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OFFICIAL REPORT
(HANSARD)

Thursday, May 8, 2008

—
Speaker: The Honourable Peter Milliken

CONTENTS

(Table of Contents appears at back of this issue.)

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HOUSE OF COMMONS

Thursday, May 8, 2008

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

• (1005)

[*English*]

INTERPARLIAMENTARY DELEGATIONS

Mr. David Tilson (Dufferin—Caledon, CPC): Mr. Speaker, pursuant to Standing Order 34(1) I have the honour to present to the House, in both official languages, the report of the Canadian delegation of the Canada-Europe Parliamentary Association respecting its participation in the meeting of the Standing Committee of Parliamentarians of the Arctic Region, held in Rovaniemi, Finland, from February 28-29.

* * *

EMPLOYMENT INSURANCE ACT

Mr. Gord Brown (Leeds—Grenville, CPC) moved for leave to introduce Bill C-542, An Act to amend the Employment Insurance Act (illness of child) and another Act in consequence.

He said: Mr. Speaker, formal employment insurance programs that a parent of a critically ill child can access to provide income protection while the child is undergoing medically prescribed treatment do not exist. In most cases, this treatment takes the child away from school or out of day care and often can involve lengthy hospital stays.

Childhood cancer is on the rise, and more and more patients are surviving. Current treatments can last a minimum of six months to a maximum of three years. Of necessity, one parent becomes the primary caregiver for the child and is instructed by doctors and nurses on how to administer chemotherapy at home, along with other toxic drugs. These medications make a child very sick and quite often place him or her at risk of death from the side effects. Return to a normal routine, such as school or day care for the child and work for the parent, is almost impossible. There is no predictability. This will go on as long as the child is taking the medicine as prescribed by the oncologist.

I am pleased to introduce today a private member's bill that addresses this issue through employment insurance.

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

• (1010)

[*Translation*]

Mr. Pierre Paquette: Mr. Speaker, I seek the unanimous consent of the House to adopt the following motion: That the House acknowledge the 60th anniversary of the founding of the state of Israel and highlight that this is an opportunity to celebrate Israel's entry into the community of nations, its many cultural, economic and scientific achievements as a free, democratic society, and the special relationship between the governments of Canada and Israel; and that the House agree to reaffirm Canadians' unwavering support for Israel's right to live peacefully and safely within secure, recognized borders, for the peace efforts undertaken by the Government of Israel and the Palestinian Authority, and for the creation of a future democratic Palestinian state living peacefully and safely next to its Israeli neighbour within secure, recognized borders.

The Speaker: Does the hon. member for Joliette have the unanimous consent of the House to move this motion?

Some hon. members: Agreed.

Some hon. members: No.

[*English*]

The Speaker: There is no consent.

* * *

PETITIONS

DARFUR

Hon. Larry Bagnell (Yukon, Lib.): Mr. Speaker, I rise today to present a petition signed by a number of my constituents from the riding of Yukon. These petitioners bring to the attention of Parliament the concern of Canadians over the ongoing genocide in Sudan, more specifically in Darfur.

They also outline the need for greater world action against the brutality in this African country, and this includes all nations, corporations, the World Bank, the International Monetary Fund and the United Nations. Much stronger action has to be taken by the world to stop the murder, rape and violent displacement of the people of Darfur.

Mr. Sukh Dhaliwal (Newton—North Delta, Lib.): Mr. Speaker, I also am pleased to present a petition on the crisis in Darfur on behalf of nearly 1,000 constituents in and around my constituency of Newton—North Delta.

Speaker's Ruling

This petition was created by a group of young leaders of the Solutions Society at Seaquam Secondary School in Delta. The society works for positive solutions in social justice issues, from homelessness to human rights violations across the world. Over the past year, Grace Wilson, Catherine Carey, Kerat Sidhu and other members have brought this urgent matter to the attention of our community.

Canada has a long and proud tradition of peacekeeping. The petitioners are calling for Canada to honour these values and take action to bring peace and assistance to Darfur.

PROPERTY CRIME LEGISLATION

Mr. Mark Warawa (Langley, CPC): Mr. Speaker, it is an honour to present a petition from constituents in my riding of Langley. It is a petition on prolific property offenders. It states that property crime is a serious offence that affects most people and often results in huge financial losses and significant emotional upset due to the loss of security at home.

It states that a majority of property offences are committed by a minority of prolific offenders; that it appears property offences are treated as insignificant and minor by enforcement agencies and the justice system; that the fears and concerns of victims are often left unaddressed by the enforcement agencies or the criminal justice system; that repeated claims compromise the ability of homeowners to receive their home insurance; and that the government has the responsibility to ensure safety and security for its citizens.

They therefore ask that the House of Commons enact specific and precise legislation to deal appropriately with prolific property crime offenders.

