas and support the Conservative budget.

Now, the biggest surprise has the Conservative Party, which for years railed against the privatization of the Prime Minister's agenda, joining the Liberal court case to prevent public access to the Prime Minister's agenda.

When will the Conservative Party stop acting like Liberals, promising one thing in the election and doing the opposite?

Oral Questions

[Translation]

Hon. John Baird (President of the Treasury Board, CPC): Mr. Speaker, with Bill C-2, it is this government that has given greater access to information. For the first time in the history of Canada, 16 additional agencies or commissions will be included in the Access to Information Act. This is very important. Giving the Canadian public more information will ensure accountability.

Hon. Jack Layton (Toronto—Danforth, NDP): Mr. Speaker, the facts show otherwise.

The Prime Minister campaigned for transparency, ethics and a change in the questionable practices of the previous government. And now? The Prime Minister is acting like a good Liberal.

Why? What is he hiding? Will the Prime Minister listen to reason and act as his party demanded when it was in opposition? Will he abandon the case before the courts and make public the documents regarding his agenda?

[English]

Hon. John Baird (President of the Treasury Board, CPC): Mr. Speaker, not only did the government include 16 agencies which had never been included in our legislation in Canadian history but we also put forward both the access to information commissioner's report and a white paper that goes much farther than even the access to information commissioner suggested.

In fact, he has called some of our proposals radical and said they go farther than anything he has even asked for. We think it is important to get the views of parliamentarians on all sides of the issue. We are very committed to coming back with additional legislation on this important issue.

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ABORIGINAL AFFAIRS

Mr. Gary Merasty (Desnethé—Missinippi—Churchill River, Lib.): Mr. Speaker, the Prime Minister has killed the Kelowna accord, taken early learning opportunities away from aboriginal children, tormented residential school survivors with needless delays, and excluded the Métis from the budget.

To add insult to injury, why has the Prime Minister anointed the member for Saskatoon—Wanuskewin as chair of the aboriginal affairs committee, who insists that Canada's judicial system is race based and too lenient on aboriginal people?

● (1430)

Hon. Jim Prentice (Minister of Indian Affairs and Northern Development and Federal Interlocutor for Métis and Non-Status Indians, CPC): Mr. Speaker, so the record is perfectly clear and in case the hon. member has forgotten, this budget does more for aboriginal Canadians than any previous Liberal budget. There is \$300 million for northern housing, \$300 million for off-reserve housing, and \$150 million additional dollars. It is a fair and reasonable budget for aboriginal Canadians, and the hon. member should know that or learn it.

Mr. Gary Merasty (Desnethé—Missinippi—Churchill River, Lib.): Mr. Speaker, I wish I could count the ways how that is not true. However, the views expressed by the chair of the aboriginal affairs committee were abhorrent.

At a conference held in Regina entitled "The Race/Culture Divide in Education, Law and the Helping Professions", a speaker stated racism hurts, it kills, it destroys, it numbs, it creates poverty and assails human dignity, and it impairs human relationships.

Will the Prime Minister insist that the first agenda item at the aboriginal affairs committee this afternoon be the resignation of the anointed chair?

Hon. Jim Prentice (Minister of Indian Affairs and Northern Development and Federal Interlocutor for Métis and Non-Status Indians, CPC): Mr. Speaker, the first agenda that I have dealt with is the advancement of social justice for aboriginal Canadians. That is why this budget contains an additional \$1.075 billion to deal with issues such as off-reserve and on-reserve housing. That is why we have the \$500 million Mackenzie Valley socioeconomic fund. That is why the residential school agreement is included in the budget.

I do not intend to take lessons or lectures from that hon. member with respect to this budget.

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GOVERNMENT OF CANADA

Mr. Mark Holland (Ajax—Pickering, Lib.): Mr. Speaker, while the Prime Minister snubs the premier of Canada's largest province, it seems he has time to sit down and talk governance with U.S. republican pollster Frank Luntz. In fact, the pair met this weekend at the national conference of the radical right wing Civitas Society.

Why is the Prime Minister taking direction from republican pollsters? Why are they more important to him than the elected premier of the province of Ontario?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, I have known Mr. Luntz for some years, but he does not work for the government or the Conservative Party.

In terms of Premier McGuinty, the government recently concluded a historic softwood lumber agreement with the cooperation and support of Premier McGuinty. I wish the party opposite would support that agreement.

Mr. Mark Holland (Ajax—Pickering, Lib.): Mr. Speaker, the fact of the matter is the Prime Minister has been ignoring the premier of the province of Ontario and has been shoving him aside. I want to go a little further on the issue of this cozy relationship between the government and the Civitas Society.

The Prime Minister's close associates, Tom Flanigan and Ian Brodie, are intimately involved. Many Conservatives, including the Treasury Board President, were there this weekend. Their mission: to plot out a social conservative agenda and discuss such topics as the morality and justification for war.

Since the Prime Minister muzzles his MPs and hides from the press, is the Civitas Society where we need to look to uncover the truth about the government's real agenda?

Oral Questions

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, the member seems to be amazed that the leader of the Conservative Party would attend a cocktail party where there were several hundred members of the Conservative Party.

I had a good meeting with Mr. McGuinty on Friday. We have his support and we hope to have the support of his federal cousins for our work on the softwood lumber agreement.

As usual, when it comes to Mr. McGuinty and Mr. Luntz and everything else, the member has all his facts wrong.

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[Translation]

UNESCO

Mrs. Vivian Barbot (Papineau, BQ): Mr. Speaker, the Prime Minister himself used the example of the francophone summit to illustrate how Quebec could participate in UNESCO, which implies a voice, a seat and a vote.

Since the Prime Minister could not keep this promise, should he not have moved forward on the Bloc Québécois' proposal and the Belgian model, which he referred to himself, since this is what most closely resembles the promises he made to Quebecers?

• (1435)

Hon. Lawrence Cannon (Minister of Transport, Infrastructure and Communities, CPC): Mr. Speaker, I thank the hon. member for her question, which give us an opportunity to clarify this matter.

What is involved is an agreement between two levels of government, between the Quebec government, duly elected and represented by the current government, of course, and the party in power here. This agreement is obviously the product of those discussions.

We believe—and this is also the Quebec government's position—that the agreement is excellent for everyone.

Mrs. Vivian Barbot (Papineau, BQ): Mr. Speaker, will the Prime Minister admit that he and Jean Charest signed, for the first time, an agreement that gives the federal government, in writing, the right to make decisions internationally concerning areas of jurisdiction that have always belonged to Quebec?

Hon. Lawrence Cannon (Minister of Transport, Infrastructure and Communities, CPC): No, Mr. Speaker.

* * *

HUMANITARIAN AID TO PALESTINE

Ms. Caroline St-Hilaire (Longueuil—Pierre-Boucher, BQ): Mr. Speaker, children in a Palestinian day care centre supported by CIDA are being deprived of medical care because an Israeli bank is refusing to forward donations made to the Quebec organization Aide médicale à la Palestine and meant for those children. Yet the government gave assurances that humanitarian aid would not be affected by the end of Canada's relations with the Palestinian authority.

What exactly does the Minister of International Cooperation plan to do to put an end to these arbitrary and discriminatory measures?

Hon. Josée Verner (Minister of International Cooperation and Minister for la Francophonie and Official Languages, CPC): Mr. Speaker, CIDA is continuing to fund aid for the Palestinian population, but it is reviewing the situation and has suspended funding that was intended for the Palestinian authority, for Hamas.

Ms. Caroline St-Hilaire (Longueuil—Pierre-Boucher, BQ): Mr. Speaker, as far as I can tell, children in a daycare centre are part of the population.

How can the minister reconcile this decision by the Israeli banks with her joint statement with the Minister of Foreign Affairs that Canada would continue to support the Palestinian people and meet their humanitarian needs?

Hon. Josée Verner (Minister of International Cooperation and Minister for la Francophonie and Official Languages, CPC): Mr. Speaker, I want to repeat to my colleague that future funding depends on the Palestinian government's commitment to non-violence, the recognition of Israel and the peace accords that have been signed.

That said, Canada is continuing to respond to the Palestinians' humanitarian needs through multilateral organizations and other partners not associated with Hamas.

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[English]

FEDERAL-PROVINCIAL RELATIONS

Mr. Anthony Rota (Nipissing—Timiskaming, Lib.): Mr. Speaker, my question is for the Prime Minister.

Last Thursday, at a Conservative Party fundraiser in Toronto, the Prime Minister went out of his way to damage the already tenuous relationship that his government has with the province of Ontario. With his meddling in provincial politics, the Prime Minister has insulted the Premier and shown contempt toward the voters of Ontario who elected the Premier to work on their behalf.

Will the Prime Minister today rise in the House and apologize to the Premier and the people of Ontario for his actions last week?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, I do not think the House will be surprised to learn that John Tory is a very good friend of mine. He is a great Ontarian and Canadian, and he and I have campaigned together in the past. I do not think that is any surprise to the House. However, it would be a surprise if the party opposite were to say it would not in fact campaign or work with its provincial cousins. That would be a surprise.

Mr. Anthony Rota (Nipissing—Timiskaming, Lib.): Mr. Speaker, that is not much of an answer.

Since taking office, the Prime Minister has had no trouble finding time to attend a \$14,000 a table provincial Conservative fundraiser and right wing conferences, but he cannot seem to find the time to have a serious meeting with the Premier of Ontario.

Will the Prime Minister simply admit that the concerns of Ontario are not addressed by his government and the only way for the Premier to meet with the Prime Minister is to buy a fundraising ticket for a Conservative Party fundraiser?

• (1440)

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, of course not. I met with Premier McGuinty on Thursday. We had a good meeting. He had reasonably positive comments toward our budget, unlike the party opposite.

I think it is the party opposite that may have the real trouble with Mr. McGuinty. Let me quote the member for Etobicoke North, who said in talking about Premier McGuinty:

I just resent...I expect that from the Bloc Québécois, I don't expect that from the premier of Ontario.

The member for Markham compared the Premier of Ontario to a separatist. That is not the position of the government. That party has some explaining to do over there.

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ABORIGINAL AFFAIRS

Hon. Anita Neville (Winnipeg South Centre, Lib.): Mr. Speaker, there are issues in the House and in provincial legislatures that transcend partisan politics. This week in the British Columbia Legislature, all members put partisan politics aside and applauded Premier Campbell over his refusal to let the Kelowna accord die. The provincial governments get it, including Ontario, Manitoba, Alberta and Saskatchewan. Most members of this House get it.

Can the Prime Minister tell us why he refuses to commit full funding to an agreement that transcends political affiliation everywhere except with this government?

Hon. Jim Prentice (Minister of Indian Affairs and Northern Development and Federal Interlocutor for Métis and Non-Status Indians, CPC): Mr. Speaker, the budget represents real money, real funds for aboriginal Canadians. We are not making empty promises the way the Liberals had been doing for the past 13 years. For too long, all that aboriginal Canadians heard was rhetoric from the Liberals, but with little action.

We have promised real action. We have promised specific dollars. We are not going to make empty promises. The budget contains more than any Liberal budget ever offered to aboriginal Canadians.

Hon. Anita Neville (Winnipeg South Centre, Lib.): Mr. Speaker, empty rhetoric, empty promises and no consultation. Here are some of the words of praise used by those who support the Kelowna accord: "historic, significant, poignant, promising". Premier Campbell called it "a compact to restore trust, hope and confidence with aboriginal peoples across Canada".

On Friday the accord was shamefully dismissed by the Prime Minister's parliamentary secretary as a "press release". How much more support is required before the Prime Minister will listen to the demands of Canadians all over this country and fully implement this accord?

Hon. Jim Prentice (Minister of Indian Affairs and Northern Development and Federal Interlocutor for Métis and Non-Status Indians, CPC): Mr. Speaker, once again, if the hon. member

Oral Questions

chooses to review the specifics of the budget, and I would recommend to her page 162 as I recall, this government has shown significant commitment to aboriginal Canadians.

The funds that are contained in this budget exceed any money that was put forward by the former Liberal government in the 2004 budget, the 2005 budget, and the economic statement.

It is a fair and reasonable budget. It is a budget that aboriginal Canadians can count on because it is real money with real results.

Mr. Ron Cannan (Kelowna—Lake Country, CPC): Mr. Speaker, I returned to my riding of Kelowna—Lake Country this weekend to find many of my constituents insulted by the opposition House leader's attempt to single out what he refers to as "mainstream native organizations". All first nations communities are important and many support the government's budget.

Could the Minister of Indian Affairs and Northern Development explain to the member for Wascana the negative impact his comments have had on native communities across Canada?

Hon. Jim Prentice (Minister of Indian Affairs and Northern Development and Federal Interlocutor for Métis and Non-Status Indians, CPC): Mr. Speaker, I observed the disparaging comments that the hon. member for Wascana made about Inuit Canadians and off reserve first nation Canadians when he described them as being "not mainstream". It is troubling that the hon. member would insult the Canadians whom I represent. Patrick Brazeau, the national chief of the Congress of Aboriginal Peoples, Jose Kusugak, the president of ITK, support the budget. These are respected aboriginal Canadians. So too is my parliamentary secretary. I am proud of him and I am proud of those people who have spoken in favour of this budget. We will not stand by while the member's party slams and insults aboriginal Canadians.

* * *

[Translation]

THE ENVIRONMENT

Mr. Nathan Cullen (Skeena—Bulkley Valley, NDP): Mr. Speaker, one of the missed opportunities of the Conservative budget is the abolition of the NDP programs for improving energy efficiency. These programs were effective in reducing greenhouse gas emissions. They would have created jobs across the country and made optimal use of taxpayer dollars.

Can the Minister of the Environment explain why a "made in Canada" solution was abolished, but \$1.3 billion in gifts to the major oil companies were not?

• (1445)

[English]

Hon. Rona Ambrose (Minister of the Environment, CPC): Mr. Speaker, I am always proud to get up to talk about our made in Canada solutions and our made in Canada plans.

Oral Questions

Under the former Liberal government we could have seen up to \$600 per Canadian family in taxpayer money shipped overseas to countries like Russia and China with no accountability to the environment here at home. Under our made in Canada plan, we will see all Canadian taxpayer money invested right here at home in Canadian solutions for the environment.

Mr. Nathan Cullen (Skeena—Bulkley Valley, NDP): Mr. Speaker, members of the Conservative Party must have misled Canadians in the last election because they said they would support initiatives exactly like the NDP retrofit program that spent tax dollars wisely and reduced greenhouse gas emissions. This program did all of these things.

Will the minister tell us why the Conservative Party studied the Liberal program of promising one thing and doing another so hard that it got it so right?

Hon. Gary Lunn (Minister of Natural Resources, CPC): Mr. Speaker, I would like to work with the member as we develop programs. I would like to remind the member that we do not want to take lessons from the old Liberal government. This program specifically was sold to Canadians as an energy efficient program, yet only 50¢ of every program dollar actually went to homeowners. That is not efficient. It is not effective. That is not how this government is going to govern.

* * *

HOMELESSNESS

Hon. John McCallum (Markham—Unionville, Lib.): Mr. Speaker, it is perfectly obvious that the Prime Minister misrepresented my position and also that the finance minister does not like homeless Canadians. In his former life with Mike Harris he wanted to throw them in jail. In his budget he wants to take away all the money to support them.

Is there no level too low for the government or will the minister stand in his place and confirm that not a penny will be cut from Canada's homeless?

Hon. Jim Flaherty (Minister of Finance, CPC): Mr. Speaker, I thank the member for raising the subject because that is an area where we made great progress last week with an \$800 million commitment in trust for affordable housing in Canada, much more than the Liberal government ever did. If we look on the streets of Toronto after 13 years of the Liberals being in government what progress was made? Nothing at all.

Now the mayor of Toronto welcomes the money. We are actually going to do something which the member's party failed to do for 13 years.

Hon. John McCallum (Markham—Unionville, Lib.): Mr. Speaker, a minister who wanted to throw the homeless in jail would neither know nor care, but the fact of the matter is that truly homeless Canadians cannot afford affordable housing. Under the inspired leadership of Claudette Bradshaw, the previous government committed \$1.3 billion to help those who were truly at the bottom of our national totem pole.

I repeat, will the minister stand in his place and say that not a penny will be cut to the truly homeless who are at the bottom of the national totem pole, or does he want to throw them in jail?

Hon. Jim Flaherty (Minister of Finance, CPC): Mr. Speaker, more rhetoric, no results, no accomplishments, not getting anywhere; this is what promises are like from Liberals. Canadians expect results and they expect results in our big cities.

We have people with addiction problems who need support. We have people who need supportive housing and assistance. We have committed \$800 million one time funding for this year that is going to make a real difference for Canadians in our cities.

* * *

CITIZENSHIP AND IMMIGRATION

Mr. Borys Wrzesnewskyj (Etobicoke Centre, Lib.): Mr. Speaker, last week it was the use of law enforcement officers to grab kids in schools as ransom for parents. Today it is trying to force the same children to choose at deportation hearings who gets to stay, father or mother, tearing families apart.

The government said that children would not be used as pawns. Who is authorizing this? Will the minister do the right thing and issue a ministerial permit in the Lizano-Sossa case?

● (1450)

Hon. Stockwell Day (Minister of Public Safety, CPC): Mr. Speaker, first of all there is a process to determine the whole aspect of deportation and whether there should be exemptions.

Members opposite know that if I were to respond in detail about a particular case, the next thing they would be doing is screaming for a resignation. That is not appropriate.

I can say that there is a process in place. That process has been filed. I dealt last week with the issue relating to what happened in those particular schools.

Hon. Andrew Telegdi (Kitchener—Waterloo, Lib.): Mr. Speaker, my question is for the Minister of Citizenship and Immigration.

The previous government was working on the problem of undocumented workers and a resolution was coming forth.

In the budget last week the Conservative government increase was \$1.9 billion below the amount the Liberal government had committed for 2005. Clearly the Conservative government broke its election promise to do better than the Liberal government.

This is another Conservative flip-flop. Not only does the government have a wooden smile and a wooden heart, but it has a wooden nose. Will the government keep its promise and put more money into citizenship and immigration?

Hon. Monte Solberg (Minister of Citizenship and Immigration, CPC): Mr. Speaker, the truth is the previous government made lots of promises but it never delivered.

In fact, in the budget last week, we put another \$307 million into settlement funding over the next two years. We have put more money into credentialing. We also cut the right of permanent residence fee in half, the same one the previous government imposed in 1995. We would never do that. We have done more in 13 weeks than the previous old government did in 13 years.

* * *

[Translation]

MANUFACTURING INDUSTRY

Mr. Paul Crête (Montmagny—L'Islet—Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, in the past few months the manufacturing sector has lost more than 36,000 jobs in Quebec alone. When asked about this last week, the Minister of Industry gave us the gist of his strategy, which is to do nothing.

How can the Minister of Industry explain that he did not propose a single measure to allow the manufacturing industry in Quebec and Canada to cope with global competition?

Hon. Maxime Bernier (Minister of Industry, CPC): Mr. Speaker, the industry's competitiveness is a priority for this government. That is why we brought down a budget that responds to the concerns of the manufacturing industry, that cuts income taxes for small businesses, that eliminates the capital gains tax and responds to the industry's concerns. In fact, this is what Perrin Beatty, President and CEO of Canadian Manufacturers & Exporters, said about our budget:

[English]

This is encouraging — a better budget for business than we have seen in the last five years.

[Translation]

Mr. Paul Crête (Montmagny—L'Islet—Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, does the Minister of Industry not realize that his strategy of lowering taxes will not help the manufacturing industry in Quebec and Canada for the simple reason that by the time a company gets ready to close shop because of international competition it has not been making a profit for quite some time?

Hon. Maxime Bernier (Minister of Industry, CPC): Mr. Speaker, I believe my hon. colleague from the opposition is mistaken in the premise of his questions. If we asked all the businesspeople in Beauce, in Quebec and in Canada whether a tax cut would help them and their business, I think they would not hesitate to say yes.

* * *

[English]

POLITICAL DONATIONS

Mr. Sukh Dhaliwal (Newton—North Delta, Lib.): Mr. Speaker, last year the RCMP began probing tens of thousands of dollars donated to former MP Gurmant Grewal in my riding. Some of these donations ended up in his personal account and many of the donors have never received receipts. Everybody, including the RCMP, wants to know where that money has gone, everybody except the Prime Minister.

Oral Questions

What is the Prime Minister doing to ensure that this troubling matter is handled in a manner consistent with the new accountability act?

Hon. Stockwell Day (Minister of Public Safety, CPC): Mr. Speaker, neither the Prime Minister nor individual members of Parliament nor cabinet ministers direct the RCMP when it comes to investigations. It will conduct the investigations and do the searching it wants to do in any particular case. We do not want to see the time arrive when there would be members of Parliament directing it in that fashion.