ANIMAL CRUELTY LEGISLATION

Mr. Joe Comartin (Windsor—Tecumseh, NDP): Mr. Speaker, I rise today to present a petition from constituents in my riding calling on the government, specifically the Minister of Justice, to bring forth government legislation that would protect our animals from abuse and cruelty. They call on the government to have the legislation so that it is in keeping with Bill C-50, which was before the 38th Parliament, and to in fact institute a regime which would provide that safety for our animals.

* * *

● (1015)

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 ask that all questions be allowed to stand.

The Speaker: Is that agreed?

Some hon. members: Agreed.

* * *

POINTS OF ORDER

ROYAL RECOMMENDATION—BILL C-490—SPEAKER'S RULING

The Speaker: Before we proceed to orders of the day, I have a ruling I would like to give.

[Translation]

On April 8, 2008, the Leader of the Government in the House of Commons and Minister for Democratic Reform rose on a point of order to argue that Bill C-490, An Act to amend the Old Age Security Act (application for supplement, retroactive payments and other amendments) required a royal recommendation.

On April 15, 2008, the hon. member for Joliette made an intervention arguing that this bill did not infringe on the financial initiative of the Crown.

[English]

In his submission, the government House leader argued that clauses 1, 2, 3 and 6 of the bill would result in increased spending by extending old age security benefits to surviving spouses for a period of six months and by eliminating the requirement to make an application for a supplement for old age security benefits. He pointed out that the increased monthly guaranteed income supplement benefits and increased retroactive payments would also entail additional spending.

Citing rulings delivered on December 8, 2004 and October 24, 2005, the government House leader stated that these precedents illustrate the principle that a royal recommendation is required when a bill alters the manner in which retroactive payments are handled or when the extensions of program benefits are proposed.

[Translation]

The hon. member for Joliette expressed the view that section 54 of the Constitution Act, 1867 only called for a royal recommendation to accompany a bill in the event that it proposed new program spending.

He argued that this was clearly not the case since Bill C-490 did not authorize a new appropriation but simply allowed monies previously authorized by Parliament to be returned to the rightful beneficiaries.

[English]

I have carefully reviewed Bill C-490 and have come to the following conclusions. Clause 1 of the bill, which seeks to extend old age security benefits to surviving spouses for a period of six months, would, in my view, clearly result in additional spending for a new and distinct purpose. Furthermore, clauses 2, 3 and 6 of the bill seek to alter the conditions and manner in which compensation is awarded to old age security recipients by increasing monthly guaranteed income supplement benefits, modifying retroactive payments and removing the requirement to make an application to receive benefits.

Business of Supply

It is true that, as the hon. member for Joliette pointed out, the proposed changes do not call for the actual creation of a new program. However, they would alter the conditions and qualifications that were originally placed on public spending on old age security payments when those benefits were approved by Parliament.

[*Translation*]

As I have reminded the House on a number of occasions, funds may only be appropriated by Parliament in the manner and, as explicitly stated in Standing Order 79(1), for purposes covered by a royal recommendation. In my view, Bill C-490 alters the original purposes of the benefits and therefore the bill does require a royal recommendation.

Consequently, the Chair will decline to put the question on third reading of this bill in its present form unless a royal recommendation is received.

At the moment, the debate is on the motion for second reading, and this motion shall be put to a vote at the close of the second reading debate.

I thank the hon. Government House Leader and the hon. member for Joliette for their interventions on this matter.

Many of them, as we would expect, are suffering because of the difficulty they are having in accessing government programs. There is mental illness and there is suffering from addictions of various sorts. Even more startling is the reality of young people in particular, who went to Calgary attracted by the new economy, by the new work that was supposedly out there. In fact, they found work, but at jobs that do not pay enough for them to be able to afford the very expensive housing that is available, if they can find it at all.

In my travels, I also went to Toronto, where a report had just been released that studied the effect of income security on working age adults, only to find that in that city, the financial heartland of this country, there were hundreds of thousands of young people, including young men, immigrants, single mothers and single parents, working full time all year long but still living in poverty. Some of them are working at two and three jobs but are still not able to make enough money to pay the rent, feed their children and keep themselves at the standard of life they expected to have if they did that, if they worked hard like that, put in the time and made the effort.

GOVERNMENT ORDERS

[*English*]

BUSINESS OF SUPPLY

OPPOSITION MOTION—THE ECONOMY

Mr. Tony Martin (Sault Ste. Marie, NDP) moved:

That the House recognize the harmful effects on working and middle-income Canadians of the growing income gap fostered by this government's unbalanced economic agenda, including its failure to reform employment insurance to ensure that people who lose their jobs during economic downturns are protected and trained, and therefore the House has lost confidence in this government.

He said: Mr. Speaker, I will be sharing my time with the member for Burnaby—Douglas.

Over the last couple of years, I have travelled across this country meeting with and listening to people struggling with income security and poverty. I of course saw many things that I expected to see, including the growing difficulty that many of our most at risk and marginalized citizens are having in keeping their lives together, putting food on the table, finding decent homes and participating in the communities to which they belong.

Their circumstances seem to be getting worse instead of better. They know that a lot of this is due to the damage that has been done to the social safety net that we have woven underneath all of us over a number of years but which over the last 15 years has been literally torn apart and destroyed and is tattered.

However, I have also seen some things that have surprised me, particularly in a time when the economy is good. I went to Calgary, Alberta, where oil is king and where the new economy is obvious from the rising skyscrapers that pop up almost daily in that city of great wealth, only to discover at the foot of those buildings some 3,500 to 4,000 people living on the streets and homeless.

I moved from there to meetings with people in places such as Hamilton and Welland. I also spoke to my colleagues from Windsor, who told me of the terrible impact of the downturn in the manufacturing sector, of the literally thousands of people who, having worked hard all their lives, having brought their skill and knowledge to the table each day as they showed up at the plant, now find themselves without work.

The alternative is to go on EI, which many of them do not qualify for because of the changes to that program. Or if they do qualify, it is for too short a time to bridge the gap between the good jobs they had, which provided a decent income with benefits for them and their families, and looking around but finding that what is left are jobs in the service sector that pay barely minimum wage or a little bit more. However, these jobs do not pay benefits, so there is no way to make sure their families have the dental care, eye care and the different benefits that were available to them when they had those good jobs in the manufacturing sector. Some 55,000 jobs have disappeared in that sector since January.

Then I travelled for some time in my own backyard, in northern Ontario, where community after community is dependent for its livelihood on the forestry sector, on the work in the forests and in the plants and mills. Those plants and mills, which existed for years, were very profitable and provided to the Canadian economy a great stimulus, are now shutting down. We have community after community barely hanging on. People are losing their jobs. Again, some qualify for EI but many do not. For those who do, it is not for very long. They are having to move on.

Business of Supply

●(1020)

Those people have spent a large part of their lives working in those industries and it is all they know. They brought their best game to the table every day. They invested in homes, built cottages on the lakes nearby and some built up small businesses. Now they are having to turn their backs on those investments and head out to lands unknown. Some may go to Calgary where they may get a job but they will not have the support to access the kind of housing they will need to support their families.

The same thing goes for a lot of communities in British Columbia where forestry is under attack as well. All this is happening at a time when we are experiencing a good economy, so they say, in this country. Last week Statistics Canada issued a census report that told us yet again, because we have heard it before but this time very definitively, that the rich are getting richer, the poor are getting poorer and the middle class are stuck or disappearing.

We have a government here in Ottawa obsessed with the notion that a good economy will lift all the boats. Well, the evidence is in. Many of these boats are taking on water. Many of them, in fact, have gone under and other people are paddling without any boats at all.

Even the government, in its human resources development committee performance report of 2007, has recognized that the gap between the lowest and highest income families and between ones with the lowest and highest net worth, is wider. What the census report of last week told us was that most Canadians are stuck in neutral income while the richest 5% in Canada are dramatically accumulating more wealth.

Canada's rich are getting richer while the poor get poorer and the middle class stagnates. Between 1980 and 2005, median earnings among Canada's top earners rose more than 16% while those in the bottom fifth saw their wages dip by 20%. Those in the middle are making about a buck a week more than in 1980. Almost 900,000 Canadian children are still poor and more than one-third of these deprived children are in the care of single mothers.

We have a government here in Ottawa supported by the Liberals because they will not stand up to the agenda that the Conservatives keep rolling out in front of us, with substantial tax breaks to people who really do not need it. They are convinced that all we need to do is to cut more taxes and that will fix everything that ails us.

The Conservatives gave a \$2 billion tax relief package to the well-off, to corporate financial institutions and oil companies, not understanding that this simply depletes the treasury and reduces government's capacity to deal with some of these alarming realities affecting communities across the country.

This is unsustainable and causing irreversible damage to Canadian families. I detect an uneasiness as I cross the country. People are beginning to realize that they are no more than a paycheque or two away from poverty.

People used to look ahead, to look for the next wrong and understood that if they worked hard, got the training and made investments that they would get ahead. Today, however, more and more people are looking over their shoulder to see what might be

there if they should lose their jobs. What they are discovering is that there is not much.

Each day Stephen Harper's Conservatives are allowed—

●(1025)

The Deputy Speaker: Order, please. The hon. member knows that he is not supposed to refer to members by their name.

Mr. Tony Martin: Each day the Prime Minister and his Conservatives are allowed to set Canada's economic agenda, the country takes another step in the wrong direction. The unbalanced economic agenda set by Harper and the Conservatives—

The Deputy Speaker: Order, please. I warned the hon. member not to do that and he did it again.