* * *

• (1455)

AGRICULTURE

Mr. Bill Casey (Cumberland—Colchester—Musquodoboit Valley, CPC): Mr. Speaker, 872 Nova Scotia farmers received payments under the CAIS program for 2003 and 2004. Then in January, 272 of them started receiving collection letters from the Government of Canada demanding they pay all of the money back. That is a 32% failure rate for this Liberal program.

Will the Minister of Agriculture and Agri-Food explain how he is going to straighten out this Liberal mess and what is he going to do for farmers right now?

Hon. Chuck Strahl (Minister of Agriculture and Agri-Food and Minister for the Canadian Wheat Board, CPC): Mr. Speaker, I would like to thank the member for Cumberland—Colchester—Musquodoboit Valley for raising that issue with me on several occasions on behalf of farmers in Nova Scotia.

I am pleased that on Friday we not only announced an immediate moratorium on CAIS clawbacks and any interest charged on these clawbacks, but we are well on our way to establishing separate income stabilization and disaster relief programs.

It is clear the old Liberal government had programs that served its own interests. We are developing programs that serve the interests of Canadian farmers.

* * *

GOVERNMENT CONTRACTS

Ms. Peggy Nash (Parkdale—High Park, NDP): Mr. Speaker, we have now learned that the Minister of Public Works and Government Services is going to rewrite government contracting rules.

[Translation]

His plan ignores the recommendations of the Gomery report on the Liberals' sponsorship scandal.

[English]

I would have asked this of the minister, but I see Mr. Fortier is still sitting unelected in the Senate. Therefore, I ask the parliamentary secretary, can he confirm it is the government's intention to ignore the Gomery report?

Oral Questions

Mr. James Moore (Parliamentary Secretary to the Minister of Public Works and Government Services and Minister for the Pacific Gateway and the Vancouver-Whistler Olympics, CPC): Mr. Speaker, of course, as all Canadians know and certainly the New Democrats know, after 13 years of mass corruption and unaccountability from the Liberal Party, we have put forward the federal accountability act, which will address the problems that have accumulated over the years with regard to procurement. We are doing everything we can to ensure taxpayers' dollars are well spent. That is in the best interests of Canadians. We will take no lessons from any Liberals on this issue.

Ms. Peggy Nash (Parkdale—High Park, NDP): Mr. Speaker, let us be clear. The government is planning on making it easier, not harder, to take advantage of the system. Canadians paid millions of dollars to get to the bottom of Liberal corruption and now the unelected minister is running roughshod over the recommendations.

[*Translation*]

The minister's plan makes a mockery of the Conservatives' promises in the election campaign.

[*English*]

Will the government tell us why the Conservatives are now behaving like Liberals, saying one thing before an election and doing another thing afterwards?

Mr. James Moore (Parliamentary Secretary to the Minister of Public Works and Government Services and Minister for the Pacific Gateway and the Vancouver-Whistler Olympics, CPC): Mr. Speaker, with respect, the preamble to the question is all over the place and just factually wrong. The government is going to do everything in its power to ensure taxpayer dollars are well spent and spent in the best interests of all Canadians.

* * *

ATLANTIC ACCORD

Mr. Scott Simms (Bonavista—Gander—Grand Falls—Windor, Lib.): Mr. Speaker, the Minister of Finance uses the Atlantic accord as an example of something that is wrong within the Canadian federation. Is he telling us that what is fair in Atlantic Canada is not fair for the rest of Canada?

My question is for the Minister of Fisheries and Oceans, yes, my hon. colleague from Newfoundland and Labrador. Will he stand up for his province, take off the muzzle and tell the Minister of Finance that he is dead wrong, that the Atlantic accord is fair for Newfoundland and Labrador and it is fair for Nova Scotia?

Hon. Loyola Hearn (Minister of Fisheries and Oceans, CPC): Mr. Speaker, what surprises me is the gall the hon. member has to stand up and ask a question like that. When we were fighting to get the benefits for our province from the Atlantic accord and when our Prime Minister forced the government to deliver, that member and others sat there and would not lift a finger to help Newfoundland and Labrador.

* * *

ARTS AND CULTURE

Mr. Gary Schellenberger (Perth—Wellington, CPC): Mr. Speaker, funding for the arts was part of the government's budget.

The money will go to groups who will engage our communities to learn and experience. Could the minister inform this House about the funding for the arts and the reaction from the arts community?

Hon. Bev Oda (Minister of Canadian Heritage and Status of Women, CPC): Mr. Speaker, the government is committed to ensuring the integrity of the arts and cultural communities in Canada. The government's commitment to the arts, as demonstrated in the budget, has been well received. I would like to read for members what was said by the Chair of the Canada Council, Karen Kain:

I think this is a real vote of confidence in the Canada Council. To make it into the first budget of a Conservative government...This government has recognized the value and importance of the arts to the quality of the lives of Canadians and their communities; I think [it] is just wonderful.

I could not agree more.

* * *

● (1500)

[*Translation*]

PUBLIC SAFETY

Mr. Serge Ménard (Marc-Aurèle-Fortin, BQ): Mr. Speaker, over the course of the past year, the media have revealed on many occasions that aircraft chartered by the CIA have flown over Canadian territory while transporting prisoners. Similar observations have been made elsewhere. The Council of Europe and the European Parliament have received a number of reports highly critical of these practices.

Will the Minister of Public Safety tell us whether he approves of the fact that the CIA is using Canadian airspace to transport prisoners?

Hon. Stockwell Day (Minister of Public Safety, CPC): Mr. Speaker, I appreciate the member's concerns. I have asked the representatives of the public security agency about this. It appears that in all cases the pilots had submitted their flight plan, a list of the names and dates of birth of all passengers and the reason for the flight. Up to now, we have found nothing illegal.

* * *

[*English*]

PENSIONS

Ms. Chris Charlton (Hamilton Mountain, NDP): Mr. Speaker, in this budget, the Minister of Finance proposed to hide \$3 billion of taxpayers' money in the Canada pension plan, a plan that is viable without that investment for at least another 70 years. Moreover, the budget was silent on enhancing public pension benefits for our seniors, who so desperately need financial security to retire with the dignity and respect they deserve.

Routine Proceedings

Instead of hiding surplus money for questionable purposes in what should be a “pay as you go plan”, will the minister commit today to investing that money in a pension benefits guarantee fund to protect the thousands of workers and retirees whose pensions are put at risk by the 10,000 commercial bankruptcies a year?

Hon. Jim Flaherty (Minister of Finance, CPC): Mr. Speaker, those facts as stated are not accurate, but what is accurate is that for 30 years pensioners in Canada waited for an increase in their pension income credit, from \$1,000 up. It took 30 years and this government to double that from \$1,000 to \$2,000.

The Speaker: That concludes question period for today. I believe the Minister of National Defence is rising on a point of order.

* * *

POINTS OF ORDER

NATIONAL DEFENCE

Hon. Gordon O'Connor (Minister of National Defence, CPC): Mr. Speaker, I would like to clarify the remarks I made in question period on Thursday, May 4. My remarks were in response to a question about Norad's information sharing. The maritime aspect of the agreement will give Norad access to data that has been shared between security and defence agencies in North America for several decades. This applies to all Canadian and U.S. waters, including internal waters. Therefore, Canadian internal waters in the Arctic archipelago would also be covered by this agreement.

This is nothing new. We already share this type of information with the U.S. The Norad agreement will allow us to better manage this activity. In no way will this provision weaken our sovereignty. Any decision about action in Canadian internal waters will remain Canada's alone.

ROUTINE PROCEEDINGS[*English*]**EMERGENCY MANAGEMENT ACT**

Hon. Stockwell Day (Minister of Public Safety, CPC) moved for leave to introduce Bill C-12, an Act to provide for emergency management and to amend and repeal certain Acts.

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

* * *

● (1505)

[*Translation*]**EMPLOYMENT INSURANCE ACT**

Mr. Jean-Claude D'Amours (Madawaska—Restigouche, Lib.) moved for leave to introduce Bill C-263, An act to amend the Employment Insurance Act (elimination of waiting period).

He said: Mr. Speaker, first I wish to thank my colleague from Beauséjour for supporting this bill.

Today, I am proud and honoured to introduce this bill, which will help improve the lives of seasonal workers. The purpose of the bill is to eliminate the two-week waiting period that precedes payment of employment insurance benefits. After taking into account the best

weeks in previous years, these changes to the Employment Insurance Act will enable seasonal workers to receive employment benefits more quickly.

For several months, I have been working hard in order to introduce this bill in the House of Commons so that the employment insurance system can best meet the needs of seasonal workers.

We are at the first reading stage and I hope that the government will support workers by passing this bill. This program is of vital importance in my riding.

I am therefore very proud of my efforts on behalf of the citizens of Madawaska—Restigouche.

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

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[*English*]**EDUCATION BENEFITS ACT**

Mr. Borys Wrzesnewskij (Etobicoke Centre, Lib.) moved for leave to introduce Bill C-264, an Act respecting education benefits for spouses and children of certain deceased federal enforcement officers.

He said: Mr. Speaker, I am pleased to rise today to introduce a private member's bill entitled an act respecting educational benefits for spouses and children of certain deceased law enforcement officers. This initiative was originally the vision of a former member of the House, Janko Peric, of Cambridge, Ontario. Mr. Peric introduced a similar bill during his tenure. I hope we will see him back in the House to continue his fight for public safety initiatives.

The bill would provide for educational benefits of a financial nature to the surviving spouse and children of federal enforcement officers who die from injuries received or illnesses contracted in the discharge of their duties. The bill mirrors legislation that currently exists in the province of Ontario.

In light of last year's tragic deaths of four RCMP officers in Mayerthorpe, Alberta, I would hope that colleagues from all sides of the House will lend their support to this worthy initiative. We owe it to the families of those who made the ultimate sacrifice while serving and protecting us.

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

* * *

[*Translation*]**EMPLOYMENT INSURANCE ACT**

Mr. Yvon Godin (Acadie—Bathurst, NDP) moved for leave to introduce Bill C-265, An Act to amend the Employment Insurance Act (qualification for and entitlement to benefits).

Routine Proceedings

He said: Mr. Speaker, I am pleased to introduce a bill concerning the best twelve weeks. The Liberal Party had a chance to pass a bill for workers who were short work weeks and found themselves falling into what is known as the seasonal gap.

The best twelve weeks will help seasonal workers. This bill also proposes 360 hours. I am pleased that the member for Vancouver East is seconding this bill. I hope that all members of the House of Commons will support it.

In Canada, only 33% of women who pay employment insurance premiums are eligible to receive benefits. The \$49 billion that disappeared from employment insurance coffers were contributed by workers. In Canada, only 38% of working men are eligible for employment insurance.

This bill will bring justice to Canadian workers. The Liberals could not do it, but I hope that this Parliament and its minority government will succeed in passing this bill.

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

* * *

• (1510)

[English]

TAXPAYERS' BILL OF RIGHTS ACT

Mrs. Joy Smith (Kildonan—St. Paul, CPC) moved for leave to introduce Bill C-266, An Act to confirm the rights of taxpayers and establish the Office for Taxpayer Protection.

She said: Mr. Speaker, I rise to give first reading to my private member's bill entitled, an act to confirm the rights of taxpayers and establish the office for taxpayer protection.

The purpose of the legislation is to confirm the rights of taxpayers and provide a fairer balance in dealings between taxpayers and the Canada Revenue Agency. It would establish an office for taxpayer protection, headed by an officer of Parliament to be known as the chief advocate. The role of the office would be to assist taxpayers to assert the rights enumerated in this enactment.

When a taxpayer provides reasonable explanations, the burden of proof would be on the Minister of Revenue to show that the tax is to be paid.

The legislation is a direct genesis of a policy passed at a Conservative Party of Canada policy convention in March 2005. I ask all members to support the legislation.

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

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LABOUR MARKET TRAINING, APPRENTICESHIP AND CERTIFICATION ACT

Mr. Pat Martin (Winnipeg Centre, NDP) moved for leave to introduce Bill C-267, An Act to provide for the establishment of national standards for labour market training, apprenticeship and certification.

He said: Mr. Speaker, as a journeyman carpenter myself, a tradesman, I am especially pleased to rise today, also in conjunction with the annual conference of the Canadian Office of the Building

Trade Council, to introduce a bill about the skills shortage crisis that we face as a nation.

Apprenticeship is the most natural way to communicate craft trade skills from one generation to the next and yet for years and years the federal government has ignored apprenticeship as a training strategy and we are facing this skill shortage crisis today as a result.

The bill seeks to establish national standards for apprenticeship curriculums, standardize entrance requirements and school to work transition measures so that apprentices do not wait until they are 28 years old to join a trade. They can do it right out of high school. It also seeks to encourage more apprenticeable trades. Whereas Canada only has 40 or 50 apprenticeable trades, Germany has 400. We should be going in that direction if we are to meet the skills shortage demands of the future.

I am very proud to present the bill and hope it has broad support from all members of the House.

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

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HERITAGE LIGHTHOUSES PROTECTION ACT

Mr. Peter Stoffer (Sackville—Eastern Shore, NDP) moved for leave to introduce Bill C-268, An Act to protect heritage lighthouses.

He said: Mr. Speaker, I am proud to speak to a bill that other members of Parliament from other parties have spoken to over the previous years, as well as Senator Carney in the Senate.

Our lighthouses on the west coast and in the far north are beacons of light and hope and we should not allow that very important part of Canada's heritage to fall apart.

We believe that working through community groups and communities throughout the country we can preserve and protect these lighthouses for many generations to come. They tell the story of ancient mariners and the keepers and their families who held the light when the fog and weather was bad.

I know the bill will have great support, not only through our offices but scattered throughout the House and throughout the country. We hope for a speedy passage of this very important legislation.

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

* * *

• (1515)

[Translation]

EMPLOYMENT INSURANCE ACT

Ms. Johanne Deschamps (Laurentides—Labelle, BQ) moved for leave to introduce C-269, An Act to amend the Employment Insurance Act (improvement of the employment insurance system).

She said: Mr. Speaker, I am pleased to rise in this House today to introduce a bill that my colleague from Chambly—Borduas has put a great deal of work into, a bill designed to improve the employment insurance system. The bill provides for reducing the qualifying period to a minimum of 360 hours of work, lengthening the benefit period, increasing the weekly benefit rate to 60%, cancelling the waiting period, increasing the maximum yearly insurable earnings to \$41,500 and introducing an indexing formula.

Whether they are in my riding of Laurentides-Labelle, the rest of Quebec or the rest of Canada, workers deserve our respect and our commitment. The Bloc Québécois is listening to Quebeckers, as it has done since it was first elected in 1993, and is attuned to their priorities.

Unfortunately, thousands of people have been hard hit by the cuts and the mission change made to employment insurance by the Liberal and Conservative governments. The Bloc Québécois will try again to correct this situation in order to give those who were left out of the Conservative budget the respect they deserve.

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

* * *

[English]

PETITIONS

CHILD CARE

Mr. Michael Savage (Dartmouth—Cole Harbour, Lib.): Mr. Speaker, I have the pleasure to present today, as I have most days in this sitting, a petition from people in Nova Scotia who are very concerned about the government's plan to kill child care.

Many of the names on this petition are Acadian, representing the Acadian community of Nova Scotia who saw great hope in the early learning and child care agreement. In fact, it would have provided support for Acadian students. Sixty three per cent of Acadian students who go to French school show up for grade primary without the understanding of the French language that they should have. This would have helped to support that and now, unfortunately, it has been killed by the government and they wanted to express their concern.

HUMAN RIGHTS

Mr. Pierre Poilievre (Nepean—Carleton, CPC): Mr. Speaker, I rise today to introduce two petitions on behalf of constituents in my riding of Nepean—Carleton.

The first petition calls on the Government of Canada to take a strong stand in favour of human freedom and against the oppressive conduct of the Communist regime in Beijing. By standing up firmly against the oppression and abuse of the Falun Gong practitioners, the government would affirm Canadian values of human liberty and respect for human rights.

RWANDA

Mr. Pierre Poilievre (Nepean—Carleton, CPC): Mr. Speaker, I present the second petition on behalf of some of my constituents who are calling for peace in Rwanda and for redress for the crimes against humanity that have happened there in recent times.

The Budget

CITIZENSHIP AND IMMIGRATION

Hon. Raymond Simard (Saint Boniface, Lib.): Mr. Speaker, this weekend I had the pleasure of participating in a panel discussion on the plight and challenges of refugees in Canada. Today I am pleased to table a petition calling upon Parliament to significantly increase the number of refugees that Canada accepts annually and to lift barriers that prevent refugees from reaching Canada.

The petition also asks Canada to provide international leadership on the refugee issue and speed up the process to integrate newcomers into Canadian society.

Mr. Mario Silva (Davenport, Lib.): Mr. Speaker, I have a petition stating that undocumented workers play a vital role in Canada's economy, are usually employed in highly skilled jobs and needed professions and that their removal will significantly damage Canada's economy. The petitioners state that many undocumented workers have built homes and lives in Canada and that many have Canadian born children who would be unfairly burdened by the deportation of their parents. They go on to state that many undocumented workers' lack of citizenship stems from bureaucratic barriers as opposed to lack of desire or eligibility for Canadian citizenship.

Therefore the petitioners call upon Parliament to immediately halt the deportation of undocumented workers and to find a humane and logical solution to their situation.

• (1520)

The Speaker: I remind hon. members that reading petitions is not permitted under the rules. While I would not accuse the hon. member for Davenport of reading, it sounded suspiciously like it to me. Brief summaries of petitions are what are required under our rules and I know the hon. member for Davenport would want to set a marvellous example in that respect for all others.

* * *

QUESTIONS ON THE ORDER PAPER

Mr. Tom Lukiwski (Parliamentary Secretary to the Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Mr. Speaker, I would ask that all questions be allowed to stand?

The Speaker: Is that agreed?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[English]

THE BUDGET

FINANCIAL STATEMENT OF MINISTER OF FINANCE

The House resumed consideration of the motion that this House approves in general the budgetary policy of the government, of the amendment and of the amendment to the amendment.

The Budget

The Speaker: Before question period began the hon. Minister of Human Resources and Social Development had the floor for questions and comments. There are two and a half minutes remaining in the time allotted for questions or comments to the minister.

I call on the hon. member for Mississauga South.

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, one of the elements of the child care issue was the proposed tax credit for corporations. I believe it is \$10,000 for a corporation to establish child care spaces.

Since child care in itself is a provincial jurisdiction with regard to setting regulations and standards, I wonder if the minister could explain to the House how these spaces that may be created by these companies come under some sort of a regulatory framework with appropriate standards rather than becoming simply glorified babysitting.

Hon. Diane Finley (Minister of Human Resources and Social Development, CPC): Mr. Speaker, the hon. member is absolutely right. The provision of child care services does fall within the provincial jurisdictions and that is where the standards are maintained and where compliance has to exist.

We believe that the role of the federal government is to make resources available to parents so they can improve and access their choice in child care. We are providing \$1,200 a year so parents can access whatever form of child care they need. We are also creating spaces so if parents need to access them they have that option.

Obviously, being a provincial jurisdiction, each province will be responsible for ensuring that its unique standards, whether they are formal, informal or going so far as accreditation, will be met. Anyone creating spaces under this program will necessarily have to follow the rules of the province in which they are located.

Ms. Chris Charlton (Hamilton Mountain, NDP): Mr. Speaker, in my riding of Hamilton Mountain the budget is being greeted with trepidation and reservation. Voters in my community remember only too well the minister's record when he was part of the Harris government in Ontario whose budgetary policies gutted health care in our province.

The Conservatives threatened to close the Henderson Hospital, jeopardized access to home care and did nothing to address the unprecedented shortages of family doctors in our community. In fact, they laid the foundation upon which Premier McGuinty is now building his P-3 hospitals and justifying the privatization of health care.

I had hoped that the Minister of Finance would have learned from his mistakes in Ontario and not repeated them here. However this budget did nothing to expand public home care which not only impacts the most vulnerable families in our community, but is directly linked to opening up beds in our acute care system.

The budget did nothing to reduce wait times for surgeries which would have meant investing in training and skills, upgrading for health providers, particularly nurses and nurse practitioners. The budget did nothing to act on the recommendation of the provincial premiers by enacting a national drug plan which could have saved

Canadians \$2 billion a year. This budget is simply a missed opportunity.

Hon. Diane Finley: Mr. Speaker, there were several inaccuracies presented by the hon. member.

For starters, there was money involved in the budget to meet one of our top five priorities. That is working with the provinces to reduce wait times. The hon. member should know that is a provincial issue, but we want to help with that.