Questions and comments. The hon. member for Burlington.

Mr. Mike Wallace (Burlington, CPC): Mr. Speaker, in the comments of the member for Sault Ste. Marie, he referenced the StatsCan study. Many commentators and observers have debated certain aspects of the report over the last few days, specifically the overall focus of the study. I want to preface my question with a quote from the *Montreal Gazette* of May 3. It states:

But the emphasis it put on some figures over others can certainly be misleading... Consider:

First, StatsCan emphasized earnings from employment. But non-employment income—pensions, welfare, other government transfers, and so on—reportedly counts for more than half of all income in that bottom quintile. So earnings figures alone distort the gap between rich and poor

Second, Canada now has more two-income families than it had in 1980. With more women in the labour force, median family income—from all sources—was up by more than 11 per cent since 1980.

Would the member care to comment on what has been said and why the debate is ongoing on the review of the StatsCan piece? Also, does he believe that family earnings are a more appropriate measure of well-being over individual earnings?

●(1030)

Mr. Tony Martin: Mr. Speaker, I want to assure the member that I read those very same articles. If we read the whole article correctly, it is obvious that people are working harder at more jobs. More people are trying to bring income into the family and are certainly adding to the productivity of this country but, at the end of the day, they do not have much to show for it. They are barely holding their own.

This unbalanced economic agenda set by the Prime Minister and the Conservatives means that the damage being done to working families is irreversible.

We have a moral imperative to act now. Therefore, I call on the Liberals and the Bloc to support us in this motion of non-confidence, bring the government down and let us get this agenda changed.

[*Translation*]

Mr. Paul Crête (Montmagny—L'Islet—Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, first of all, I would like to inform my colleague that we will support the NDP motion because we think that since this government presented the budget, it no longer deserves the confidence of the House. We should have triggered an election over these things and given the public the chance to debate and make different choices.

Business of Supply

Two specific things in the motion caught my attention. It states that there is a gap fostered by this government's unbalanced economic agenda. The best example is the \$10 billion surplus that was put towards the debt, when at least \$7 billion of that was needed to stimulate the economy.

In terms of employment insurance, even Canada's actuaries are saying that the reform proposed in Bill C-50 is unacceptable.

My question is for my colleague. The Bloc will support the NDP, and we will see what the Liberals decide to do. Are we not at a crossroads, meaning that the government will have to answer to the public for its actions, because it seems determined to go against the wishes of the majority of citizens?

[English]

Mr. Tony Martin: Mr. Speaker, I agree with the hon. member's analysis of the EI system as it has unfolded and the damage that has been done where hardly 40% of people qualify any more and, in Toronto, that is as low as 25%. The people who pay into that fund expect it to be there when they need it but it is no longer there.

This damage has been done over 15 years of both Liberal and Conservative rule. It is an agenda that is unbalanced and unstable, and it is failing working families. Working families are scraping by and the government does not care.

Mr. Michael Savage (Dartmouth—Cole Harbour, Lib.): Mr. Speaker, I want to sincerely thank my colleague for bringing this motion to the floor today. We will have lots of partisan stuff going back and forth.

He is a colleague on the human resources committee, is somebody I respect and is somebody with whom I share a common lineage as well. He has worked hard, as have the Liberals, members of the Bloc and, to some extent, the Conservatives, to embark on a huge poverty study. The committee has just started that study, to the delight of that member and myself.

Does the member not feel a certain pang of regret that this is a confidence motion whereby, if people support it, there will be no guarantee that the poverty study, which is just beginning, will take place again?

Mr. Tony Martin: Mr. Speaker, as the member will know, I have been trying to get this poverty study on the road for some four years now. It is finally there and yet we do not see anything in the government's agenda that reflects it will be interested in the findings and, hopefully, the comprehensive anti-poverty strategy that we recommend after the study is done.

Perhaps all of us who are on that committee might want to commit, once the government is brought down and the people of Canada have a chance to make a judgment on its performance, to getting back to the table after the election is over, if we get re-elected, and continue this very important and helpful work.

• (1035)

Mr. Bill Siksay (Burnaby—Douglas, NDP): Mr. Speaker, I am pleased to second the NDP opposition day motion today with regard to the harmful effects of the growing income gap fostered by the government's unbalanced economic agenda.

It is official now that in the Canada of the Conservatives the rich get richer and the poor get poorer. The May 1 report from Statistics Canada, a report based on the data from the 2006 census, shows this clearly. The Statistics Canada report shows that earnings of full time, full year earners rose for those at the top of the earnings distribution, stagnated for those in the middle and declined for those at the bottom. It also pointed out that between 1980 and 2005 median earnings among the top 20% of full time, full year earners increased by 16%. In contrast, median earnings among those in the bottom one-fifth of the distribution fell 20%. Median earnings among those in the middle 20% stagnated, increasing by only 0.1%. The report also outlined the very dramatic decline in income levels of recent immigrants to Canada over that same period, which is of great concern to all of us.