The member should also understand, in issues such as home care, that too is a provincial jurisdiction. She mentioned cuts in health care funding under Mike Harris. If she wishes to check the facts, Mike Harris actually increased health care funding in Ontario from roughly \$16 billion to \$28 billion while in office. If that is what she calls a cut, I want more cuts such as that.

• (1525)

[Translation]

Mr. Yvon Godin (Acadie—Bathurst, NDP): Mr. Speaker, I will be splitting my time with the member for Surrey North.

First, I would like to thank the people of Acadie—Bathurst who elected me for the fourth time to represent them in this Parliament.

[English]

At the same time, this is my first official speech in the House of Commons in this Parliament. That does not mean I did not raise any questions. I want to thank the people of Acadie—Bathurst who gave me my fourth mandate to represent them in the House of Commons.

[Translation]

We will be talking about not what the federal government did, but rather what it did not do. It is unfortunate that in this budget it is offering a national child care program that requires the provincial governments to abandon the agreements signed with the federal government. NDP has worked very hard in this respect. My colleague from Sault Ste. Marie has done a lot of work on child care to focus more attention on the issue.

The government has decided to give Canadians \$1,200, saying that they will then be able to do what they want with the money. Certainly we all like to do what we want with our money. On the other hand, we have to take the whole community, and the problems it directly experiences, into consideration. Today in many families both husband and wife have to work. Therefore, they need child care. We can congratulate the Government of Quebec for establishing child care centres charging \$35 a week. The system there genuinely helps working people, far more than a \$1,200 allowance to families that is taxable by the federal and provincial governments. At the end of the day, there is absolutely nothing left.

The budget provides for \$7 billion in tax credits for big corporations. On the other hand, the poorest and most disadvantaged people will get a tax increase of 0.5%, when the rate goes up from 15% to 15.5%. The government has decided to cut taxes for the richest people and raise taxes for the poorest. This is totally unacceptable.

The Budget

For education, the budget provides \$1 billion to assist institutions and pay for administration, while students themselves will get no reduction in their debt.

We were proud that the previous government's budget, Bill C-48, provided money to reduce students' taxes. It provided for \$1.5 billion to reduce student debt throughout Canada and Quebec. That budget also provided for \$1.6 billion to assist in the construction of social housing units for people living on the street. It was a good budget. It also gave \$900 million to municipalities and communities for infrastructure, \$500 million to developing countries with high levels of poverty and \$100 million for workers so that they could get appropriate training in order to keep their jobs in Canada.

The most regrettable aspect of this budget is its failure to provide even one cent for employment insurance. I would like to quote the very unfortunate comments of a few Bloc Québécois members. My dear friends in the Bloc Québécois surprised me. I recall the comments of the member for Chambly—Borduas last year with regard to Bill C-48:

Our friends in the NDP thump their chests and say they got \$4.3 billion in the negotiations over the budget.

In fact it was \$4.6 billion.

However, the Prime Minister said that only \$1 billion of this is new money. When we do the math, it becomes clear that it was the unemployed who were sacrificed.

Today I am asking the NDP members who are going to vote to take a close look at that. Tomorrow, or the day after tomorrow, or the day after the vote, I would ask them to explain their decision to the unemployed—

I would ask the Bloc Québécois today to explain its decision to vote with the Conservative Party to the unemployed, when there is nothing in the budget. It does not, unlike the previous budget, provide a total of \$4.6 billion, or \$1.6 billion for affordable housing, or \$1.5 billion to reduce student debt or \$900 million for municipalities.

• (1530)

Quebec would have received \$1 billion of this money, but the Bloc voted against Bill C-48.

I can understand the Bloc Québécois not wanting to vote with the Liberals, but at least it could have voted with the NDP. These were matters of importance to it, matters that brought it and us together, such as affordable housing and student debt. But it chose to vote against Bill C-48.

Let us remember what the member for Roberval—Lac-Saint-Jean had to say. He came into the House and made a huge fuss, saying:

During the negotiations when the NDP sold its soul to the Liberal Party, we told the Prime Minister, "We will not support your budget if you do not give the unemployed their due". The Bloc Québécois is saying today, "We cannot agree to support a government, a budget or any motion whatsoever that does not give the unemployed their due".

Where in the budget do the Conservatives give the unemployed their due? Where are the best 12 weeks? Where are the 360 hours to qualify for EI? Where are the 28 recommendations of the parliamentary committee on changes to employment insurance? They are nowhere to be found.

The Bloc led us to believe that with the Conservatives there would be a pension for older workers. Nowhere in the budget is it said

clearly that by a given date, older workers will receive a pension if they are laid off because of a plant closure. There is absolutely nothing except for a study. The situation was studied for 13 years by the Liberals. Now the Conservatives seem to want to study the issue again.

I want to quote what the Bloc Québécois said in *Le Quotidien* on March 3, 2005:

[For the Bloc to support the 2005 federal budget] some serious work needs to be done in regards to the fiscal imbalance and the Kyoto protocol. In addition, we are demanding that the government apply the 28 recommendations made by the Human Resources Committee with employment insurance.

There is absolutely nothing about the 28 recommendations made by the Standing Committee on Human Resources, Skills Development, Social Development and the Status of Persons with Disabilities.

As I was saying earlier, at the time the Bloc Québécois—and my colleague from Chambly—Borduas—said that we were bragging about being the saviours of the unemployed, but that we had sold our soul. I can tell you that we sold our soul for \$4.6 billion for Canadians. We sold our soul for \$1.6 billion for affordable housing; for \$1.5 billion to give students a chance to decrease their debt; for \$900 million to help municipalities and the regions with infrastructure; for \$500 million to the poorest countries; for \$100 million to help workers get training in order to find employment. Today, the Bloc Québécois is selling its soul for nothing. It is a shame because with a minority government we could have obtained changes to employment insurance.

With that I wish you a good day and I ask that the Bloc Québécois vote against the Conservative budget because it ignores workers. I am asking the Bloc to do some soul searching.

• (1535)

Mr. Gérard Asselin (Manicouagan, BQ): Mr. Speaker, the hon. member for Acadie—Bathurst reminds me of a little chihuahua whose bark is worse than his bite. I would also remind the House that, during the last election, he had some problems in his riding. He caught some heat from the Conservatives because the citizens of Acadie—Bathurst were saying that the NDP—

Some hon. members: Oh, oh!

The Acting Speaker (Mr. Andrew Scheer): The hon. member for Mississauga South on a point of order.

[English]

Mr. Paul Szabo: Mr. Speaker, I know that all hon. members want to keep some decorum here. It is a parliamentary rule that we cannot attribute animal-like qualities to a member of Parliament. That is unparliamentary. Perhaps the member should withdraw the reference he made to the hon. member as being like a chihuahua.

The Acting Speaker (Mr. Andrew Scheer): The member for Mississauga South has some good advice for all members participating in the debate not to attribute these kinds of qualities to other hon. members. I would urge the hon. member for Manicouagan to refrain from anything that might lead to a loss of decorum in the House.

The Budget

[*Translation*]

Mr. Gérard Asselin: Mr. Speaker, you will understand that I did not compare him to an animal. I was referring to the tone of his speech.

During the last election campaign, the hon. member for Acadie—Bathurst had some problems in his own riding. In fact, Bill C-48 was negotiated in a hotel room, behind closed doors, with the member for LaSalle—Émard, to amend the finance minister's Bill C-43. Negotiations involved putting money into social housing.

In this budget, there is indeed money for social housing. There is money for students in the form of tax deductions for books. Apprentices who have to buy tools will also benefit from deductions. There is money for post-secondary education. The government acknowledges the fiscal imbalance.

The Bloc Québécois is being asked why it will vote to support this bill, given that there is nothing for employment insurance? The NDP's Bill C-48 contained nothing with respect to employment insurance. That bill was initiated by the NDP.

At least this budget bill was not introduced by the Bloc Québécois, unlike Bill C-48, which was initiated by the leader of the NDP behind closed doors, and it did not mention employment insurance. The hon. member for Acadie—Bathurst can expand on this. Voting against this budget would therefore be hypocrisy. Three-quarters of the points raised in Bill C-48 can be found in this budget.

Mr. Yvon Godin: Mr. Speaker, I certainly will not repeat what the member said about chihuahuas. However, last year, the Bloc Québécois reminded me of a pit bull without teeth. This year, it is the same: a pit bull without teeth, with absolutely no teeth.

Furthermore, they said that during the last election the member for Acadie—Bathurst was in trouble. He garnered 25,000 votes and beat the Liberal by 9,600. Thus, he was not in trouble.

As for Bill C-48, it contained absolutely nothing with regard to employment insurance, but there was \$1.6 billion for affordable housing. Yet, the Bloc Québécois voted against this bill. There was \$1.5 billion for students, to reduce their debt. The Bloc voted against that bill. There was \$900 million to help municipalities, where people cannot even get around on the sidewalks and streets any more. Everyone knows it. Then there is the problem of water and sewage. The Bloc voted against this bill.

As I mentioned earlier, Bloc members were able to vote against the Liberal bill, but how did they dare vote against the NDP bill, a good bill for Canadian citizens? Last year, they decided to join with the Conservatives and they will do it again this year. Based on this, the two parties are somewhat similar.

• (1540)

[*English*]

Ms. Penny Priddy (Surrey North, NDP): Mr. Speaker, I wish to thank the member for Acadie—Bathurst for sharing his time with me.

I want to talk about what the budget means to the people who live in Surrey North which is the constituency that I represent, as well as to talk about health and disabilities, the areas for which I am the NDP critic.

What does the budget mean for the people who voted for me? Corporate tax cuts for people in Surrey North are not going to make any difference in how they make ends meet in their lives.

Every budget is about choices. As a result of the choices that the Conservatives have made, working people will have a harder time making ends meet where I live. I know that because the Conservatives chose to tax the family allowance and eliminate the young child supplement.

The real choice in child care is no choice. That is the real choice. Everyone would like to see a larger child allowance of \$1,200 for an enhanced child allowance. That would be fine, but let us not play the shell game and pretend that it is child care because it is not child care. Every experience we have had says that business is not going to pick up those incentives and produce child care spaces at the very understated price that has been quoted by the Conservative ministers.

What happens to children over the age of six where the \$1,200 stops? Where then is the choice in child care for those children? Are they old enough now to be able to go home by themselves with a key? What about before and after school child care? There is no choice in child care. It is a shell game.

There is no investment in lower tuition fees and student grants. What will that mean in my riding? That will mean that fewer students will have an opportunity to go to college or university.

Another choice the Conservatives made is to spread the funding for the Pacific Gateway Initiative over eight years instead of five. That means that a very important economic part of Surrey which is the South Fraser Perimeter Road will be spread over a longer period of time, which brings sound economics to Surrey because goods get to ports faster.

However, instead of assisting that, the government has spread the amount of time over a longer period, so that the economic boom will not come to Surrey sooner. The budget forecasts a surplus of \$83 billion over the next five years. Now is the time to invest in communities like Surrey North that are on the edge and need that additional support.

What does the budget mean to people with disabilities? What is needed is what is absent: home support, education and skills training, and supports in the workplace. It is appalling that supports for people with disabilities are absent from the budget.

What does the budget mean for the health and wellness of all Canadians? If health care is one of the government's top five priorities, why was it barely mentioned in the budget document? I think it took up about three or four paragraphs at the very end of the rest of the discussion.

The Budget

If it is so important, where is the plan? Where are the imperatives? How is the federal government going to work with the provinces? Where is that information? What is needed is absent. What about critical wait times for alcohol, drug and mental health rehabilitation beds, where persons actually wait longer than they do for many of the surgeries that people are talking about? Again, this is absent from the budget. Where is the national prescription drug strategy recommended in the Romanow report? It is absent.

● (1545)

We have people in this country who die in one province because they cannot get a drug when it is available in the province next to them. That is unconscionable. There is no money for improving home care and for improving long term care which everybody knows is one of the keys to reducing critical wait times.

The best parts of this budget are the investments the NDP secured in the last minority Parliament: spending increases for affordable housing, investment in post-secondary education, and money for improving transit. Those were all NDP initiatives.

Not only is this budget a missed opportunity, but there will be many vital missed opportunities for Canadians and for people in Surrey North as a result of this budget.

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, the member is quite right on a couple of her points. Certainly, with regard to the child care issue, the tax credit to corporations will simply not translate into spaces. This is simply a mirage that it somehow represents an increase in child care spaces.

I also want to point out to the member that not for profit organizations will not even be eligible for this tax credit. All of a sudden this somewhat of a mirage. I think the important issue, and I know the Minister of Finance was quite interested in the issue of the guarantee for wait times, is that in this budget there was no new money over and above what already was on the table and delivered to the provinces.

If we were to have a wait time guarantee, as vaguely described by the government, where people would be taken to other provinces, maybe to the United States, there is a substantial cost associated with it which is not even included in the budget. Why is that?

There was an increase in the health budget which was the 6% that was guaranteed in the deal with the provinces for \$43 billion. The health minister has left out a massive expenditure for wait time guarantees. This is the flaw of the budget. Health is still the number one priority with Canadians. The minister should have known that. I am sure that this member does.

Ms. Penny Priddy: Mr. Speaker, I want to reinforce the fact that the incentives for business have worked nowhere in North America that we have seen at the kind of costs that people are talking about. We have tried that in Canada. It has been tried in the United States. Why on earth are businesses going to do that?

The Government of British Columbia has only done it once that I am aware of. I think the member opposite is absolutely correct. This is a smoke and mirrors answer to people about creating child care spaces where we will never ever see a child.

Hon. Jim Flaherty (Minister of Finance, CPC): Mr. Speaker, I listened with interest to the comments by the member for Surrey

North. I enjoyed speaking to the Surrey Chamber of Commerce recently. I imagine that it received our budget well in Surrey, given that it encourages families, small businesses, apprentices and others.

There was lots that was said by the member that I do not quite follow because it was not in the budget and it is not what the budget said. I do take serious objection with what she said about disabilities. If the member were to read the budget, she would see the three specific provisions in the budget for persons with disabilities.

I commend reading the budget to the member for Surrey North, so that she will see that we are increasing the annual child disability benefit from \$2,044 to \$2,300. She will see that we are extending this benefit so that more families can qualify. She will also see that we are increasing the maximum amount of the refundable medical expense supplement to \$1,000 a year from \$767 for the 2006 taxation year.

Finally, and this is a very serious item, many parents of children with severe disabilities are concerned about what will happen to their children and how they will be cared for after the parents are gone. I will, as finance minister, appoint a small group of people to examine the tax alternatives in that area this year and to report within six months. If there is constructive action that we can take to address this serious concern of parents in Canada, we will do that.

I ask the member, is she aware of the fact that these items are in the budget? Is she aware of the technical committee that recommended a number of the tax changes and that this budget not only fulfills what the committee asked, but does more?

● (1550)

Ms. Penny Priddy: Mr. Speaker, yes, I am aware that those are in the budget. We are talking about children. We are also talking about parents with tax credits who have no home care and are putting their children into foster care because they are so exhausted they cannot support their children at home any more.

I am also talking about adults with disabilities who are willing to participate in their communities. They need some skills and education to do that. They need support in the workplace to do that. Those are the kinds of supports I am talking about with regard to people with disabilities. They do not stop at the age of 18. People with disabilities of all ages require support to continue to contribute to their communities.

I suggest to the minister check the number of heartbroken parents who have given up their children to foster care because there is no home support for them.

Mr. Sukh Dhaliwal (Newton—North Delta, Lib.): Mr. Speaker, I will be splitting my team with the member for Cape Breton—Canso.

First, I would like to echo the comments made by the member for Surrey North. I am sure the member would also agree that those issues are important not only to the North Surrey but also to all the people of Surrey and North Delta.

The Budget

When the Minister of Finance was in my riding, I was very shocked and ashamed that he would not take questions. I was honoured to attend that event, but the minister did not take the questions from the people who attended that luncheon. We would have pointed out the truth, if we had been given an opportunity.

The best thing I can say about the budget is it offers no surprises. When we know what the government is about, that is not exactly good news. The budget is predictable, as predictable as another conviction for a repeat offender.

We knew the government would bring in a one per cent reduction in GST, despite the fact that no credible economist would tell us that this would do anything positive for the Canadian economy. Nor will it provide Canadians with real, measurable savings. It is terrible fiscal policy. It cannot add fire to an already white hot consumer economy. It is bad economics because it discourages personal savings. We knew the government would do it. It looked good in its campaign ad to drop the GST from seven per cent to six per cent. That is a government of optics, not substance.

We knew the government would try to tell Canadians that it had cut income taxes across the board, despite the fact that it has effectively raised the rate paid by the lowest income bracket.

Allow me to translate lowest income bracket. That would be the poorest Canadians. The government has taken away a Liberal tax reduction of 15% and raised the rate paid by those who need a tax break more than anyone else. However, as I said, we knew this would happen. Yet there is no pleasure to be had in saying "I told you so" about the government.

What we did not anticipate was the level of cynicism and contempt this budget shows to Canadians who believe that government can be a force of good in people's lives, that it can project a vision for a real future for all Canadians, that it should not cater to a patchwork collection of resentments, but should foster our hopes and ideals. What do I mean?

Let us take a look at the environment. Let us take a look at the 93% cut to overall funding and the 100% cut to funding for programs that address environmental change. In its place there is nothing but a \$10 million tax initiative for biofuels and \$370 million over two years for a transit tax credit. It would be laughable if it were not such a tragic betrayal that shows absolute disregard for the well-being of future generations.

However, we know how the government will respond. The environment minister will stand in the House and tell us that it is working on a made in Canada solution to climate change in place of the Kyoto commitment that the Liberal government signed.

This is not the first time we have seen her co-opt the language of true progressive government in order to spin the government's caveman policies. Last year in the House she spoke of not letting any old white guys dictate to young Canadian women how their child care dollars should be spent.

For those who still expect a little more substance in the House than they would expect from Oprah, she was referring to the landmark child care agreements with the provinces, which, last time when I checked, represented all Canadians, regardless of their

income or where they live. She was referring to the real plan for child care workers, for child care spaces and for child care programs across the country.

● (1555)

Needless to say, that too is gone in this budget. I am waiting for some old white guy to tell me what it replaces it is anything more than the fistful of dollars a week and a fatally flawed plan to build more spaces.

As well, I am waiting for some old white guy to stand up and explain the betrayal of the Kelowna accord. I am curious as to how the government is going to spin that one. How will the government explain that tragedy? Perhaps the brain trust in the PMO sat down and decided that the people did not vote for them anyway, so they said let us just abandon that historic agreement, which was years in the making. They have taken away the \$800 million that would have gone to aboriginal Canadians for this fiscal year and given them \$150 million instead. When they complain, the government will pretend not to listen.

Welcome to the Conservative's vision for Canada. It is self-satisfied, small-minded and contemptuous of social justice. It is the people's tax dollars in action, if one could call that action. May I submit that Canadians of all backgrounds are far more respectful of the accord and what it represents than the government imagines. Even those who are relatively new to these shores have a sense of the country's history, a sense of values we all share.

If I may speak for these Canadians right now, the government should be ashamed. It should be ashamed because it had the gall to tell Canadians that it would honour, in spirit, the Kelowna accord, even though we all knew they would abandon it. Perhaps words like honour and spirit embarrass the government. Perhaps it sees no place for the ideals those words evoke. I know how it will respond. It will say that it kept its promises to Canadians, that it did what it said it would do and that there is honour in that.

To that I would say, when the bar is set so low, when the promises are about what will be taken away and what will be denied rather than affirmed, it is less a matter of honour rather than brute predictability. A promise to take the path of least resistance is a promise easily kept. All of this is understandable with that party. One could not expect any better.

The Budget

Less understandable is the position of the NDP. When the next election is called and when the candidates for that party go door to door, they are sure to find one or two constituents who voted for them. When those constituents meet their candidates at the door, I can imagine the line of questioning, "Now let me get this straight: our Kyoto commitments, gone; the Kelowna accord, gone; the child care agreements, gone; the corporate tax cuts you told us the NDP were going to fight so hard to remove, there they are, back again?" The constituents will want to know why the candidates worked with the Conservatives to bring down the government. The constituents might ask why it was a good idea to abandon everything for which the NDP stood in order to win 10 more seats.

This must be the only real surprise for Canadians, who cherish progressive values, that Canada's achievements could be sold so cheaply, for the price of a little more power like the 10 seats that the NDP got.

• (1600)

Mr. James Lunney (Nanaimo—Alberni, CPC): Mr. Speaker, it is interesting to hear the Liberals over there whining about the lack of language in the budget, language that addresses every need and concern, with everything being a priority. Canadians heard about those kinds of budgets for years, with that kind of flowery language that embellishes illusions about all the wonderful things the former government was going to do. It was feeding illusions. That led to a great program like the HRDC boondoggle.

The member mentioned that these programs were gone. I think I heard him say that Kyoto and other programs were gone, but what was gone was money that the Liberals spent on Kyoto while emissions increased by 30%.

Then, meeting these great illusions, they came up with the long gun registry, which did not reduce crime related to gun violence at all, but which wasted a lot of taxpayers' money.

Then, in terms of addressing national unity, another great illusion, money that went into a Liberal sponsorship program ended up going back to the Liberal Party; again, it was money gone and feeding an illusion.

I am wondering what the member thinks when he hears a real budget that actually addresses the concerns of Canadians, who have been overtaxed by the Liberal government for years in order to feed its illusions. This budget, in contrast to Liberal budgets, significantly cuts taxes. It focuses on federal spending and pays down the debt. It is going to provide transit passes to help with environmental concerns. It is going to provide tools for tradespeople and training for new apprentices. It is going to provide textbook and kids' sports credits. What is wrong with a real budget that Canadians are actually enthused about? What does the member just not get?

Mr. Sukh Dhaliwal: Mr. Speaker, first of all, I am sure the hon. member has been in politics for as long as I have. He should look at the Conservative government that left this country broke in 1993. Its international credit was at risk. It was an international credit risk, with \$42 billion a year in deficit. It took the previous Liberal government to clean up the mess the Conservatives left behind. We brought in eight consecutive balanced budgets.

An hon. member: That's pure Liberal fiction.

Mr. Sukh Dhaliwal: I am not the one saying this. The hon. member and other hon. members who are trying to heckle me should read *The Economist* magazine, which in fact said that Canada is the second best country to invest in. This is an achievement of the Liberal government of the last 13 years, and I want to tell those hon. members that Canadians kept 11% more after paying taxes than they did in 1993 when the Conservative government left this country dead broke.

• (1605)

Mr. Brian Masse (Windsor West, NDP): Mr. Speaker, I appreciate the opportunity to ask a question. I heard my hon. colleague's commentary blaming the New Democratic Party for the failures of his own party, which had years of corruption, scandal, and blaming others, as those members quite often do, instead of taking responsibility. It is interesting to note this going on during the whole sponsorship scandal, the Liberal convention and the process leading up to the election.

Ironically, the member for LaSalle—Émard went on television across Canada, in an unprecedented way of reaching the Canadian public, and begged to have an election date. There was a difference of only three weeks in regard to when the election actually occurred. Also, because independents had decided to vote against the government, even if the NDP had voted with the government there were not enough New Democrats to actually make a difference. It is a subtle point of numbers that the hon. member obviously does not appreciate.

I will ask the hon. member and give him a chance to explain this to Canadians: why has his party not apologized to Canadians for the sponsorship scandal? Second, when are the Liberals are going to take individual responsibility, which is a first step toward improving the situation in this chamber? It is unacceptable to continue to blame others when they do not take responsibility themselves.

Mr. Sukh Dhaliwal: Mr. Speaker, the member is probably one of the longest serving members here and will know that the previous prime minister did an extremely excellent job in calling the Gomery commission, which was an independent, transparent inquiry to address those issues. It was the first time in Canadian history that any prime minister brought a situation such as this to the public's attention in an open and very transparent manner.

Then, as for how the government was brought down, I am sure the member is aware of how those members brought the government down, but on child care and health care, the member now can see that there are zero additional dollars in this budget to address those issues.

Mr. Rodger Cuzner (Cape Breton—Canso, Lib.): Mr. Speaker, it is a pleasure to join in the debate today on behalf of the constituents of Cape Breton—Canso, who have been so kind as to send me to Ottawa for a third term, and speak on their behalf. It is a great honour, a great privilege, one that I know each person who stands in the House understands and respects.

The Budget

The duty I am tasked with today is to bring to this House the concerns of my constituents about the new government and its budget. Through the many interventions I have heard, either when I was going through my riding or through people contacting my office, a number of concerns about the budget have been brought to my attention.

Various items in the budget have raised flags, and when we look at what has distinguished the party across the way in its new seats as the government, raising flags is not one. It has shown more of an unwillingness to lower flags, but that is a discussion for another day.

Today I want to talk about the shortcomings in the budget and just how offensive it is to Canadians. What it clearly demonstrates is lack of vision and lack of scope and just how limited the new government is, first of all in the Speech from the Throne and then with the budget. Both show just how limited this new government is.

This budget could be termed a retail budget. It looks pretty fancy in the window, but when we drill down and actually try to apply it to our situation at home, we find that it comes up far short. I am going to refer to a number of examples. Really, we can look at this budget as being short-sighted. It is a politically expedient budget, but as far as anything to help this country move forward is concerned, it is very limited. I know that as Canadians we are seeing through the veneer of this budget.

I will start with what a number of government members have referred to: the \$500 tax deduction for registration for minor sports. That sounds impressive, but when we drill down, it comes to \$80 each year. Is that \$80 going to make a difference between a husband and wife registering or not registering their son or daughter in a gymnastics program, a swimming program or minor hockey? I think not. Parents do this because they know the benefit of sports. They know that involving their sons and daughters in sports has a positive impact on them.

As the last government, we did the hard work on this. Rather than just bailing out with a tax deduction, a paltry \$80, we worked with provincial and municipal governments and with stakeholders in order to develop infrastructure.

I look at my own backyard and the Port Hawkesbury Civic Centre in my riding. All three levels of government were involved. The community stepped up and built one of the finest facilities not just in Nova Scotia but in all of Atlantic and eastern Canada. It is outstanding. Mothers and fathers can take their children to the indoor ice facility, a full gym facility and a walking track. What we are seeing is that healthy lifestyles are being promoted because of this centre.

Would tax deductions have put this facility there? I think not. We see grandparents taking their young people to this arena, and it is such a beautiful facility that now they themselves are getting back into skating. It is having an impact all the way through.

● (1610)

Money would have been better spent if the government had invested in this type of infrastructure. It also would have better spent if the government had realized one of the promises of their campaign, that being that 1% of the health budget was to be attributed to health and fitness, to fitness and sport. If the

government would have delivered on that, it would have increased the sport and fitness budget upwards of \$300 million to \$400 million, or in that vicinity, almost doubling the budget.

Did we see that in the budget? Again, I think not. There is no sign of it. There is absolutely nothing.

Therefore, the Conservatives stepped back from the infrastructure aspect of developing sport and fitness and they threw this \$500 out the window, which is really \$80 when we come to pay the tab.

We need to ask ourselves, what are tax deductions for? Because we want an impact. We want some kind of change.

This deduction is all about winning votes. It is not about getting kids more active in this country. It is not about addressing obesity in this country. It is politically motivated and we know it.

I have another example of the same thing, of retail politics and a retail budget: post-secondary education and support for post-secondary learning. This support is absent from the budget.

The Conservatives did come up with a tax deduction for books. When we get out our pen and paper and figure it out, we see that each Canadian student might get one free book each year. Is that going to make a difference? When mom and dad sit down with their sons and daughters to talk about whether or not they will embark on a post-secondary education and acquire something that is necessary in this new economy, is that free book going to make the difference? I do not think so.

Under the past government, initiatives were taken to address those who actually were in a situation where they were trying to make that decision. We can look at the millennium scholarship fund, the educational savings bond and the low income educational bond. There were those initiatives.

As well, there was the investment in research and development, which is where the past government got it and the new government has missed the boat. We are all aware of the brain drain from Canada in the early to mid-1990s. The hot topic, the most offensive thing and one of the greatest challenges we have ever experienced was the brain drain. The best and brightest went elsewhere to pursue research and development opportunities. We saw the best and the brightest go to other countries.

However, there were investments through the late 1990s. Investments were made after the financial mess was cleaned up and we were in a position where we could reinvest those dollars. Investments were made in post-secondary education. Investments were made in research and development. We stemmed that tide. We reversed that tide. Now we have people coming from other countries to study and do research in this country. That is why our post-secondary institutions have moved ahead.

The unemployment rate is at a 30 year low right now. That does not happen by accident. What prompts it is that governments are able to work with the stakeholders, with the people who know what tools are necessary on the ground. Governments give them tools. That is what the past government was able to do and that is what this government lacks in this budget.

The Budget

The amount of our investment in research and development was the highest in the G-7. That is going to position us to go for a while. I hope the damage from this budget will not be too bad in the immediate future.

I know my time is running short, but I would have liked to get going on child care. The Conservatives talk about choice, but there is no choice. When we talk about development, I will say that the past government believed in investing in the development of new spaces and in the professionals on the ground, in working with young people in early education intervention.

Those are the things that each province in this country, all 10 provinces, sat down and worked with the federal government on in order to develop the core values of a child care platform. They signed off on those deals and the rug was pulled out from under them by the government. The government has come up with the \$1,200 deduction, which really equates to about \$800.

• (1615)

This budget falls far short, and that is why I will not be supporting it when it comes time to vote.

Mr. Gerald Keddy (South Shore—St. Margaret's, CPC): Mr. Speaker, I listened to the statements of my hon. colleague opposite with some shock and some surprise actually.

I am very familiar with sitting in the opposition benches. This is my fourth term here. I sat over there for three terms. I can remember standing during budget speeches and speaking about the good parts of the Liberals' budget plans. I recognized the positive points and I also recognized the negative points. I voted for some budgets and I voted against some budgets, but there is no reciprocity here. Apparently there is nothing in the budget that the hon. member can support. I know it is difficult for the hon. member but I am going to ask him to be specific.

On the budget plan for students, we are eliminating the federal income tax on all income for students from scholarships, bursaries and fellowships. That is a very simple project. The Liberals had 13 years to do it and they could not do it. For a student with a significant bursary, that is \$4,000, \$5,000 or \$6,000 more money per year in their pockets. That is real money for education. That is a help for students.

We are going to give a textbook credit. I know the hon. member said that did not count, that it was not important, but if a student can write off \$500 for textbooks, that is significant.

Why would the member not support those two parts of the budget?

Mr. Rodger Cuzner: Mr. Speaker, I guess what my hon. colleague is asking of me and what I will have to ask myself is whether they have gone far enough. The answer is simply absolutely not. They come up far too short. The provisions for the students are not enough. We are looking at savings of maybe \$80 on a textbook.

What we put forward in the last election was \$6,000 in cash to students for tuition for the first year, to encourage students to pursue and post-secondary education, and on the final year of a degree to also cover half the tuition fee, up to a maximum of \$3,000. We did

that to encourage students to complete their post-secondary education. That would go much further in helping young students.

I will use the \$80 deduction. I have three boys in sports. They play hockey and soccer. I am like many other dads across this country.

Mr. Gerald Keddy: Then don't take the deduction.

Mr. Rodger Cuzner: Mr. Speaker, I will appreciate that, but is it going to make any kind of difference in whether or not my kids are going to take part in sports?

The budget falls so far short. The budget lacks vision. For the consultations the Conservatives must have gone to Sunnyvale Trailer Park with Ricky, Julian and Bubbles to get the depth, the scope and the broad-thinking range for a budget such as this one.

• (1620)

Ms. Olivia Chow (Trinity—Spadina, NDP): Mr. Speaker, post-secondary students have seen their tuition more than double after 13 years of Liberal government. They are graduating with an average debt of \$20,000.

The former prime minister said on national TV that he would invest billions of dollars. That was in 2004. We all know that in the 2005 Liberal budget there was not one new dollar for post-secondary education.

It took the NDP with Bill C-48 to finally get \$1.6 billion in the budget for post-secondary education to lower students' tuition fees. However, in this budget, instead of \$1.6 billion we have noticed there is only \$1 billion and that money, instead of lowering tuition fees, is going to deal with infrastructure. That is a big problem.

I want to find out from the hon. member what happened between June of last year, when this House approved the \$4.5 billion in Bill C-48 and now? Why did not a penny of that money go to the students who desperately need it so that they do not have huge debts when they graduate from university?

Mr. Rodger Cuzner: Mr. Speaker, I appreciate that question. What happened was that in November, members of the NDP turned their backs on those students. They had a chance to pass that budget. They had a chance to help out students across the country and they turned their backs on them.

I suggest that the member stand and face that camera, fold her arms and apologize to the students across the country for jumping in bed and calling the premature election that resulted in that money being lost to our students.

[*Translation*]

Mr. Luc Harvey (Louis-Hébert, CPC): Mr. Speaker, first of all, I would like to say that I will share my speaking time with the member for South Shore—St. Margaret's.

Since this is my first speech, I wish to take the opportunity to thank the citizens of my riding, Louis-Hébert, for the trust they showed me by voting for me to represent them here in the House of Commons. I hope to do a very good job here.

I can take pleasure in the content of the budget presented by our Minister of Finance. I will take the liberty of evaluating certain advantages of this budget in the light of my personal experience.

The Budget

Though I was born into a low-income family, my parents nevertheless managed to give my sister and me a solid and generous education. When I was just little, I often went with my father, Paul, who got up before dawn to deliver the milk to his customers in Saint-Fulgence. My father, a milkman, and a tenacious and resourceful worker, always managed to put bread on the table and provide his family with the means to grow. My mother, Rachelle, stayed at home to surround us, my sister and me, protect us, encourage us and, of course, spoil us from time to time.

This family atmosphere of love, decency and work left influences on me that will be useful to me throughout my life. I am now trying to imitate my parents in my relations with my own children.

After attending Université Laval, I married, 19 years ago, a young student called Catherine, from Saint Lucia in the Caribbean. We have four daughters, aged 8, 11, 15 and 17, who are active in sports and studious, children who fill us with pride and happiness.

As can be seen, I am in a good position to evaluate the relevance of the \$1,200 that our Minister of Finance will give to parents of children under six.

When my children were preschoolers, my wife, Catherine, took a year off work to take care of them, on sabbatical leave. Then came a grandmother for a full year, and a sister for another. So for three years we had precious help to provide care for our children. Some of my daughters also went to early childhood centres and I am happy because there they experienced integration and this is helpful for them now.

I would have been very happy at the time to have an extra \$100 a month to help us make ends meet. My youngest daughter has just turned eight, so I cannot take advantage of the program. I can, however, appreciate its benefits. It is true that \$1,200 does not cover all the costs of child care. However, the assistance given the family budget is significant. Most of the families with children in early childhood centres are generally two income families, taxed at a rate lower than that of families reporting only one income and thus having more money available after tax.

The initial proposal by the Liberal government represented some \$1,040 per child in Quebec, given that we had 200,000 children taking advantage of the program. However, one thing must not be forgotten. There are 423,340 children in Quebec. So that means that over 220,000 children did not receive any support. In all, the some 423,000 children will generate \$508 million in additional revenue for the Province of Quebec, so nearly \$300 million more than the previous plan.

I get comments that the day care program falls short. We have to remember that it represents more than double the amount of the previous program.

In the light of these figures, we have to conclude that the system proposed by our government is the fairest, because it is universal, it benefits everyone and it allows parents to choose the most effective way to invest.

• (1625)

What a fine way to invest in the Canada of tomorrow!

The Minister of Finance is rewriting the story of the Canadian government's finances. For example, he is proposing a major income tax reduction approaching \$20 billion, while supporting an initiative to reduce government spending to 4%, from the 8% we saw under the Liberals.

In his desire to return to Canadian citizens the excess income tax collected by previous governments, our minister is allowing individuals and businesses to regain control of their money.

This is the first time in human memory that the middle class is seeing its tax obligations reduced. Everyone will benefit. Seniors will work, and so will students, families and companies. The promise of a balanced budget in the near future, as made by the Minister of Finance, is restoring hope to Canadians.

In conclusion, there is no question of not trusting the Canadians who have decided to entrust their destiny to a Conservative government. Let them decide what to do with their money. If they want their child to do sports, so much the better! They will get a tax reduction of \$500.

I am very familiar with soccer, having coached the sport for many years. In saving \$80 each, the 160,000 players in Quebec will manage to save over \$13 million a year, in Quebec alone, and for soccer alone. One cannot call that nothing.

Government intervention in decision making in family life is over. This budget underscores our unshakable confidence in the people of Canada, and allows them to profit from the robustness of our economy. I am a Conservative with a big C. Naturally I am an unfailing advocate of this approach of reducing government influence over the spending power of citizens. Obviously I am biased, but bolstered by the praise I am hearing from many electors in my riding of Louis-Hébert, I must say I am delighted at the content of our budget. I believe in income tax reduction, I believe in reducing the big government machine, I believe in free enterprise. I am proud of our government.

• (1630)

[English]

Mr. Scott Simms (Bonavista—Gander—Grand Falls—Windsor, Lib.): Mr. Speaker, I listened with great interest to the member. On the sports issue, I am always a little puzzled when the Conservatives talk about how this is a substantial savings for many of our young athletes. In my riding the athletes have to pay so much money for travel and equipment. All the Conservatives have come up with is a paltry sum of less than \$100, yet they trumpet it as some major accomplishment for our young athletes, which in essence it is not.

My question pertains to a very special issue in the member's province. If the member is hearing so much from his constituents, then he must be hearing about the issue of EI and seasonal work.

[Translation]

This is just as important for Newfoundland as it is for Quebec's east coast.

The Budget

[English]

Seasonal work is a huge issue. Why were seasonal workers ignored in this budget? Where are the EI reforms that were initiated by the Liberals? Why are these reforms not being continued? They have been quashed completely for the industries of rural Quebec. Why does the hon. member not stand up for rural Quebec?

[Translation]

Mr. Luc Harvey: Mr. Speaker, the riding of Louis-Hébert mainly comprises Sainte-Foy, Sillery and Cap-Rouge. The primary industries are the university and research. The technology park, which also focuses on research, is in my riding, as is the National Optics Institute. Furthermore, I am working with Laval University so that my fellow citizens can get new research chairs for work in technical and technological development at several levels.

As the member for Louis-Hébert, these are my priorities. I have nothing else to add about seasonal work.

Mr. Yves Lessard (Chambly—Borduas, BQ): Mr. Speaker, the hon. member for Louis-Hébert gave his views on the budget and praised a number of measures in it that come to the assistance of families.

Yesterday, the UN Committee on Economic, Social and Cultural Rights met in Geneva. Canada appeared before it. The committee seemed annoyed in particular by Canada's performance in the fight against homelessness, by Canada's position and behaviour in regard to employment insurance, and by housing, just to mention these subjects.

The member gave his views on the budget and praised it. So he can hardly claim today that his knowledge is limited to his own area of interest since he just told us what a good budget it is.

I know that this is a new government, that the previous government diverted more than \$48 billion from employment insurance while it was in power, and that the new government has obligations in this regard.

The member who gave us his views on the budget must be able to tell us today whether the government he represents intends to return the \$48 billion to the fund from which they were diverted.

• (1635)

Mr. Luc Harvey: Mr. Speaker, I would have liked questions more related to the subjects I addressed in my speech. I spoke a great length about day care. This is a subject that the Bloc Québécois liked very much, but now that it has the figures, it goes off and finds another subject. Now that we have been talking about sports and they have seen that there is already a saving of several million dollars for Quebec, they change the subject.

So finally we arrive at the employment insurance fund. We have been speaking about it for years. However, I did read the budget. There is no mention in it of returning the money that was spent.

Finally, I think that if the hon. member has other questions, he could maybe ask the Minister of Finance directly in order to get a better answer.

The Acting Speaker (Mr. Andrew Scheer): 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 Mississauga-East—Cooksville, Citizenship and Immigration; the hon. member for Trinity—Spadina, Child Care.

Resuming debate, the hon. member for South Shore—St. Margaret's.

[English]

Mr. Gerald Keddy (South Shore—St. Margaret's, CPC): Mr. Speaker, it has been with some interest that I have listened to the debate in the chamber today. I had an opportunity earlier to ask a couple of questions and I found it quite shocking that the Liberals could find nothing in this budget to support.

The Liberals break everything down to its lowest common denominator. They cannot find anything positive. This is coming from a former government that was defeated at the polls. Canadians soundly gave the Liberals the message that they were not satisfied with the job they were doing and that they wanted, deserved and expected more from their government. They expected accountability, integrity and honesty.

I would like to take a moment to congratulate the member for Louis-Hébert who did a great job on his maiden speech in the House. He certainly understood the issues. Even our Bloc colleagues are supportive of his speech, I am sure.

The Liberals continually say that there are only five priorities in the budget. Those five priorities, however, have been delivered upon and they have been delivered in spades. The difference is that the Liberals' last budget had 56 priorities and none of them were delivered.

I would break it down even further. I would take this budget and say that there is only one priority and that priority is to help Canadians have better lives, and this budget delivers on that promise.