In British Columbia, the statistics are particularly noteworthy. In the inflation adjusted median earnings for workers who worked full time between 1980 and 2005 in Canada, there was virtually no change over those 25 years. However, in British Columbia, earnings dropped by 11.3%, a huge loss in purchasing power and a huge decline in the quality of life for B.C. families. It is clear that families in British Columbia are losing ground at an incredible rate.

New Democrats have long proposed measures to deal with the growing prosperity gap, the gap between the rich and poor, the difficulty working middle class Canadians have making ends meet and the unconscionable poverty in a wealthy country like Canada.

We have signed onto the make poverty history campaign. We initiated the child poverty pledge in 1989. We believe that we should be working, as all members of Parliament and government should be working, to close the gap by redistributing income more equitably and more fairly. Sadly, however, it keeps getting worse.

Tax cuts were proposed by the government and the previous government in the belief that they would cause economic benefits to trickle down and put more money in people's pockets, but it has failed and failed miserably. Huge tax cuts to profitable corporations and big polluters have not caused the income gap to change. In fact, it keeps rising. Poverty continues to be a serious problem all across Canada and many Canadians are one paycheque away from homelessness.

Many of our social programs are mere shadows of what they once were. EI, for example, does not serve part time and seasonal workers well. We know that most of the jobs created in recent years have been in those categories. We have lost well-paying jobs with good benefits in manufacturing and forestry all across the country.

At the same time, the Conservatives seem incapable or uninterested in doing anything about this. One example of this is the situation with regard to housing. There are too many homeless people in Canada, some say over 300,000, too many people at risk of homelessness, too many people paying too much of their income for housing and too many people couch surfing across the country.

Business of Supply

There is nothing in the recent budget for homelessness or for affordable housing except more study: five more pilot projects on homelessness. There is nothing new to support housing since the NDP convinced the last Liberal government to cancel its final attempt to give the corporate sector yet another huge tax cut. Instead, we convinced it to put that money into housing, post-secondary education, public transit, the environment and international aid.

The Conservatives came in and had the pleasure of being able to spend that money but they have taken no new initiatives of their own in that time.

The Wellesley Institute notes that the fair housing income threshold has gone down for Canadians. It notes that in 2000, 22% of Canadian households were below the income level required to afford a two bedroom apartment and that it rose to 26% in 2005, which means that 3.2 million Canadian households cannot afford a two bedroom apartment.

The Wellesley Institute also reports on home ownership and it notes that over half of all Canadian households no longer qualify for the purchase of even an entry level home. Those are very serious questions of affordability for Canadians, for middle class Canadians and for working Canadians.

● (1040)

The situation with regard to housing in British Columbia is particularly concerning. Housing unaffordability, as reported by the Vancouver *Sun* in January, is increasing in Vancouver. There is little hope of significant change.

The Vancouver *Sun* story pointed out that owners of standard two-storey houses needed 71% of their pre-tax income to service their ownership costs, that owners of detached bungalows needed 67% of their pre-tax household income, and condo owners needed 36% of their pre-tax income to service their ownership costs. That is on the Lower Mainland of British Columbia.

Those are hugely significant numbers. That is a huge part of people's income that is going into housing when those who are spending over 30% of their income on housing are deemed to be spending too much on the housing portion of their living requirement.

Also, in Metro Vancouver the 2008 homelessness count was recently completed and the numbers are up yet again. The number of those living on the street was up 37% over 2005 and up a whopping 131% overall since 2002. It is likely even higher than that given the difficulty of actually taking account of homeless people in our cities. It is estimated that 20% of those folks who are homeless are actually working and homeless.

Today there is new information out about child poverty in British Columbia. According to BC First Call Child and Youth Advocacy Coalition, B.C. has the worst record in Canada on child poverty for five consecutive years now. The numbers today are that the number of poor children in B.C. rose to 181,000 in 2006, compared to 175,000 in 2005, giving B.C. a child poverty rate of 21.9%. This is well above the national average of 15.8%. This is another serious indication of what is happening.

In British Columbia recently we have seen in the Vancouver area that the Citywide Housing Coalition has begun to organize silent protests every Saturday, called "STAND for Housing". People stand on street corners in silent witness to the need and the slogan is "homes for all".

Last Saturday there were 80-such stands in the province of British Columbia. It organized a province-wide stand; 40 on the Lower Mainland, including 2 in Burnaby, 18 on Vancouver Island and 24 in the interior in the north.

In Burnaby, Kaitlin Burnett organized one with the Burnaby Teachers' Association and students from the Burnaby North Secondary School organized the other. I can say that the number of people, when I was attending these stands who honked their horns in support and who called out from their car windows to explain their situation with regard to affordable housing, was incredibly significant. People know the importance of this issue. They know how hard it is hitting them in the Lower Mainland. The Citywide Housing Coalition says that the number one cause of homelessness in B.C. is:

The federal government pulling out of an annual social housing program that brought as many as 2,000 units of affordable housing to BC.

It is recognized there and in report after report in communities all across Canada and by organizations all across Canada that the federal government needs to be a key player in solving the housing problem in Canada.

What would the NDP do around housing? We have a plan. We call for a national housing program that actually builds homes. It is a 10-year plan to build 200,000 new, affordable and social housing units, 100,000 renovated units, and 40,000 new rent subsidies. It includes a green renovation program. We would immediately reconnect to a continuation of the RRAP program, the housing renovation program, and the homelessness initiative. Both of these programs are set to expire in 10 months and the government still has yet to recommit to their extension.

We would see that the Canada Mortgage and Housing Corporation gets back into creative housing development and reinvests some of its significant profits into housing development. We would pass a housing bill of rights based on Bill C-382, introduced by the member for London—Fanshawe, originally proposed by the member for Vancouver East, to enshrine in law the right to housing and require by law the establishment of a national housing program.

We would take measures such as my Bill C-532 which takes up an idea from the Canadian Real Estate Association to propose changes to taxation law to encourage reinvestment in affordable rental housing.

Business of Supply

We cannot have confidence in a government that has no plan and takes no action to address these issues. We cannot have confidence in a government that pursues policies that only increases the gap between the rich and poor and has no policies to end poverty and homelessness. We want to ensure that Canadians have access to safe, secure and affordable housing.

• (1045)

Hon. Keith Martin (Esquimalt—Juan de Fuca, Lib.): Mr. Speaker, I want to thank the NDP for introducing this very important motion today. It really deals with the hearts of many of the constituents that we serve.

My colleague on the other side has a lot of experience, as we all do, with this issue. I would like to ask him whether or not he thinks it would be intelligent for the government to, yes, lower taxes for those who are in the poorest economic brackets but also to provide a Canadian low income supplement for those who make less than \$25,000 a year.

In doing so, it could be an effective redistribution of money for those who need it across age groups, which would include singles, families, the young and the old. The premise, the condition, would be based on the amount of income that one makes.

We all see the number of people, whether they are seniors living in penury, families trying to make ends meet, or singles who are living hand to mouth, who have the fundamental challenge of not having enough money in their pockets to pay for their basic needs.

I would like to ask the member, what is his opinion on a Canadian low income supplement? I have a private member's bill to do this. The amount of \$2,000 would go into the hands of people who make less than \$20,000 a year, and which would decline linearly to \$40,000. In doing so, we would actually get real money into the hands of those who need it the most, and it would not compromise our economics or negatively hurt our private sector.

Mr. Bill Siksay: Mr. Speaker, I appreciate that helpful suggestion and certainly, it is something that we should be considering.

We have said, in this corner of the House, that the child tax benefit should be increased and that if the Conservatives had put the money from their increased baby bonus, their so-called child care program, into the child tax benefit, it would be at a level that actually delivers serious assistance to families with children in Canada.

That is the kind of measure that we think should have been taken by now and it would have been a much better way to spend the money that went into this failed child care program of the Conservative government.

However, we are not going to be able to do any of these kinds of programs if we continue the kind of tax cutting program that the Conservatives are on, when they have gutted the fiscal capacity of government to assist Canadians who need the help of government, who need the collective support of their fellow citizens across the country. That is what we use our tax system to do.

Instead, we have given away billions of dollars to the wealthy and to profitable corporations, to big polluters in Canada, and we continue to do that at the expense of hurting the government's ability

to assist Canadians with the kinds of programs that would really make a difference in their lives.

Mr. Dean Del Mastro (Peterborough, CPC): Mr. Speaker, one of the things that really confounds me about this motion is that it flies in the face of the facts on how the Canadian economy is actually doing.

The Canadian economy is outperforming, by any measure, any other economy in the G-7. Employment is up. We have the lowest unemployment level in over 33 years. We have year after year salary increases of some 4.5%. We have reduced taxes.

I cannot tell members how many families, how many seniors, have come to me and thanked me for reducing their tax burden and how much that means to them. Regular everyday people are benefiting. The domestic economy is strong, very strong. We see domestic demand for everything from autos to homes. It is incredibly strong.

I do not understand the premise of this motion. I think the NDP, just like the Liberals and the Bloc, is looking for an issue, but quite frankly, Canadians are not going to buy it. They know the economy is good. I would love to know why the member is not speaking to the facts.