I would like to take a small portion of my time to thank my constituents in South Shore—St. Margaret's for sending me back to the Parliament of Canada. It is an honour to be a member of Parliament and to speak in this chamber and to represent the good folks of South Shore—St. Margaret's.

The riding I represent has a number of challenges. We have the largest fishery in Canada and over 2,000 fishing boats. We have the forest industry, an agriculture community and a significant manufacturing sector. Although the riding is extremely rural, it is versatile and it is a well spread out riding. It is long and narrow. It goes all the way down the southwest coast of Nova Scotia and includes part of Halifax county, all of Lunenburg county, all of Queens county and all of Shelburne county.

The point I am making is that my riding has a variety of individuals from a variety of backgrounds and a variety of different types of work.

In the manufacturing sector, we do everything from value added to our traditional industries, fishery, forestry and agriculture, to making space age components that are sold around the world. One firm in Lunenburg, Composites Atlantic, makes all the fuselages for the 737s. It makes the cooling system on the space shuttle. We have a very widespread working sector in South Shore—St. Margaret's.

The Budget

I can honestly tell all members of the House that there is something in this budget for everyone in South Shore—St. Margaret's. I would like to speak for a second to the child care component. I know there has been a lot of criticism of our child care position, especially from the NDP and from the former government, and I would like to put a little good, fresh, bright sunlight on child care.

• (1640)

We could break the day care allowance down as being only a coffee a day. We could do a million things but the reality is that parents in Canada are faced with a huge obstacle in raising their children. As a government we recognize that we have some responsibility to help. We want more working parents in the workforce and, quite frankly, we need them in the workforce. We also want to give Canadians choice. If a mother or father decides to stay at home they have that option. We will give them \$1,200 a year but at the same time we recognize that the money will not solve their child care problems. We know child care is more expensive than this but it will help. This is the first time any government has stepped up to the plate to help in a serious and effective way.

I will get to the capital gains deferral for fishermen, which the Liberals promised, in a minute.

What the Liberals promised for child care was a death bed conversion. At the 11th hour they said that they would do something. The reality is there was no child care plan in Canada. It does not exist and it never did. We will give \$1,200 directly to parents to help them meet their child care requirements.

Let us take this a step further. Let us look at the Liberal commissioned YWCA report. The report states that child care spaces financed by the government cost \$15,000 per space. If the Liberals are going to tout that, they should quote it. With 2.1 million children in Canada that works out to \$30 billion a year for some type of universal child care, not affordable by any government without going into deficit. It cannot be done.

In recognition of that and in recognition of the difficulty parents face in raising children, we will give \$1,200 per child per year until the age of six to help families raise their children. This is significant, responsible and Canadians can afford it.

I want to speak about the capital gains deferral for fishermen. I had two private member's bills on this issue but I could not get any support from my Liberal colleagues. When I brought these private member's bills forward, there were numerous cabinet ministers from Atlantic Canada. Over the 13 year period there were at least seven or eight ministers from Atlantic Canada. None of those individuals were interested in moving forward with a capital gains deferral for fishermen. I brought one bill forward in 2002 and received no support. I brought it back again in 2004 and again received no support. Thanks to our Conservative caucus, support came immediately. Anyone involved in the agriculture sector looked at this bill and said that farmers needed it and foresters needed it. We need it in the fishery to maintain the integrity of our coastal communities and keep fishing families fishing.

When our Minister of Finance brought in the capital gains deferral he went even further than my capital gains private member's bill. Not

only did he give \$500,000 for intergenerational transfer, he also gave \$500,000 in the same way that a small business has a one time only accessible \$500,000 rollover. That is the difference. We have a Minister of Finance who looked at the issue and said that we needed to act on it. It was part of the policy that came out of our Montreal convention and part of our election platform. It was a promise made and a promise delivered. This is the difference with this budget.

I ask hon. members and the viewing public to read the budget. The budget has good stuff in it. It contains things that we have needed for a long time, such as the apprenticeship program, help for students and help for fishermen. It contains immediate dollars and continuing aid for agriculture. It helps the forestry sector and the manufacturing sector. It contains a lower tax rate for low income earners. We are going to take 600,000 people off the tax rolls as of July 1. This is a great budget.

• (1645)

[*Translation*]

Ms. Paule Brunelle (Trois-Rivières, BQ): Mr. Speaker, I am happy to hear the member from the Conservative Party say that \$1,200 will not solve the child care issue. It does not. It is at most a family allowance. Moreover, this amount is taxable, which makes it very unfair. The Conservatives have stubbornly refused the Bloc Québécois' proposal for a refundable tax credit.

The member said that the cost of child care spaces is high. What does he think that the cost of doing away with the socialization provided by child care is? What is the cost of the integrated development of children? In Quebec, we have realized that day care spaces promote the extension of learning in an academic setting. What is the cost of academic success? I think that an overall vision is necessary, one where child care is not considered as a child drop off solution. Child care is a place for learning and development, and that is what matters. Unfortunately, the Conservative budget does not respond to that need.

[*English*]

Mr. Gerald Keddy: Mr. Speaker, I agree with the member. Early childhood intervention and childhood development are extremely important. When children get into the school system, it gives them an advantage when they have had a better job done in their early nurturing years.

The issue is quite simple. This is not a family allowance. This is in recognition of the fact that all families face the increasing cost of child care. Government simply cannot afford a universal child care system. It is not out there. By the YWCA's numbers, it would cost \$30 billion a year, and we would go into deficit. We can afford to give \$1,200 per child per family up until the age of six. That helps parents who are facing increasing pressures to find day care spaces.

The Budget

Most of us raised our children without any assistance of any kind for day care. This does not mean that we should not find assistance. It does not mean that there are not special needs for low income groups. However, it does mean is that a universal system is not doable at this time and under this budget.

We have said, and I will say it again, we recognize the challenges families face. We are going to help families and we are going to do that significant dollars. This will be a major assistance in helping them raise their children to the best of their ability.

• (1650)

Hon. Charles Hubbard (Miramichi, Lib.): Mr. Speaker, I listened with interest to the hon. member, but he said things are not doable by his government. However, they were doable by our government.

We have a great number of people in the country, working mothers and families with low income, who cannot afford the kind of child care that his government would propose for them. They need government assistance. They need a government program that is regulated and is good for all Canadian children.

The member put forward a tremendous amount of money that a universal day care program would cost. I think he alluded to \$15,000 per child. Would he refresh my memory on what he said the costs would be for a universal day care program?

Mr. Gerald Keddy: I would be quite happy to do it, Mr. Speaker. I have a lot of respect for the member opposite, but we have to talk about reality. I am using the numbers of the Liberals from the YWCA, which state it would cost at least a minimum of \$15,000 to open up a child care space. That is not to maintain it; that is to open it up. If we roll that through to 2.1 million children, that is \$30 billion. The member can do the math however he wants to, but it is still \$30 billion per annum forever and ever.

First, I do not think the government has that kind of money. Second, if we want to look at the Liberals deathbed promise to open up child care spaces, they had 13 years to bring in universal child care. You did not do it because you knew it was not affordable. You deliberately misled Canadians by trying to say there was some type of universal program out there that did not exist and never did exist.

The Acting Speaker (Mr. Andrew Scheer): I hope the hon. member for South Shore—St. Margaret's was not saying that I was misleading Canadians. As he knows, we are supposed to direct comments through the Chair.

Resuming debate, the hon. member for Haute-Gaspésie—La Mitis—Matane—Matapédia.

[*Translation*]

Mr. Jean-Yves Roy (Haute-Gaspésie—La Mitis—Matane—Matapédia, BQ): Mr. Speaker, I shall share my time with my hon. colleague from Chambly—Borduas, whom I thank.

I am pleased to rise in this debate on the budget brought down by the new government.

The Bloc Québécois is pleased with a number of measures it contains, but not entirely pleased with the budget speech on the whole.

We have to look back at the situation we were facing at the time of the last election. There had been a Liberal government in office for 13 years. In the area of agriculture, following the mad cow crisis and acts of unfair competition by the Americans, among other things, the Bloc Québécois had been calling for support for the farm industry in Canada and Quebec. The Liberals responded to some extent, at the eleventh hour, despite years of requests from farm producers. The Liberals finally agreed to invest a small amount to support agriculture across the country. However, they imposed a nationwide policy framework with which producers in Quebec and Ontario were not pleased at all.

Agriculture in Quebec, as in Ontario, is extremely different from agriculture in the Western provinces. A one size fits all strategic framework therefore cannot be imposed on Canadian agriculture. This seems to us to be completely bizarre and foolish. There are not a lot of dairy producers in Western Canada; dairy farming is concentrated mainly in Quebec, Ontario and New Brunswick. Large amounts of money had to be invested; \$1.5 million was invested. This is a large sum. The commitment made must now be honoured: the strategic framework must be revised and a new one proposed that will be appropriate to agriculture in Quebec, Ontario and New Brunswick.

Earlier, my colleague from South Shore—St. Margaret's spoke about fishing. Yes, the Bloc Québécois has for years been calling for the capital gains made by a fisher who wants to transfer his or her business to another family member—a son or daughter—to be exempted. Compared to what was done in farming, this was a great injustice.

For farming, there is a capital gains exemption when a family member wants to transfer the business. It must be understood that a fishing business is like a farming business. Often, it is the retirement plan for the person who is wanting to get out of the business. It is what allows that person to retire and not burden the son or daughter who takes over the fishing business with too much debt. While it provides some assistance, it is simply insufficient for fishing.

In recent years, management in the fishing industry has been an absolute disaster, and I am not talking about management of the resource by the federal government only in the last 13 years, but ever since the federal government has been responsible for managing the resource. This disastrous management has virtually wiped out the resource, particularly in the case of groundfish.

The Budget

At present, the fishing industry is facing a tragic situation as a result of falling prices. The shrimp fishery is not necessarily very profitable. This year there was a large drop in crab prices. There is a problem with international negotiations and a problem with how our industry is promoted. Unlike what is done in the farming industry, there is virtually no promotion of our industry to get Canadians and Quebecers to consume more local products. At the international level, there is unfair international competition—I am thinking, for example, of the imposition of quotas by the European Economic Community. Those quotas are causing a great deal of harm, particularly in the shrimp fishery. The federal government will have to make diplomatic efforts to solve this problem.

Knowing my colleague from Chambly—Borduas, I am sure he will speak about employment insurance. I want to address that subject as well.

In my region, as in a majority of rural regions in Quebec and a majority of the so-called remote regions of Canada, there has been a major crisis in recent years. There was also a lack of political will on the part of the former government.

• (1655)

Let us talk about the lumber crisis. For years, we asked for support to be given to our companies so that they could cope with what I would call a total injustice, which was imposed on us by the U.S. government and producers. They placed duties on it even though we regularly won our case before the courts. This crisis lasted for 25 years, do not forget.

I have some doubts concerning the signing of the agreement proposed to us. First, this agreement is far from perfect. Furthermore, I am not convinced that the Americans will respect it for seven or nine years. They did not respect the earlier agreements, so they will find a way of not respecting this one either.

The federal government should therefore be extremely vigilant concerning the lumber agreement. Moreover, this agreement should be improved. It is totally unfair to impose on us a quota of 32% of the market, as is the case at present. In the context of free trade, the agreement submitted to us does not allow free trade. This agreement should definitely be amended over the years.

I got a bit off track; I was talking about employment insurance. I wanted to talk about the situation in the regions. We have had to deal with the softwood lumber crisis, the mad cow crisis, the completely unfair competition in the farming sector, particularly from the U.S., and a major crisis caused by globalization. The previous government had the means to intervene, as do the Americans, who do not hesitate to protect themselves. It did not, however, intervene at all in the textile and clothing sectors, among others, and in the so-called softer sectors in Canada. This has caused, in the past year, the loss of 120,000 jobs in the manufacturing sector, including 36,000 in Quebec.

Unfortunately, I did not see anything in the budget in this connection. Nor have I noted the current government's intention to react in accordance with the standards of international trade. Under the standards of the World Trade Organization, we are perfectly entitled to take action when a situation arises like the one that we have just been through in the past 12 months.

Furthermore, the workers in these sectors have been employed by the same company for 20 or 30 years; now they are 50, 55 or 60 years old. My colleague from Chambly—Borduas will certainly talk about it, since it is one of his pet projects. These people do not necessarily have sufficient training to enable them to be placed elsewhere or reclassified. So they have to be helped, at least so that they can live decently until they reach retirement age.

Actually, the government has expressed its intention to take action in this area. We will have to see, concretely, how this will unfold in the coming months. We in the Bloc Québécois are committed to this. For years we have been asking for the assistance program for older workers to be re-established and we will go on demanding it.

I will also continue to demand that an independent employment insurance fund be established. In my region, fewer than 40% currently have access to employment insurance. These include fishers and forest workers. These people have seasonal jobs. They cannot take their fishing boats out when there is two feet of ice on the St. Lawrence River. They have to rely on employment insurance. At present, as a result of the slash and burn approach taken by the former Liberal government since 1994, they find themselves without an income for five, six, eight or ten weeks in the spring. It may not be easy for them to get back to work either. Indeed, in order to return to work, labourers, for example, might have to invest in buying the proper attire to wear. Some of them just cannot afford it. It is as simple as that. So, some families have a hard time for many weeks in the spring.

We therefore have to establish an EI fund that will meet the needs of those workers who find themselves unemployed, one that will be managed by the workers and their employers, that is, those who pay into that fund.

• (1700)

The government has to stop dipping into the employment insurance fund. That is not its money.

An hon. member: That is misappropriation.

Mr. Jean-Yves Roy: It is indeed misappropriation. We are talking about \$48 billion over the past few years. I could carry on, but I will let my hon. colleague continue along this line following the five minutes of questions and comments.

[*English*]

Mr. Brian Masse (Windsor West, NDP): Mr. Speaker, I appreciate the opportunity to ask a question. I would like to ask my colleague a question with regard to the budget and issues related to manufacturing.

On page 32 of the budget there is a good chart on manufacturing employment in terms of outlining some of the challenges. It shows that manufacturing employment is going down in Canada significantly. As well, our Canadian dollar is rising from the export of our oil and gas industry to the United States. It is creating an artificial environment that is not sustainable and is actually killing manufacturing jobs in Ontario, Quebec and other regions.

The Budget

The only thing that is in the budget under the same philosophy is that by reducing corporate taxes we will actually increase employment investment, but the reality is that when we look at aerospace, textiles and auto manufacturing, those employers are calling for national strategies that actually target specific areas for their investment. They see that as the most preferred option.

Ste-Thérèse, Quebec, is where we lost an auto manufacturing plant. It is one of the reasons we have a new parts council that is in agreement with regard to calling for an incentive.

In terms of the budget, there seems to be a failing in recognizing that the industries themselves are calling for national strategies. They say, for example, the United States has incentives and subsidies for their industries which we do not have here. Unfortunately, I think the budget fails on the manufacturing component.

● (1705)

[Translation]

Mr. Jean-Yves Roy: Mr. Speaker, I think that in most sectors, there is already a strategy. In aeronautics, we already have a strategy.

I say yes to reducing the taxes on certain small and medium-sized businesses when they are making a profit. But if taxes are reduced and the business is not making a profit any more, the result is absolutely nothing. I think, therefore, that what is in the budget is a starting point, but we need to go a little further. We have to realize that, on the international level, we often face competition that is completely unfair, and that is unacceptable.

I could mention, for example, child labour or the wages paid in certain countries to people who have no social safety net. That is completely unfair competition. When people sleep in company dormitories, are under-paid, and work 12 to 16 hours a day for wages of 50¢ an hour, we obviously cannot compete with that. It is unfair competition.

[English]

Mr. Mike Wallace (Burlington, CPC): Mr. Speaker, my question will deal with the first part of the member's speech regarding agriculture. As a young man I grew up in eastern Ontario on a dairy farm. I have a tremendous amount of respect for the dairy farmers of Quebec. They were very successful in those days and I am sure they still are.

My confusion lies, and it may be lost in the translation, in the fact that we are putting an additional \$1 billion for agriculture in the budget. I did not really understand whether the hon. member agreed with that approach, that we were adding that money, or whether he was opposed to that money being added to the agriculture file.

[Translation]

Mr. Jean-Yves Roy: Mr. Speaker, I agree with investing \$1.5 billion in agriculture. Where I draw a distinction is in the way in which this money will be distributed. If my colleague has read the budget, he will see that the government draws this distinction as well.

We are speaking about the strategic framework. There is a difference between agriculture in Quebec and in the west. Farmers in the west obviously cannot be supported in the same way as Quebec farmers. Agriculture based on dairy farms, on poultry, eggs and so

forth, cannot be supported in the same way as agriculture based on wheat. It is very different. There is no comparison between the two.

The federal strategic framework that was imposed on Quebec does not suit us because it does not meet the needs of Quebec farmers. This happens to be true as well for certain other parts of the country. Different agricultural sectors have to be treated differently. For example, agriculture in Quebec is not built around large-scale wheat production but around much smaller-scale production of milk, eggs and grain.

That is why we say the strategic framework has to be changed.

Mr. Yves Lessard (Chambly—Borduas, BQ) Mr. Speaker, first I want to congratulate my colleague from Haute-Gaspésie—La Mitis—Matane—Matapédia on his presentation.

It is very important for me to be able to speak to the budget. I am doing so with particular concern for the citizens of my riding of Chambly—Borduas.

Every time I speak in this House I always ask myself how I can best serve the citizens of my riding. Under the circumstances, I have to assess whether this budget has positive elements that will serve the interests of the citizens we represent or whether, on the contrary, what we refer to as irritants outweigh the benefits.

In this case are there any real advantages? I see one advantage. The desire to address the problem of the fiscal imbalance head on is very important for Quebec and the other provinces. This is the first time in recent years that a government has agreed to tackle this. I think this is significant. We must acknowledge the positive aspects. There may not be any immediate revenues or measures, but at least there is a very concrete deadline, and it is within the first year.

The second aspect affects the difficulties the farmers are currently facing. This is another major problem that has been raised in the past few years and about which the previous government did very little. We must recognize that there are new elements in the support measures for farmers, to the tune of \$1.5 billion. We see this as positive. It is not perfect, there is still work to be done, but it is a step forward compared to the past few years.

Another important aspect is poverty. The Conservative government has not, in our opinion, introduced measures or made commitments that address the entire problem. Nonetheless, when we talk about social housing we can see there is a new commitment compared to the lack of commitment by the former Liberal government. From 1993 to 2001, it completely withdrew from this issue.

That resulted in a major shortfall in social housing in every province, Quebec in particular. The vacancy rate dropped below 3%, which is the standard for determining when the quality of social housing is threatened.

The Budget

My own riding includes 12 cities, all of which have vacancy rates lower than 3%. This is a serious problem. It did not come about by itself. It came about because of poorly designed measures and legislation that resulted from the previous federal government's disengagement. We believe that only Quebec could contribute to developing social housing.

There is also the issue of additional funding for municipal infrastructure. Investments of over \$50 billion in the short term would be needed to modernize municipal infrastructure in Canada

• (1710)

It is not that much. This commitment to municipal infrastructure and public transit is new, as is exempting scholarships from taxation.

On that note, I will end my list of reasons why we should pass this budget. I would add that it is a transitional budget. It is not a long-term plan. We must also recognize that it is the new government's first budget.

That said, let us now look at some of the little irritating problems. Are these problems enough to make us vote against the budget? In the short term, are they worth sending Canadians to the polls over? We have to consider that.

The other two opposition parties have been throwing their weight around for a week, saying that the Bloc has been servile with the Conservatives. Really! No one here is a fool. If the Bloc voted against the budget, I can tell you that the Liberals would be looking for any means they could find to get enough members to vote in favour of the budget. Just among ourselves, no one in the country believes that the Liberals are organized enough to trigger an election. And if that were to happen, would we be further ahead with a budget that contains irritants and a majority Conservative government? They too are busy with these calculations.

The New Democrats are lecturing us like greenhorns. What did they get from the negotiation of Bill C-43 last year? What was the net benefit to taxpayers? Nothing. We are also being lectured on employment insurance. The employment insurance issue is a tragedy. What the Liberals have done is indecent. And what the Conservatives are preparing to do is indecent. It has to be said. I will not vote in favour of the budget because of what they are doing for employment insurance, because what they are about to do is indecent. However we should remember that last year the NDP voted in favour of \$2.5 billion in cuts to employment insurance. That is what they did. And today we are being lectured. These are things which must be said.

So they have had a hand in making people poorer, even though they put forward progressive measures. And they say we are not as "left" as they are. I say to you that they signal left and then turn right. It has to be said. As for me, I think that this is misleading the people. One must speak the truth as it really is.