Mr. Bill Siksay: Mr. Speaker, perhaps the member can justify the loss, just this year alone, of 55,000 manufacturing jobs, jobs that pay good wages, that have benefits associated with them, replaced by part time jobs, by low paying jobs with no benefits. That is not the kind of healthy economy that we in this corner anticipate or look forward to, or think Canadians want to participate in.

I would encourage him to maybe drop down to Oshawa and give that answer, or to Windsor and give that answer, or to come to Vancouver Island, where folks in the forestry industry are being laid off and are not being eligible for employment insurance benefits, or find that they run out after a very short period of time. He should try that answer in those communities and see what kind of feedback he gets.

Those are the people whom we are concerned about here and we want to make sure that Canadians have well paying jobs that have benefits. We want to make sure that Canadians are eligible for employment insurance, a program that over the last few years governments have taken billions of dollars out of and not put into benefit programs. In fact, governments have kept cutting back on the EI program. Indeed, some of us believe that some of the progress that was made on the deficit and the debt was made on the backs of workers who contributed to the EI program.

We need a program that actually assists people who are out of work in this country. EI used to be that kind of program. Sadly, it has been gutted and it is only a shadow of its former self.

• (1050)

Mr. Ted Menzies (Parliamentary Secretary to the Minister of Finance, CPC): Mr. Speaker, I thank the House for the opportunity to speak in opposition to today's motion.

This House is going to hear a lot of rhetoric from the NDP during the course of today, a lot of skewed statistics, in fact we have already heard some, and a lot of misinformation.

Business of Supply

Before continuing, I would like to refute something we have heard repeatedly from the NDP. If one were to only listen to that party on the issue of the Canadian economy, one would think we were in the midst of the Great Depression with double digit unemployment. It is disappointing the NDP would paint such a pessimistic picture for Canadians, especially when we consider the actual state of our economy and the job market.

We all acknowledge that certain sectors of the economy, like manufacturing, are having trouble adjusting to Canada's changing economy. We have unfortunately seen some job losses specifically in these sectors. This must be truly difficult for those directly affected. We need perspective here, however. The Canadian job market has remained exceedingly healthy under our Conservative government and let us review some of the facts.

Over the past 12 months, 325,000 net new jobs have been created, 100,000 plus net new jobs in this year alone. What is more, the unemployment rate is near a 33 year low with the share of the adults working at a record high rate. Overall, net employment is up over three-quarters of a million since we took office in 2006 in all regions of this country, with full time jobs accounting for 80% of that increase.

One would hope that even the NDP would recognize that the robust job creation we are seeing in Canada is good and the best way to ensure that our economic prosperity is broadened. If they do not believe me, they should listen to their NDP colleague, the member for Sackville—Eastern Shore, who we need to recognize this morning. I think he may actually be at the hospital getting a cast on his wrist as a result of one of the page's trying very actively to score a goal on him in a soccer game last night. Our thoughts are with that member.

I will quote the hon. member who, during an exchange in this very House in February last year with the Minister of Human Resources and Social Development, stated the following:

He said that the best social program is a job; that the best thing we can give Canadians is a full time job. He was absolutely right. When Canadians have jobs that they like and can depend on to look after their families, they have pride and dignity.

I could not agree more with the NDP member. I further want to briefly clarify something we will also hear today about new net job growth in Canada. Often, observers on the left, when trying to paint a doom and gloom scenario, will dismiss positive job numbers, claiming new jobs being created are in sectors of the economy that are not as high paying or as high quality. Let us be clear. That is not the case. New jobs being created today are largely equivalent to or are of greater quality than those being lost. Listen to CIBC economist Benjamin Tal, who said:

Not only did the Canadian economy generate close to 400,000 new jobs in 2007, but the vast majority of them were in high-paying sectors...in Canada the loss of manufacturing jobs is being offset by job gains in sectors with equivalent and higher employment quality.

However, as I mentioned previously, we are seeing specific sectors of the economy bearing the brunt of this economic volatility.

As a trading nation fully emerged in the global economy and international financial markets, it is only natural that we would be facing economic challenges from outside our borders. As the United States is our largest trading partner, we are bound to feel the impact

of its economic slowdown, especially on our exports. Additionally, the weak U.S. dollar has caused the value of the Canadian dollar to appreciate thus challenging the manufacturing, tourism and forestry sectors.

We are further seeing increasing economic competition from abroad, especially emerging economies like China, Brazil and India. Unfortunately, this is leading to job losses in Canada. We recognize that and we are taking real concrete action to assist those workers in communities that are affected.

● (1055)

That is why we are investing \$1 billion in the community development trust. This money will support provincial and territorial initiatives that help communities, as well as help workers transitioning from the economic challenges of today into the opportunities of tomorrow. The fund will provide for job training and community transition plans that foster economic development and create new jobs, and infrastructure development to promote economic diversification.