Will an election be called over the budget? That poses no problem for us. It could happen. However it will be necessary to explain why to the people, and speak the truth as I am now doing. That is why an election will not be called. It would just be a trip to nowhere. The people do not want it. Anyway, we are realistic. One has to be realistic and responsible enough to speak the truth as it is.

Back to employment insurance. On that subject, the Conservatives will be obliged to keep their word. There is nothing in this budget to indicate that they will keep their commitment on the independent fund. Yet that is indispensable. The lack of an independent fund is what allowed the Liberals to fiddle nearly \$50 billion out of the employment insurance fund. That money belongs to workers and employers. That prevented nearly 60% of the workers who lost their jobs from receiving their employment insurance, even though they had contributed all their life. There is something indecent and revolting about that.

It is the same for what is being reserved for older workers. They have paid their premiums all their lives. The Liberals dismantled that program in 1997. Now they want to study this on the other side. Where were the Conservatives when it was studied by the opposition? Now they are on the other side of the House and it is as if they had developed amnesia. They don't remember. Really! I invite them to bring along what they learned in opposition. It should not stay on this side. They are going to need a little information to make some decisions this year, preferably this spring, because there are some very hungry people waiting.

• (1715)

They have a responsibility because they were elected.

It is the same thing when it comes to improvements to employment insurance. Today my colleague from Laurentides—Labelle introduced a bill to reform the employment insurance system. I hope that all the hon. members will vote in favour of this bill. Otherwise, the people will be cheated.

They give fine speeches and make faces at us here, because they want to come off as though they are better than us, and they throw their weight around, but they do not tell the truth.

That was the truth. I am anxious for the Conservatives to honour their commitment.

[*English*]

Mr. Mike Wallace (Burlington, CPC): Mr. Speaker, I appreciated the speech by the hon. member. I always look forward to his support in standing up for labour issues. He always talks about labour issues, but I want to question him about other parts of his speech.

I am absolutely in favour of the municipal infrastructure money that we have in this budget, the transit infrastructure money that we have in this budget, the housing money that we have in this budget. There are many, and I am not one of them, who would say that those are strictly provincial responsibilities, particularly the municipal infrastructure and the transit infrastructure.

I have heard from the Bloc members in speeches on other items, including the public health bill, that the federal government cannot get involved because it is provincial jurisdiction, that it is none of our business here at the federal level.

I ask the member, what is the difference? What is the rationale for supporting the municipal infrastructure and transit infrastructure when some people think that they are provincial jurisdictions? How does he define the difference in this case?

The Budget

• (1720)

[Translation]

Mr. Yves Lessard: Mr. Speaker, I thank my colleague for his excellent question. He is quite right, these are provincial jurisdictions. But the provinces are not able to fully meet their obligations because the government took away their money in order to take over those obligations. That is what happens.

A portion of the tax money collected from Canadians should return to Quebec and the provinces. This portion must be returned, as a portion of the 10¢ gas tax was, which will gradually go to municipalities. It is the same thing with transportation and municipal infrastructure. The federal government has jurisdiction over some aspects of transportation, including marine, rail and air transportation.

[English]

Mr. Brian Masse (Windsor West, NDP): Mr. Speaker, I listened to my colleague's interesting analysis of the NDP budget as well as the optics of the current Parliament.

It is very interesting to note that the Bloc is similar to the Conservative Party when it was working with the Liberals and they could actually work together. I remember when the Prime Minister was the opposition leader he supported the Liberals originally, then switched and flip-flopped on a number of different things.

I am wondering why the Bloc has not negotiated anything at all. It is almost like a dog with no legs. It barks but does not go anywhere.

It is time Canadians understood that protest for the sake of protest is not a policy position. We took a stand and money is coming out at least to some Canadians because of that, unlike the Bloc that is just demonstrating the ability to not take any position whatsoever at any point in time.

[Translation]

Mr. Yves Lessard: Mr. Speaker, the negotiations as carried out set no example for us.

I do not know whether my colleague was here earlier, but I will recall the situation last year. The NDP supported a budget that cut \$2.5 billion from employment insurance. It is recorded on pages 278, 279 and 280 of last year's budget.

What remains of the NDP's negotiations last year? Nothing. Quite the opposite. The unemployed have taken a loss. What is the Bloc negotiating? The defence, as we are today, of the public's positions, file by file. Yesterday, I listed six or seven files on which progress has been made.

Let us take the fiscal imbalance, for example. No major national party recognized the fiscal imbalance three years ago. Today it is in the budget. Who got it?

The same is true with social housing. They say they got things, but nothing was got. Today it is in the budget.

The same can be said for post-secondary education. A contribution was clearly made to municipal infrastructure, clearly. It could be ignored. However, the people in Quebec recognize it when they vote for us.

[English]

Hon. John McKay (Scarborough—Guildwood, Lib.): Mr. Speaker, I will be splitting my time with the member for Laval—Les Îles.

The budget, in my view, is one that is full of losses. Some of them are really quite tragic losses. It is a budget that retreats rather than moves forward. It is hard to know what are the greater losses. Is it the loss of fiscal sanity? Is that the greater loss, or is it for the students in post-secondary education? Is it Kelowna, Kyoto or the child care agreements? It is pretty hard to fathom just what is in fact the greater loss.

I would describe myself candidly as a fiscal conservative. We spent 13 years trying to build up the nation's finances and four years after the Mulroney and Campbell messes, we were finally able to turn the corner and run eight surplus budgets in a row. We turned it from a point of fiscal insanity to a point of fiscal sanity. Yet in 13 short weeks the government is well on its way to trashing 13 years of very hard work. Everything starts with fiscal sanity, so let me compare the situation that the Conservative government finds itself in now, a very flush and robust situation, with what the Liberal government inherited after the Mulroney and Campbell years.

When we inherited the situation there were 12.8 million jobs. Now there are 16.4 million jobs, a full 25% increase in the workforce. Unemployment at that point was 11.5%. Now it is down to 6.3% and is on its way down even further if our numbers continue to hold. Our debt to GDP was approaching at some point 70%. Now it is under 40%. My friends talk about unemployment insurance premiums all the time. At that point it was \$3.07 per \$100. Now it is \$1.86 per \$100. Every cent is roughly \$100 million in tax relief to employers and employees.

Canada's foreign debt has been reduced from 45% to now just 17%. That means when we owe money we owe it to ourselves rather than to people outside the country. That means we control our financial and fiscal situation rather than banks outside the country controlling our financial and fiscal situation.

I could go through all of the basic credits and the basic income tax thresholds. The basic thresholds are up from \$6,800 to \$8,600. I see that even the Conservative government did not dare repeal the increase of \$500 in the basic personal exemption contained in the November update.

The lowest rate went from 17% down to 15%. In this budget, in a bizarre sort of way to pay for the GST cut, the Conservatives have to raise that 15% back up to 15.5%. The second bracket is down from 26% to 22%. The third bracket is down from 29% to 26% and the surtax has been removed completely.

As a percentage of government revenues, the federal government at one point was collecting somewhere in the order of 17% of GDP. It is now just a touch over 15% of GDP.

The Budget

We have in fact cleaned up the previous Conservative mess but now the government is well on the way to creating a further fiscal mess that will play itself out over time.

• (1725)

It may be good politics to reduce the GST by one percentage point. I am quite prepared to concede that point, that in fact it is good politics, but frankly it is just plain stupid economics. It is pretty well the dumbest thing one would want to do.

I would suggest that members go to the Department of Finance website and look at its category of tax relief and look through the various areas in which we could give Canadians tax relief. What is the best for the economy? What is the best for the prosperity agenda?

And hon. member: Income taxes.

Hon. John McKay: Mr. Speaker, exactly. That is what is best, income tax relief. What is the worst? We will see on the Department of Finance website that consumption taxes are the absolute last place we should cut taxes.

It will be interesting listening to Department of Finance officials as they come before the finance committee trying to explain to the finance committee and therefore to Canadians, why the finance minister has totally and completely rejected the advice of his own officials. That is just dumb, but it gets dumber.

The next area in which the Conservatives put our fiscal house in jeopardy is in the reduction of the prudence moneys. Canadians probably understand this as sort of a rainy day fund, and that is probably a good way of describing it. But a one point move on interest rates, a one point move on inflation, a meltdown in the American economy, or a SARS incident or something of that nature could literally shake the fiscal framework of the nation and the government. Because of that, we build into our budget substantial amounts of prudence.

The government, for whatever reason best known to itself, has chosen to reduce that to \$600 million, a very small amount of money on a budget that is over \$200 billion.

We do not try to run a budget for the sake of running a budget and keeping a balance and things of that nature. We want to do great things in a budget.

The previous government invested heavily in post-secondary education. It created all kinds of research chairs. It put the universities of this nation back in the research game so that Canada is now one of the foremost nations for publicly funded research.

What did the Conservative government do? It gave an \$80 tax credit to some students so they could buy some books. I think that is wonderful. I have a daughter who will be going to university next year and frankly, I would have taken the Liberal choice. The Liberal choice was a one-half cut in tuition for the first year and on the graduating year, another cut of one-half of the tuition costs for that year. Frankly, that is way better than a lousy 80 buck tax credit for picking up a few books.

As I said, our universities are now back in the game, but this budget says absolutely nothing about post-secondary education in terms of funding those foundations and research chairs.

Members will recollect that in 1993 when the Liberal government first came in there was a great deal of conversation about brain drain. Brain drain was a really serious issue. We all know that the only way Canada is going to be among the most prosperous nations on this earth is if our nation functions on its brains. If in fact we have well-funded public research, if in fact we have excellent universities, we will have a chance of succeeding. Does this budget say a word about that? Nothing.

The decline will be slow and the decline will be painful, because those foundations will not be funded. As a consequence, those researchers who have come here to pursue their particular individual disciplines will find other places in which to locate. Canada will suffer as a consequence.

As I said, this is a budget of losses. It is a loss for the aboriginal peoples on the Kelowna agreement. It is a loss for child care advocates and those who wish to set up a child care system in this country. It is a loss of fiscal sanity. It is a loss for Kyoto. It is so full of losses so as to be a tragedy.

The budget has no tax policy except political expediency. It is a loss of fiscal sanity. Its margin for error is severely diminished. It has no debt reduction strategy. It gives money to pretty well anybody who, alas, has his or her hand up.

• (1730)

I hope members will join me in voting against the budget. It is not a budget to recommend to our nation.

Mr. Dennis Bevington (Western Arctic, NDP): Mr. Speaker, I enjoyed my colleague's address on the fiscal issues within the budget. My concern lies with something that probably the Liberals may find attractive in the budget, and that is the corporate tax cuts. We fought very hard in the previous Parliament to change that, and we did. I note with some degree of pleasure that the corporate tax revenues of \$29 billion in 2004 went up to \$34 billion last year. In effect, we have done pretty well under last year's NDP amendment on corporate tax cuts.

However, in this budget the personal income tax revenues will rise by 12% over two years and the corporate income tax revenues will only rise by about 6%. The budget represents another extraordinary change in the relationship between those two revenue sources. Does my hon. colleague consider this budget is being properly represented as a cut to personal income tax, or is it about cutting corporate income tax?

• (1735)

Hon. John McKay: Mr. Speaker, as I indicated in my speech, on the Department of Finance website is a variety of tax relief that could be done, such as corporate relief, capital cost allowance, consumption taxes, personal income tax. The absolute worst one from a productivity and a prosperity standpoint is relief from a consumption tax. Therefore, I would rank a corporate tax cut of any kind, whether it is capital cost allowance or whatever, ahead of the GST as proposed in the budget.

The Budget

The hon. member will be interested to know that the government's revenues from corporate income taxes in the last year went from about 10% of gross revenues up to about 14% of gross revenues. Part of that had to do with the fact that the previous government had reduced corporate income taxes from 28% to 21% and the November update had proposed a further reduction from 21% to 19%. In that respect, the current budget picks up on the November update. We also proposed a relief of capital tax.

I believe we need to have a competitive tax environment. I realize that does not accord with NDP philosophy, but then the NDP never misses an opportunity to miss an opportunity.

Mr. Colin Carrie (Parliamentary Secretary to the Minister of Industry, CPC): Mr. Speaker, the hon. member talks about our budget as a budget of loss. I could pick apart some of the statements that he made, but I want to particularly address what he said about Kyoto. We all know the Kyoto accord was a huge mess. It was not working for Canadians. In other words, it was going to send up to \$600 per Canadian overseas to countries like Russia and China with no accountability as far as reduction of pollution.

Does the member not realize that when a budget cuts programs that are wasteful and are not working, it is an win for the Canadian taxpayer?

Hon. John McKay: Mr. Speaker, the previous Liberal budget had set aside something in the order of about \$5 billion to fund the difficulties that Canadians, both corporate and personal, would experience through Kyoto. Included in that was a credit system. If the hon. member had studied it more carefully, he would realize that commoditizing Kyoto tax credits is way to incent for industry to deal with its Kyoto pollution problems. Sometimes technology simply cannot take us there, so we need a credit system.

The credit system within our country is the preferential credit system. It enables other businesses that are more efficient to get benefits for their efficiency. In effect, we have the less efficient, more polluting companies, the companies that create and contribute to greenhouse gases, contributing to companies that are efficient and that have created reductions in greenhouse gas, which they can then commoditize and which can then go to their bottom line. Therefore, they win.

• (1740)

[*Translation*]

Ms. Raymonde Folco (Laval—Les Îles, Lib.): Mr. Speaker, I am happy today to take part in the debate, which will, I certainly hope, contribute to improving the work of Parliament. I am however very embarrassed, I have to admit, to be in this House today and have to tell Canadians that this budget will not prepare our children for primary and secondary school and even less for university. I will give a few examples.

[*English*]

Canadian students will be unable to access the paltry pittance of \$80 for university textbooks the government is dangling as a tax credit. It is obvious that the architects of the budget have not recently visited a university book store anywhere in Canada or even tried to purchase a book. One textbook can cost now as much as \$115 and some courses definitely demand more than one textbook.

I am dismayed to stand here today to discuss a budget that confirms what the Reform-Alliance-Conservatives have been saying all along.

[*Translation*]

The Conservatives intend to attack the very heart of our country. They are going to build megaprisons instead of developing support systems that would enable us to work on the causes of crime and isolation among our youth.

Canada's labour market is booming, particularly in the construction industry, and employers need illegal immigrant workers. Yet the Conservatives have begun expelling them.

This government has also abandoned federal-provincial-territorial agreements, even though the negotiations demanded an investment of time and patience by all the signatories. By abandoning these agreements, the Conservatives have intentionally destroyed access to early learning opportunities for minority official language communities, especially francophones in the western provinces and the Maritimes.

The Conservative budget's \$50 million for arts and culture includes nothing for linguistic communities. What does the government intend to do, considering that its primary responsibility under the law is to establish and enhance the vitality of our linguistic communities and promote positive measures?

[*English*]

Should we in the opposition thank the government for the settlement and integration program budget increase in immigration? Three hundred and seven million dollars over two years cannot support settlement and integration of new immigrants. Liberal immigration spending in 2005 exceeded the Conservatives planned spending by \$1.879 billion.

As one example, Canada has a doctor shortage of which \$75 million was pledged by the Liberals to integrate internationally trained doctors. This was presented in the Liberal budget of 2005. In that Liberal budget, \$920 million alone would have been focused in Ontario for settlement and integration based on the Canada-Ontario immigration agreement. Instead, the government has announced recently the off-campus work experience for international students based on the Liberal plan, but CIDA funded students and other Commonwealth awards programs students have been excluded. This makes absolutely no sense.

The Budget

• (1745)

[Translation]

Many of these students are ambassadors for Canada when they return to their own country. Even though many of them do business with Canada once they have completed their studies, we are refusing them the opportunity to gain Canadian experience, especially those who are willing to work outside major urban centres. Many students choose to start their education with our neighbours to the south, where they receive financial assistance and work experience for another three years after graduation with their visa. It appears that this Conservative government has cut the \$700 million we had promised to improve the system and create an economic component in Canada.

[English]

How does the government expect to support this initiative without any money?

[Translation]

What is the reason for excluding them?

[English]

What message does the government send to the people of Canada through its budget? Is it the one that the Prime Minister had been preaching all along, that bilingualism is the god that failed? Is that the legacy of the government?

[Translation]

We live in a country in which citizens should be able to count on fair, equitable and accessible services in both official languages, whether they live in Penetanguishene—a Franco-Ontarian community near Toronto that, in the 1960s, had to fight to receive services in its language—or in Alberta, the Prime Minister's home province where more than 438,000 francophones live.

I challenge the government to honour the Official Languages Act by pursuing the implementation of the action plan for official languages that was announced in March 2003 and for which \$751.5 million was set aside. This includes the promise to respect language rights in the area of early learning programs and the expansion of educational and other services in the preferred language.

I would like to remind the government of its obligation to respect the Official Languages Act. Otherwise, legal action could be taken against the government, pursuant to the changes made to part VII of the act in November 2005 through Bill S-3.

[English]

Language is the social and economic foundation of our country. Language allows us to expand our global markets beyond traditional markets and into emerging economies. Knowledge of the two official languages expands the experiences of future generations and will provide us with a Canadian workforce that has the facility to offer service in the two official languages as a choice in small towns, large urban centres and every region of this great country.

[Translation]

This government must not default on this obligation.

[English]

Hon. Jim Flaherty (Minister of Finance, CPC): Mr. Speaker, I listened with interest to the comments of the member opposite. She talks about promises that were made. After 13 years this is what the former government offered: promises that might happen, maybe, that did not go through the House, that were not passed, election promises. Now some members opposite have the nerve to stand in the House and say those promises, after 13 years, somehow had some value to the people of Canada.

What a difference now. What a difference, in only three months, to have a government that made commitments in an election campaign, get elected, keep its commitments and act to fulfill those promises, not idle promises after 13 years in government.

All we saw were commitments by the party opposite, which were scattered all over the place. It was going to do this, this was a priority, that was a priority. What a change in only three months to have a government focused on priorities, as the Conservatives have in their budget, such child care, security, opportunities for Canadians, the military, security in our country, more RCMP officers, all the things that Canadians are concerned about, rather than a plethora of idle promises by the government opposite.

Finally, there is control over spending where the percentage of increased spending is within the growth in the economy. It was done within three months after 13 years of the members opposite being in government. That is not to mention the efforts by the members opposite to save the GST.

The Liberals are going to lose that one. Canadians want to see the GST lowered. I am sure they will want to reflect on that. I am sure even Mr. Easter from Prince Edward Island will want to think about whether the people in Prince Edward Island would want a point off the GST, which the budget provides.

The Deputy Speaker: Order, please. I would remind hon. members and the minister who just spoke to try not to refer to people in the second person. We refer to each other in the third person here and not by name.

[Translation]

Ms. Raymonde Folco: Mr. Speaker, I see that my colleague opposite angers quickly. I understand why: the Conservatives are in a tough spot and are putting the ball back in our court.

The Conservatives have now been in power for three months. My colleague has been working on his budget for at least that long and we have seen the results. One cannot always send the ball back to this side of the House.

I would just like to mention, since my colleague invited me to do so, several items on which we worked very hard. They were not promises but concrete accomplishments, as in the case of landmines. Those of us who were in the Liberal government at the time even influenced the entire world to adopt international landmine laws.

Let us speak about the deficit left by the former Conservative government in 1993. Our Liberal Prime Minister erased that deficit.

The Budget

• (1750)

[English]

Let us speak about fiscal balance, for which the Conservatives are so proud. Who brought in the fiscal balance in the first place? We paid off the \$55 billion of debt that was left by the Conservative government.

When we talk about promises, we are talking about concrete facts that we brought in as a government. The lowest unemployment rate in history was through the Liberal government. The largest tax cut in history was through the Liberal government. The list is very long. I just wanted to talk about some very concrete examples of what the Liberal government did when it was in power.

Mr. Ken Epp (Edmonton—Sherwood Park, CPC): Mr. Speaker, I always listen with interest when I hear the Liberals over there say that they left this government in such a good fiscal state.

The fact is that the debt the country struggled with for nine years under the Conservative government was in fact Liberal debt. That is just a plain fact. All we need do is to look back at the history of when those huge deficits started. Who was the finance minister who really pushed that? It was Mr. Chrétien.

The fact is that it was just simple compound interest growth and Conservative policies that gave the government the capacity to finally address the issue. Unfortunately, the Liberals came to power after that and they squandered the money. The debt is almost \$500 billion. If we would have had a Conservative government along the way with fiscal policies, that debt would probably now be \$400 billion instead of \$500 billion. The Liberals squandered it all over the place.

Ms. Raymonde Folco (Laval—Les Îles, Lib.): Mr. Speaker, my colleague across is showing his Reform roots. He ought to look at pre-1993 history. We had a debt but we used the money wisely. We did not have a debt that was doubled by the previous Conservative government. In those few years we managed to reduce the debt by \$55 billion. I think that speaks for itself.

Hon. Stockwell Day (Minister of Public Safety, CPC): Mr. Speaker, I am pleased to address elements related to the budget today. I am thankful that our Minister of Finance understands budgetary issues, what goes into the thinking behind putting a budget together and how that can best affect Canadians and our country.

I will be sharing my time with my colleague, the member for Souris—Moose Mountain.

I would like to philosophically for a couple of minutes look at the tone of this budget. I grant that there are areas that need to be addressed and which any party would address. These are areas related to the environment that we are actually addressing with \$2 billion over the next couple of years and areas related to the needs of aboriginals and our first nations community. Many of those areas are being addressed in a very vigorous way on the monetary side. There are those broad social areas which I think would be addressed perhaps in different flavours and with different emphasis by all parties.

What makes a Conservative budget distinctive is a recognition of the importance of individuals, the respect for individual rights and

freedoms which carries and runs deeply in the Conservative mindset and also reflects into individual responsibilities.

We will find that these are not perfect philosophical lines. The lines blur between political parties. What we find in general, if it is a truly Conservative budget is, first, that the social needs are being met and attended to. What gives it a distinctive flavour is a trust in the individual, in individual people, families and communities, that lead to a certain emphasis on, for instance, approaching problems and pressures with tax credits.

Philosophically, the difference between the governing party now and the previous government and the NDP is very clear. We trust families to be able to make decisions about where the money would be best used for their child care, for instance. Whereas a Liberal government, or a socialist party such as the NDP, would tend to not have the same level of trust in individual wisdom so they move to a more collectivist mode. We see, therefore, that when it comes to child care they want a program that is government run, government institutionalized and focuses solely on government institutions.

This government trust families to know what their individual needs are and how best they can spend the money. We allow the money go to individual families in terms of this child care credit. Throughout this budget we see credits for people recognizing individual initiative and individual capability.

A Conservative budget will tend to be less invasive in terms of massive government programs dictating to individuals and even to businesses that they should go this way or not go anywhere at all.

We see that reflected in the credits for small business. Rather than coming up with a program of trying to pick winners and losers, and governments historically, we can say, have the amazing capability to often pick the losers instead of the winners, rather than helping small business with a massive program of subsidies, we approach by raising the limit that a small business can earn before it even has to pay taxes.

We take that approach in the general corporate rate, lowering that, and we take that approach with hard-working citizens across the country, raising the limit before they even start to be taxed. Instead of picking and choosing certain seniors' programs that are needed, we take the approach of raising the amount of money that seniors can bring in before they start being punished by the government for being hard-working and entrepreneurial. The distinctive flavour in a Conservative budget is more trust in individual citizens and less invasiveness into the lives of our citizens.

I and many others in the House have said many times that the first responsibility of any government is the safety and security of its citizens. I am pleased that the Minister of Finance and our Prime Minister have seen the area of safety and security as one of the five key areas that needed to be addressed.

The Budget

• (1755)

We recognized that more RCMP officers were needed on our streets so I endorsed \$161 million in funding over the next two years in the budget for the training of 1,000 more RCMP officers. We also recognized that with that comes the capability at the depot in Regina to train those people so we added another \$37 million for that particular purpose.

I am pleased to see that we responded to the concerns of our border officers from coast to coast who wanted to be equipped and protected at dangerous moments in their jobs. Their jobs can be very dangerous when armed people approach the border. We were committed to ensuring our border officers were well trained in the areas of arrest and seizure and equipped with sidearms so the budget contains the first down payment on that.

Along with that, we committed \$303 million to ensure low risk travel so individuals and businesses could access the border through technological means. We wanted to ensure that prosperity happens through and across our borders just as much as security does.

Those were the elements the finance minister and our Prime Minister saw as being needful in our communities.

The fact that we would come out with a policy position, and not just state the policy but actually back it with the funding, recognizes what we will be doing through the Minister of Justice in terms of certain convictions that will carry mandatory sentences.

We have seen the tragedy of handgun crime in this country. Another police officer was tragically slain last week. We are getting serious about serious crime because that is what our citizens want us to do. However we will need some increased capacity to deal with those who will be in jail longer. Because they will be in jail longer we will make programs available to them that were not available to them when they received shorter or conditional sentences.

We are not just dealing with the criminal aspect in terms of incarceration as part of the budget and we are not just increasing capacity, we are making an extra \$20 million available for programs for youth at risk.

Those are the types of initiatives we are taking in a balanced way. Those are the types of things that I believe, partisanship aside, most Canadians will continue to support.

I would now like to talk about how the budget has been resonating in my own constituency. For the most part, there are no perfect budgets but this budget by the finance minister is close to perfection. I have been door-knocking in my constituency on a regular basis and most people, by and large, like the balance of what they are seeing in the budget. It is interesting to see that reflected in polls across the country but I sense it at the doors in my constituency.

There are areas that they are hoping to see as the budgetary process continues. In some of the meetings I attended this past weekend in my constituency, people in the agriculture community were acknowledging the significant increase of \$1.5 billion to the agricultural community. How is that playing out on the ground, in the fields and in the orchards?

I had a meeting with Joe Sardinha, the head of the British Columbia Fruit Growers Association, who plays a significant role in agriculture. He made some important observations about how the CAIS program was really not equipped to deliver to the fruit growers in their time of need. He pointed out that the inventory evaluation program really did not serve the fruit growers as it might serve somebody in the grain and oilseeds business. I have brought forward those suggestions.

The finance minister asked us to give him feedback on what we were hearing about the budget so we could improve it, if need be, as we move along.

I have had meetings with mayors and councils right across my constituency and they are glad to see what is in the budget for the infrastructure fund and specific projects still come to mind. We need a passport office in my constituency. These are the things people are telling me as I go door to door, people who are dealing with everyday realities.

From the infrastructure fund, as we move toward the Olympics, yes, there are certain projects. The South Okanagan Event Centre is a project that would encompass many other constituencies in the entire South Okanagan. These are issues that people will continue to be looking forward to and for which we will continue to make the case.

At a meeting just this weekend, the mayor and councillor were pleased to see us going ahead with the infrastructure fund and that we have growth in our area because the Okanagan is the most beautiful place in the world to live. We will address those areas of growth.

• (1800)

I am glad that the budget addresses many of these areas. We will continue to bring our concerns forward. We are glad to see that not just the fiscal needs but the social needs of Canadians are being met by this budget.

Hon. Charles Hubbard (Miramichi, Lib.): Mr. Speaker, if time would permit, I would like to some day debate the hon. minister on his concept of what the individual is and what the rights of the individual are as opposed to the needs of our government and society. It is very different on that side of the House from what it is on this side of the House.

The hon. minister also alluded to the fact that he had nearly the perfect person as Minister of Finance. There have been certain perfect people in this world, but they have often met with very disastrous results. I certainly hope he is not alluding to probably the only perfect one who has walked this earth.

In terms of what we have heard this past weekend in our relationship with our counterparts in the United States, there is a great need in this country for us to make a quick move in terms of getting passports for people in order to make sure our economy continues in a very effective way. We know that is going to cost money. We know that it is quite costly to the Canadian people today, at about \$85, to pick up a passport.

The Budget

Maybe the hon. minister could give the House some information on whether or not his department is coming up with a better way and a cheaper way so that most Canadians will have good access to our American neighbours when the need comes next year.

• (1805)

Hon. Stockwell Day: Mr. Speaker, I would look forward to a prolonged discussion on that balance of individual and collective rights. As I said, as Conservatives, our budget has the balance about right.

In reference to the near perfection of my colleague, the Minister of Finance, I am sure the member opposite realizes that at times it is necessary to introduce a little levity into the equation here. The Minister of Finance can deal with his own state of perfection. That is something he will have to answer for.

In terms of the problem related to the border and the WHTI, the western hemisphere travel initiative, it was our Prime Minister who made this a priority issue at the Cancun meetings with President Bush. President Bush and our Prime Minister each designated a person to deal with this. I will be working with Secretary Chertoff. He is head of Homeland Security in the United States.

We already have what we could call a concession, but let us not use a pejorative sense either way; we have agreement on the U.S. side that alternative documents will be acceptable. It does not necessarily have to be a passport when the congressional law kicks in on January 1, 2008. It does not necessarily have to be a version of their national identity card.

That is why we are now engaging officials to work on what documents would be acceptable and why we are addressing that question, but the U.S. side has at least said it is going to work on some alternatives.

We are not aggressively pursuing at this time what would be seen as a national identity card. We are encouraging Canadians to get a passport. It is the quickest way to make sure of getting access across the border, but for now, and for the next year and some, at land borders, a driver's licence and birth certificate will suffice. After January 1, 2008, there will be an extra requirement. We are working on those alternative documents now.

Hon. Roy Cullen (Etobicoke North, Lib.): Mr. Speaker, the member for Okanagan—Coquihalla knows full well that the alternative documentation in lieu of a passport has always been on the table. What Canadians might not know, though, is the way in which the government has caved in to the U.S. administration in terms of the western hemisphere travel initiative.

Perhaps it was because the U.S. administration promised some resolution to the softwood lumber deal. Is that not interesting? Because the U.S. president had an option last week, and that was not to launch the extraordinary appeal of the NAFTA panel. President Bush decided to do that, so I am not sure what the exchange was, because on both counts, Canada is not very well represented.

I do have a question for the Minister of Public Safety. There are a number of initiatives in the department, I am sure, that I could not find in the budget. One is for measures dealing with counterfeit goods. Goods are coming into Canada and jeopardizing the safety of Canadians, whether they be pharmaceuticals or electrical equipment.

There is also the idea of creating some kind of accountability at our borders for people who might feel that they are being wrongly or unfairly treated. I did not see anything in the budget to deal with this. I know that was an initiative of our government.

There is also the Port of Prince Rupert and the need for customs officers there. I did not see any money in the budget for that.

I wonder if the minister would comment on those items as well.

Hon. Stockwell Day: Mr. Speaker, there is nothing wrong with the partisan remarks and I will address them in kind, but I just cannot overlook the partisan remarks related to the border initiative and the documents.

In fact, what the member said is just not accurate. This congressional law, this law passed by Congress over two years ago, went absolutely unaddressed by the former Liberal regime. We raised it here, working with other opposition parties at the time, so much so that we actually forced a debate here in the House last fall to get this matter addressed. The previous Liberal regime ignored it.

It is a fact that we did have a major agreement and somewhat of a concession from Secretary Chertoff and others that alternative documents would be acceptable. We have to work on them and define what they will be, but they will be acceptable. That is because of our Prime Minister making this a priority.

The member opposite is asking why it says nothing in the budget about border issues, about where there might be areas where consumers who cross the border feel they are not being dealt with properly. I would say to the member, bring me the instances where that happens, because we address those. We do not need a budgetary item to demand or ask for proper service at the border. I have been able to take up a number of issues related to how people felt they were not properly treated at the border. Two hundred and sixty thousand people a day cross the border. That is 90 million border crossings in a year. There are going to be one or two people who will be upset.

If members will get that information to me, we will address it. We have done it in the past and we will continue to do it.

• (1810)

Mr. Ed Komarnicki (Parliamentary Secretary to the Minister of Citizenship and Immigration, CPC): Mr. Speaker, I want to make some comments with respect to the budget. It is a budget that targets individuals and is mindful not only of individuals but of families, the very foundation of our nation, and especially of young families, those who are attempting to make a start in life and contribute to our society. This is the budget that targets this group, the young growing family. And I can say that 90% of the budget targets individuals as opposed to corporations or businesses.

This weekend, I had the privilege of being in Maryfield, Saskatchewan. There I met a mom who had a child of three and was expecting another child in four weeks. This budget means \$2,400 to that family in rural Maryfield, Saskatchewan, \$2,400 to help them out, in an area where there are not many day care centres, but there is the struggle of farm families trying to succeed on the farm, with many working off farm to try to make ends meet.

The Budget

While I was in Storthoaks, Saskatchewan, at a coffee shop, I met some moms there. Among them they had eight children under six years of age. At that table, this budget means \$9,600 in assistance from the government to help these moms raise their children. This assistance is not a small matter. It is a significant matter in many rural places and in many centres that do not have day care centres.

The members opposite have been somewhat concerned about the fact that there have been significant tax breaks given as opposed to program spending; I think it is \$2 in tax breaks for every dollar of spending. Somehow they take issue with that and indicate that it is moneys that are somehow owed to them; they consider it to be their money and not the taxpayers' money.

We have to keep reminding ourselves that the reason the money comes here in the first place is that it comes from ordinary Canadians, from taxpayers who are overtaxed and overburdened, taxpayers who work real hard, try to make ends meet, are on the treadmill of life working 10 to 12 hours a day, six days a week, and who send in thousands to this particular establishment. They are saying that they need some reprieve, some relief. It is refreshing to see the taxpayer taken into consideration to the extent that this particular budget has done it.

Many of the arguments the Liberals make are that they also had budgets wherein they made promises, but we find that most of those promises were promises into the future. Four or five years from now, that is when the big dollars were going to be spent, but there was very little in the first or second year.

Our budget provides tax relief in the first and second years, tax relief that we can see and understand. It is not a complex budget in that sense. This government makes a promise. If we were to look through our Conservative election campaign and at our platform, lo and behold, we would actually see this being translated into the budget in real ways.

How refreshing to see a headline in the paper that reads "Promises Delivered". Promises made and kept: that is a refreshing concept in politics. It is a refreshing concept to say what we mean, mean what we say and actually act upon it in a short period of time.

This budget is not a budget that defines the Prime Minister or the government. It is a budget through which the Prime Minister and the government define the kind of Canada we want to see—

The Deputy Speaker: Order, please. I am sorry to interrupt the hon. member, but it being 6:15 p.m., it is my duty to interrupt the proceedings and put forthwith every question necessary to dispose of the subamendment now before the House.

The question is on the subamendment. Is it the pleasure of the House to adopt the subamendment?

Some hon. members: Agreed.

Some hon. members: No.

The Deputy Speaker: All those in favour of the subamendment 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 nays have it.

And more than five members having risen:

The Deputy Speaker: Call in the members.

● (1845)

(The House divided on the amendment to the amendment, which was negated on the following division:)

(Division No. 1)

YEAS

Members

Angus
Bell (Vancouver Island North)
Black
Charlton
Christopherson
Crowder
Davies
Godin
Layton
Martin (Winnipeg Centre)
Masse
Nash
Savoie
Stoffer

Atamanenko
Bevington
Blaikie
Chow
Comartin
Cullen (Skeena—Bulkley Valley)
Dewar
Julian
Marston
Martin (Sault Ste. Marie)
Mathysen
Priddy
Siksay
Wasylycia-Leis — 28

NAYS

Members

Abbott
Albrecht
Allen
Ambrose
Anderson
Arthur
Bachand
Bains
Barbot
Batters
Bélangier
Bellavance
Benoit
Bevilacqua
Bigras
Blais
Bonsant
Bouchard
Bourgeois
Brison
Brown (Leeds—Grenville)
Bruinooge
Byrne
Cannan (Kelowna—Lake Country)
Cardin
Carrier
Casson
Chan
Clement
Crête
Cummins
D'Amours
Day
Del Mastro
Deschamps
Dhaliwal
Dion
Doyle
Duceppe
Easter
Epp
Faille
Finley
Flaherty
Folco

Ablonczy
Alghabra
Allison
Anders
André
Asselin
Bagnell
Baird
Barnes
Beaumier
Bell (North Vancouver)
Bennett
Bernier
Bezan
Blackburn
Blaney
Boshcoff
Boucher
Breitkreuz
Brown (Oakville)
Brown (Barrie)
Brunelle
Calkins
Cannon (Pontiac)
Carrie
Casey
Chamberlain
Chong
Coderre
Cullen (Etobicoke North)
Cuzner
Davidson
DeBellefeuille
Demers
Devolin
Dhalla
Dosanjh
Dryden
Dykstra
Emerson
Eyking
Fast
Fitzpatrick
Fletcher
Fontana

Freeman
Galipeau
Gaudet
Godfrey
Goodale
Gourde
Grewal
Guay
Guimond
Harper
Harvey
Hearn
Hill
Holland
Ignatieff
Jean
Kadis
Karetak-Lindell
Keeper
Khan
Kotto
Laforest
Lake
Lavallée
Lee
Lemieux
Lévesque
Lukiwski
Lunney
Malhi
Maloney
Marleau
Matthews
McCallum
McGuire
Ménard (Hochelaga)
Menzies
Merrifield
Mills
Moore (Port Moody—Westwood—Port Coquitlam)
Moore (Fundy Royal)
Mourani
Murphy (Charlottetown)
Neville
Norlock
Obhrai
Ouellet
Pacetti
Paquette
Patri
Petit
Plamondon
Prentice
Proulx
Ratansi
Regan
Richardson
Rodriguez
Roy
Sauvageau
Scarpaleggia
Schellenberger
Sgro
Silva
Simms
Smith
Sorenson
St-Hilaire
St. Denis
Steckle
Strahl
Szabo
Temelkovski
Basques)
Thibault (West Nova)
Thompson (Wild Rose)
Toews
Trost
Tweed
Van Loan
Verner
Wallace
Warawa
Watson

Gagnon
Gallant
Gauthier
Goldring
Goodyear
Graham
Guarnieri
Guergis
Hanger
Harris
Hawn
Hiebert
Hinton
Hubbard
Jaffer
Jennings
Kamp (Pitt Meadows—Maple Ridge—Mission)
Keddy (South Shore—St. Margaret's)
Kenney (Calgary Southeast)
Komarnicki
Kramp (Prince Edward—Hastings)
Laframboise
Lauzon
LeBlanc
Lemay
Lessard
Loubier
Lunn
MacKenzie
Malo
Manning
Martin (LaSalle—Émard)
Mayes
McGuinty
McKay (Scarborough—Guildwood)
Ménard (Marc-Aurèle-Fortin)
Merasty
Miller
Minna

Murphy (Moncton—Riverview—Dieppe)
Nadeau
Nicholson
O'Connor
Oda
Owen
Pallister
Paradis
Perron
Picard
Poilievre
Preston
Rajotte
Redman
Reid
Ritz
Rota
Russell
Savage
Scheer
Scott
Shipley
Simard
Skelton
Solberg
St-Cyr
St. Amand
Stanton
Storseth
Sweet
Telegdi
Thibault (Rimouski-Neigette—Témiscouata—Les
Thompson (New Brunswick Southwest)
Tilson
Tonks
Turner
Van Kesteren
Vellacott
Vincent
Wappel
Warkentin
Williams

Wilson
Yelich

Wrzesnewskyj
Zed- — 258

The Budget

PAIRED

Members

Lalonde

Mark- — 2

The Speaker: I declare the subamendment lost.

* * *

BUSINESS OF SUPPLY

OPPOSITION MOTION—CHILD CARE

The House resumed from May 4 consideration of the motion.

The Speaker: Pursuant to order made on Thursday, May 4, 2006, the House will now proceed to the taking of the deferred recorded division on the motion relating to the business of supply.

● (1900)

[*Translation*]

(The House divided on the motion, which was negated on the following division:)

(*Division No. 2*)

YEAS

Members

Alghabra
Atamanenko
Bains
Beaumier
Bell (Vancouver Island North)
Bennett
Bevington
Blaikie
Brisson
Byrne
Chan
Chow
Coderre
Crowder
Cullen (Etobicoke North)
D'Amours
Dewar
Dhalla
Dosanjh
Easter
Folco
Godfrey
Goodale
Guarnieri
Hubbard
Jennings
Kadis
Keeper
Layton
Lee
Maloney
Marston
Martin (LaSalle—Émard)
Masse
Matthews
McGuinty
McKay (Scarborough—Guildwood)
Merasty
Murphy (Moncton—Riverview—Dieppe)
Nash
Owen
Patri
Proulx
Redman
Rodriguez
Russell
Savoie

Angus
Bagnell
Barnes
Bélanger
Bell (North Vancouver)
Bevilacqua
Black
Boshoff
Brown (Oakville)
Chamberlain
Charlton
Christopherson
Comartin
Cullen (Skeena—Bulkley Valley)
Cuzner
Davies
Dhaliwal
Dion
Dryden
Eyking
Fontana
Godin
Graham
Holland
Ignatieff
Julian
Karetak-Lindell
Khan
LeBlanc
Malhi
Marleau
Martin (Winnipeg Centre)
Martin (Sault Ste. Marie)
Mathysen
McCallum
McGuire
McTeague
Minna
Murphy (Charlottetown)
Neville
Pacetti
Priddy
Ratansi
Regan
Rota
Savage
Scarpaleggia

The Budget

Scott
Siksay
Simard
St. Amand
Steckle
Szabo
Temelkovski
Tonks
Wasylcia-Leis
Wrzesnewskyj

Sgro
Silva
Simms
St. Denis
Stoffer
Telegdi
Thibault (West Nova)
Wappel
Wilson
Zed— 114

NAYS

Members

Abbott
Albrecht
Allison
Anders
André
Asselin
Baird
Batters
Benoit
Bezan
Blackburn
Blaney
Bouchard
Bourgeois
Brown (Leeds—Grenville)
Bruinooge
Calkins
Cannon (Pontiac)
Carrie
Casey
Chong
Crête
Davidson
DeBellefeuille
Demers
Devolin
Duceppe
Emerson
Faille
Finley
Flaherty
Freeman
Galipeau
Gaudet
Goldring
Gourde
Guay
Guimond
Harper
Harvey
Hearn
Hill
Jaffer
Kamp (Pitt Meadows—Maple Ridge—Mission)
Kenney (Calgary Southeast)
Kotto
Laforest
Lake
Lavallée
Lemieux
Lévesque
Lukiwski
Lunney
Malo
Mayes
Ménard (Marc-Aurèle-Fortin)
Merrifield
Mills
Moore (Fundy Royal)
Nadeau
Norlock
Obhrai
Ouellet
Paquette
Perron
Picard
Poilievre
Preston
Reid

Ablonczy
Allen
Ambrose
Anderson
Arthur
Bachand
Barbot
Bellavance
Bernier
Bigras
Blais
Bonsant
Boucher
Breitkreuz
Brown (Barrie)
Brunelle
Cannan (Kelowna—Lake Country)
Cardin
Carrier
Casson
Clement
Cummins
Day
Del Mastro
Deschamps
Doyle
Dykstra
Epp
Fast
Fitzpatrick
Fletcher
Gagnon
Gallant
Gauthier
Goodyear
Grewal
Guergis
Hanger
Harris
Hawn
Hiebert
Hinton
Jean
Keddy (South Shore—St. Margaret's)
Komarnicki
Kramp (Prince Edward—Hastings)
Laframboise
Lauzon
Lemay
Lessard
Loubier
Lunn
MacKenzie
Manning
Ménard (Hochelaga)
Menzies
Miller
Moore (Port Moody—Westwood—Port Coquitlam)
Mourani
Nicholson
O'Connor
Oda
Pallister
Paradis
Petit
Plamondon
Prentice
Rajotte
Richardson

Ritz
Sauvageau
Schellenberger
Skelton
Solberg
St-Cyr
Stanton
Strahl
Thibault (Rimouski-Neigette—Témiscouata—Les Basques)
Thompson (New Brunswick Southwest)
Thompson (Wild Rose)
Toews
Turner
Van Kesteren
Vellacott
Vincent
Warawa
Watson
Yelich— 173

Roy
Scheer
Shipley
Smith
Sorenson
St-Hilaire
Storseth
Sweet
Tilson
Trost
Tweed
Van Loan
Verner
Wallace
Warkentin
Williams

PAIRED

Members

Lalonde

Mark— 2

The Speaker: I declare the motion lost.

* * *

[*English*]**NORAD**

The House resumed from May 3 consideration of the motion.

The Speaker: Pursuant to order made on Wednesday, May 3, the House will now proceed to the taking of the deferred recorded division on Government Business No. 6.

● (1910)

[*Translation*]

(The House divided on the motion, which was agreed to on the following division:)

(Division No. 3)

YEAS

Members

Abbott
Albrecht
Allen
Ambrose
Anderson
Arthur
Bachand
Bains
Barbot
Batters
Bélanger
Bellavance
Benoit
Bevilacqua
Bigras
Blais
Bonsant
Bouchard
Bourgeois
Brisson
Brown (Barrie)
Brunelle
Calkins
Cannon (Pontiac)
Carrie
Casey
Chamberlain
Chong
Coderre
Cullen (Etobicoke North)
Cuzner

Ablonczy
Alghabra
Allison
Anders
André
Asselin
Bagnell
Baird
Barnes
Beaumier
Bell (North Vancouver)
Bennett
Bernier
Bezan
Blackburn
Blaney
Boshcoff
Boucher
Breitkreuz
Brown (Leeds—Grenville)
Bruinooge
Byrne
Cannan (Kelowna—Lake Country)
Cardin
Carrier
Casson
Chan
Clement
Crête
Cummins
D'Amours

Davidson
DeBellefeuille
Demers
Devolin
Dhalla
Dosanjh
Dryden
Dykstra
Emerson
Eyking
Fast
Fitzpatrick
Fletcher
Fontana
Gagnon
Gallant
Gauthier
Goldring
Goodyear
Graham
Guarnieri
Guergis
Hanger
Harris
Hawn
Hiebert
Hinton
Hubbard
Jaffer
Jennings
Kamp (Pitt Meadows—Maple Ridge—Mission)
Keddy (South Shore—St. Margaret's)
Kenney (Calgary Southeast)
Komarnicki
Kramp (Prince Edward—Hastings)
Laframboise
Lauzon
LeBlanc
Lemay
Lessard
Loubier
Lunn
MacKenzie
Malo
Manning
Martin (LaSalle—Émard)
Mayes
McGuinty
McKay (Scarborough—Guildwood)
Ménard (Hochelega)
Menzies
Merrifield
Mills
Moore (Port Moody—Westwood—Port Coquitlam)
Moore (Fundy Royal)
Mourani
Murphy (Charlottetown)
Neville
Norlock
Obhrai
Ouellet
Pacetti
Paquette
Patry
Petit
Plamondon
Prentice
Proulx
Ratansi
Regan
Richardson
Rodriguez
Roy
Sauvageau
Scarpaleggia
Schellenberger
Sgro
Silva
Simms
Smith
Sorenson
St-Hilaire
St. Denis
Steckle

Day
Del Mastro
Deschamps
Dhaliwal
Dion
Doyle
Duceppe
Easter
Epp
Faille
Finley
Flaherty
Folco
Freeman
Galipeau
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Gourde
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Harvey
Hearn
Hill
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Ignatieff
Jean
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Karetak-Lindell
Keeper
Khan
Kotto
Laforest
Lake
Lavallée
Lee
Lemieux
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Lukiwski
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McGuire
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Black
Brown (Oakville)
Chow
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Cullen (Skeena—Bulkley Valley)
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Martin (Sault Ste. Marie)
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PAIRED

Members

Lalonde

Mark- — 2

The Speaker: I declare the motion carried.

* * *

[English]

PUBLIC HEALTH AGENCY OF CANADA ACT

The House resumed from May 5 consideration of the motion that Bill C-5, An Act respecting the establishment of the Public Health Agency of Canada and amending certain Acts, be read the second time and referred to a committee.

The Speaker: The House will now proceed to the taking of the deferred recorded division on the motion at the second reading stage of Bill C-5.

Hon. Jay Hill: Mr. Speaker, I believe that if you were to seek it you would find unanimous consent to apply the results of the vote just taken to the motion now before the House, with Conservative members voting yes.

The Speaker: Is there unanimous consent to proceed in this fashion?

Some hon. members: Agreed.

Hon. Karen Redman: Mr. Speaker, Liberals in the House will be voting for the motion.

[Translation]

Mr. Michel Guimond: Mr. Speaker, Bloc Québécois members will oppose this motion.

The Budget

Mr. Yvon Godin: Mr. Speaker, members of the NDP will be voting yes on this motion.

Mr. André Arthur: Mr. Speaker, I vote in favour of this motion. [English]

(The House divided on the motion, which was agreed to on the following division:)

*(Division No. 4)***YEAS**

Members

Abbott	Ablonczy
Albrecht	Alghabra
Allen	Allison
Ambrose	Anders
Anderson	Angus
Arthur	Atamanenko
Bagnell	Bains
Baird	Barnes
Batters	Beaumier
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Manning
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Murphy (Moncton—Riverview—Dieppe)
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Nadeau
Paquette
Picard
Roy
St-Cyr
Thibault (Rimouski-Neigette—Témiscouata—Les

PAIRED

Members

Lalonde

Mark — 2

The Speaker: I declare the motion carried. Accordingly, the bill stands referred to the Standing Committee on Health.

(Bill read the second time and referred to a committee)

ADJOURNMENT PROCEEDINGS

A motion to adjourn the House under Standing Order 38 deemed to have been moved

• (1915)

[English]

CITIZENSHIP ND IMMIGRATION

Hon. Albina Guarnieri (Mississauga East—Cooksville, Lib.): Mr. Speaker, tonight we are pursuing the unanswered question of weeks past, the question as to why the government chose to appoint someone to public office immediately after he made statements that were hurtful to Jamaican Canadians, Vietnamese Canadians and refugees.

The problem is not that there is just one man with these views, but that these views might be more widely held in the government and must be challenged.

Here is the view of the appointments commissioner and I quote directly and at some length without any editing lest my hon. friends think it out of context. He said:

Immigration groups blame “poverty” or “police discrimination” or “lack of opportunity”. Once again, these are symptoms, but not the root cause.

Here is the root cause they all know, but don't talk about: the vast majority of violent, lawless immigrants come from countries where the culture is dominated by violence and lawlessness. Jamaica has one of the world's highest crime rates driven mainly by the violence between gangs competing for dominance in the Caribbean drug trade. Why do we expect different behaviour in Toronto, Ontario than in Kingston, Jamaica?

He goes on:

Similarly, a portion of our Indo-Chinese immigrants have lived in situations where violence is necessary to survive. Again, the violent behaviour continues in Canada. It's fair to say that most immigrants who abuse our society have come in as refugee claimants rather than “economic immigrants”.

This not only means they are more likely to have violent tendencies, but also much less likely to have the skills, training and attitude necessary to contribute to our society.

So, we need to remember this when we consider admitting refugee claimants.

This is from the man appointed to review appointments to the Immigration and Refugee Board. What is wrong with this statement? What is wrong is that Canada is not about putting people down. It is about lifting people up.

Canada is a land of great expectations, a nation of pride, not prejudice, where the government must have both sense and sensibility. This is a country where very few immigrants left a better life back home to come here. So we must always challenge those who tell us to lower our expectations of immigrants.

There are those who say that country x has a corrupt government, is plagued with crime, drugs and poverty, so they do not want x

Adjournment Proceedings

people here because they will make our country become like theirs. The many countries that fit that description also have victims of crime and poverty, but mostly these people are victims of indeed a lack of opportunity.

Opportunity changes everything and changes everyone. Canada must always be that land of opportunity where immigrants are not chained by their past, but are free to pursue a future that is free from the chains of prejudice and discrimination.

I would call on the government to never again allow or appoint government officials who dare to diminish our expectations of the future that each and every immigrant is capable of building in Canada.

• (1920)

Mr. Ed Komarnicki (Parliamentary Secretary to the Minister of Citizenship and Immigration, CPC): Mr. Speaker, I am grateful for the opportunity to make a few comments. I believe Parliament must be a place for the free exchange of ideas. The point of exchange is to make for better decisions and good government. In exchanging views in the House, I agree that we must be prepared to ask and answer difficult and sometimes uncomfortable questions. It is in this way that we, as parliamentarians, get to the important values of integrity and accountability that Canadians want to see in their government and institutions.

In the case that has been raised by the hon. member for Mississauga East—Cooksville, I believe Canadians are getting a snapshot of what the Liberals view as integrity and accountability. The hon. member, though I am sure she is well intentioned as she always is, has made a number of statements that are taken out of the context of the totality of the speech and the positive remarks therein and taken in a way that is most unfair to a well respected Canadian and champion of transparency and ethics.

Mr. Morgan has been nominated to the position of chairperson of the new Public Appointments Commission. The mandate of the commission is to oversee and report on the selection process for appointments to agencies, boards, commissions and crown corporations. The commission will develop guidelines and review and approve the selection processes proposed by ministers to fill vacancies and report publicly on government's compliance with the guidelines. It is involved in the process only.

The member knows or ought to know that if Mr. Morgan's appointment is approved, he will not be the head of the committee, which recommends who should be appointed to the Immigration and Refugee Board.

The hon. member may wonder why the appointments process is being reviewed. We only need to look to the Gomery report to see the case that has been made for reform. Appointments need to be based on merit.

Under the old government, many appointments were unprincipled and political. Canadians, who stood up for change during the last election, want something better. The new government is meeting their calls for merit-based reform.

Adjournment Proceedings

Is there anyone more capable or excellent for the task of leading the commission's important work in helping government reform appointments? One would have to look long and hard to find someone with those credentials.

Mr. Morgan has an outstanding career in the private sector and has served his community in many capacities as a volunteer and adviser. His skill with organizations can be seen in his having led in the building one of the world's leading oil and gas companies. He is recognized by his peers, having received numerous awards and distinctions, including being named one of Canada's most respected CEOs in 2005. He is highly regarded by colleagues in the business community. This appointment is of the highest importance in terms of credibility before the public, and that is precisely why Mr. Morgan has been selected for this position.

I spoke about the importance of the debate, about integrity and accountability. As I look at the member's questions, it is unfortunate. Canadians have waited for the Liberals to propose a vision for immigration. There was none and no actions were taken. Canadians want action, but the last thing they want is fearmongering or partisan attacks where people are brought down and not brought up.

Hon. Albina Guarnieri: Mr. Speaker, no oil baron could have asked for a more enthusiastic defence than from the member opposite. The people in our country who need defending are not the oil barons, I would argue. They are honest, hard-working immigrants who are tarred with discrimination and mired in an oil spill of collective guilt.

The government tabled a letter of clarification, which did not have a single word of retraction. What we need from the member and government opposite is a commitment that this will be the last time we hear officials from his government undermining the futures of immigrants by unfairly associating their communities with crime and unjustly questioning their fitness to be Canadians. Will the government at least do that much?

Mr. Ed Komarnicki: Mr. Speaker, in the letter that was filed, of which the hon. member speaks, the writer of the letter indicated it was unfortunate that the space limitations from which the quotes were taken did not allow for the fullness of the debate. However, the letter said the following. The writer stated:

My speech clearly stated our country needs a strong immigration program, and that colour, race or religion have no place in the selection process.

It does not, and he was quite clear and specific about that. He said that there needed to be better screening of individuals, regardless of race, colour or creed where violence might have been involved. His speech also was focused on the need to do a better job of realizing the potential of those we welcome into our country, about providing support, training and mentorship and about lifting people up and not putting them down.

We as politicians should refrain from partisanship when we look at that aspect of the immigrants who we invite to our country. It is something we can be proud of in Canada. Our system is probably the best known in the world.

• (1925)

CHILD CARE

Ms. Olivia Chow (Trinity—Spadina, NDP): Mr. Speaker, on behalf of children and working families of Canada, I am thankful for this opportunity to try to hold the government accountable for its promises of child care.

Ten days ago, in my riding of Trinity—Spadina, I went to the opening of Kensington Kids, a wonderful, new, community based, not for profit child care and early learning centre. Parents helped create this non-profit child care centre, which is set in a public school, and it is parents who are on the board. It is their choice and they have waited a long time.

We have had 12 years of empty promises from the Liberals since they promised national child care back in 1993. Finally, last year with the minority government, we saw some action and federal funding. With that action, Kensington Kids was launched, but unfortunately the Liberals did not secure multi-year funding in legislation. Without multi-year funding, those new spaces will disappear. Kensington Kids will be very short-lived. Those happy, smiling children may be booted out by this government. They may be out in the cold.

Just before the throne speech, the Prime Minister said he was hopeful that new child care spaces would be created. Hope and empty promises do not create child care spaces. Hope is not a strategy. Hope is not child care. Hope is not a plan. It takes more than hope to create and sustain quality, affordable child care spaces and early learning programs. It takes knowledge and planning, and commitment and money, and it takes time.

Now we are told through this budget that there is no money. The funding is being ripped away by this government. We can see there is no plan. Kensington Kids is running of time.

One month ago, I asked the Minister of Human Resources and Social Development if there was a plan to make good on the Prime Minister's hope of creating real child care spaces. The minister responded that she is proud of the Conservative plan to create 125,000 new child care spaces across the country. This is just hope and empty promises faced by Canadian families, and that was an empty answer from the minister, and false pride.

Where is the plan? What is the timetable? What aspect of the government's so-called child care program will save Kensington Kids? Where is the funding?

Canadians deserve honest answers, not gimmicks like the \$1,200 so-called child care allowance. That does not provide choice or create child care. It will not even begin to amount to \$1,200 after taxes. It is a cynical, dishonest and shameful removal of the young child supplement that the government has tried to cover up. Most working families would be left with a couple of dollars a day at best, barely enough for diapers, and of course many wealthy families would get a lot more.

For Kensington Kids there is nothing. For sustaining these new child care spaces, there is nothing. For creating new spaces: nothing and no plan. The minister has nothing to be proud of.

Adjournment Proceedings

I ask the minister to answer my question clearly, distinctly and honestly. Will the minister allow new child care centres that are opening up this year to continue to receive part of the \$250 million so they can continue to operate and not boot kids out in the cold?

Will the minister take the best practices from Quebec and Manitoba and flow the money to provinces that already are providing high quality, affordable, accessible non-profit child care services, so that we can allow them to create more spaces and reduce the waiting lists of working families who have been desperately waiting for child care for many, many years?

• (1930)

Mrs. Lynne Yelich (Parliamentary Secretary to the Minister of Human Resources and Social Development, CPC): Mr. Speaker, I am pleased to respond to the member for Trinity—Spadina on the question of creating real child care spaces. That is our goal as well. We want to create real spaces that will respond to a real need.

A child care solution that only helps some children or some parents is hardly a solution at all. Statistics Canada recently reported that only about 15% of preschool age children are in formal day care. That is 15% of some 2.1 million preschoolers in Canada. Well over half of all children under the age of six are actually cared for at home by mom, dad, grandma, or another close relative or neighbour. In other words, there now exists an enormous diversity in the child care choices families make.

Let us also face up to the reality that not every parent lives in a city, nor does every parent work at a 9 to 5 job. Formal day care programs do not seem to serve parents outside that mould. The solution is to provide more choice, choice in the form of delivery and choice in the design and operation of the child care facility. That is why starting next year and for the following four years we will invest in incentives that will help employers, community organizations, parents and other governments to create up to 125,000 more child care spaces.

These spaces could be created by businesses, community groups, non-profit organizations, or organizations that the member mentioned in her speech, for example, parents in communities that are linked to other resources providing support for home child care providers. To get their child care project up and running they would be eligible for financial incentives based on the number of new spaces they create.

Parents will be driving this process according to their needs, not governments driving parents. The universal child care plan is about putting choice for child care where it belongs, in the hands of the parents. We want to support the creation of child care spaces that respond to the real needs of working parents. I trust the ingenuity of parents living in our local communities to come up with practical ways to meet their child care needs.

By 2011 our government is committed to investing over \$1 billion in the creation of child care spaces alone. We know that this is an ambitious project. There are challenges to creating new child care

spaces that will offer the kind of flexibility that families need, but this is our commitment, and we will take the time we need to get it right. That is why we will be talking to parents, employers, and community non-profit organizations in addition to the provinces and territories to make sure we meet the needs of Canadian families.

I call on my hon. colleagues to support Canadian parents.

Ms. Olivia Chow: Mr. Speaker, I have heard a promise and a hope that some spaces will be created and there will be lots of consultation. What I have not heard is a clear plan. 2007 is coming quickly. Canadians deserve better than just promises. They deserve more than just consultation. They deserve honest answers. They deserve a realistic plan. They deserve child care. There are many examples out there that are working. The parents and kids at Kensington Kids child care centre need real funding.

How does the minister plan to deliver to Canadian working families? Why will she not answer my question about whether the \$250 million would actually flow to child care centres that are open now so they can continue doing their good work?

Mrs. Lynne Yelich: Mr. Speaker, I invite the member to bring their ideas and their plans to the table as the existing child care centre she is talking about can be part of our new plan.

We have committed in budget 2006 \$3.7 billion over the next two years for the universal child care benefit that will provide direct support to all Canadian families, no matter their income level or the choices they make in caring for their young children.

What is more, this benefit will not be considered income for the purposes of federal income tested programs delivered outside the income tax system, such as the guaranteed income supplement, the Canada education savings grant or the Canada learning bond.

All existing family supports, such as the Canada child tax benefit, the national child benefit supplement and the child care expense deduction will not be displaced.

This benefit will substantially increase federal assistance for children providing direct financial support to 1.6 million families and over two million children.

Overall, the government's total direct federal support to families will be approximately \$11.7 billion for the fiscal year, with the vast majority of benefits directed to low and middle income families.

These statements are not ones of conjecture. These are statements of fact.

• (1935)

The Deputy Speaker: The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24 (1).

(The House adjourned at 7:36 p.m.)

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