I would note the reaction to our initiative has been overwhelmingly positive. It was unanimously endorsed in Parliament through Bill C-41. It was also supported by provincial premiers of all political stripes across Canada. New Brunswick Premier Shawn Graham was "pleased that the Prime Minister and his government have made this commitment". Ontario Premier Dalton McGuinty applauded it as well saying that it is "good for the people of Ontario. The Prime Minister has done something which we've been asking of him". Even Manitoba's NDP Premier Gary Doer has praised our initiative by stating, "I also believe that this is very, very important to the regions and the communities in Canada and the money will be very, very helpful and important".

This Conservative government's approach has been to encourage economic growth and job creation while simultaneously assisting those facing economic downturns. It has been an approach of balance. I am not merely referring to balanced budgets, although we have of course three of those already completed. I am also referring to a prudent, long term approach addressing the priorities of Canadians. That includes lowering taxes, reducing debt and carefully managing government spending. That approach will allow Canada the ability to face the upcoming economic challenges.

Indeed, our solid economic and fiscal situation has put Canada in a position of strength, well prepared to meet future challenges head on. However, we cannot rise to a strong position like this in a hit and miss fashion. In times of economic uncertainty, Canadians cannot afford leaders who would advocate panicky, band-aid and ultimately short term solutions. These are not solutions but rather, irresponsible attempts at public policy that would lead to deficits and higher taxation that would only drive businesses and jobs away, in effect only exacerbating the economic downturn it has attempted to correct and further disadvantaging those Canadians for whom today's motion purports to speak.

Business of Supply

The sponsor of today's motion, the member for Sault Ste. Marie, should know that better than most members in this House. In the early 1990s he served provincially as a member in Ontario's disastrous NDP government under the leadership of the then premier, the current Liberal member for Toronto Centre. That NDP government in Ontario reacted to economic turbulence not through prudence but through panic, and panic at a price. The NDP government's first budget alone tripled Ontario's deficit to \$9.7 billion, and increased to \$10.1 billion in its final year. The damage was long term, leaving future generations to pay the price.

As Sun Media columnist Lorrie Goldstein reminded us earlier this week, the NDP government, which the member for Sault Ste. Marie belonged to:

—ended up doubling the province's debt in five years.

What that disastrous experiment showed is what nanny states forget—they can't command the economy to do what they want and when they try, they usually make things worse.

Even the member for Toronto Centre has acknowledged the fiscal havoc wrought by his government noting, "I'll admit I ran a deficit during the worst recession since the 1930s". Regrettably, it would appear neither the sponsor of today's motion nor the member for Toronto Centre has learned from their experience. They both still advocate panicky, short term, band-aid measures, measures that would max out the national credit card with billions and billions in reckless deficit spending, leading to massive tax hikes and a greater debt burden for future generations.

• (1100)

We must ask ourselves then, if we are talking about ensuring the economic prosperity of typical Canadians, why do the Liberals and the NDP persist on tax and spend ideology along with short term, panicky reactionary measures that would do absolutely nothing but ensure such prosperity is never fully achieved?

Contrast that with our Conservative government's prudent action to ensure Canada has strong economic fundamentals through our long term economic growth plan Advantage Canada. That plan seeks to provide Canada with global advantages through lower taxation, to reduce net debt, and to provide more entrepreneurial freedom, the best educated and most skilled workforce and modern infrastructure.

We are making steady progress toward reaching the objectives of that plan, and we have very solid economic fundamentals to help us do it. Our budget is balanced and it will remain balanced. We have the fastest growth in employment and living standards in the G-7. Interest rates are low and inflation remains low and stable. Canadians have countless reasons to remain confident and optimistic.

The true power of our strong economic and fiscal fundamentals, however, lies in their ability to make constructive choices possible. Thanks to these solid economic fundamentals and long term economic planning, we have made the kinds of choices that put Canada ahead of the curve. While others have only recently begun grappling with the effects of global uncertainty, our Conservative government saw signs of an economic slowdown coming well in advance. We knew we had to act, and under the leadership of the Prime Minister and the finance minister, we did.

Our strong fiscal position provided Canada with an opportunity that few other countries have to make broad based tax reductions that will strengthen our economy, stimulate investment and create more and better jobs. That is why in last October's economic statement we announced bold new steps to build a better Canada by reducing taxes for Canadians, including a reduction in the GST, by establishing a new era of declining business taxation, and by reducing federal debt by \$10 billion this year.

In total, actions taken by the government since 2006 are providing \$21 billion in tax relief to Canadians this year. This is equivalent to 1.4% of Canada's GDP. As a share of the economy, this is significantly greater than the stimulus package just now reaching U.S. households.

Moreover, our tax relief is sustainable, backed by a track record of balanced budgets, and this tax relief is permanent. This proactive aggressive action to support the Canadian economy has been praised by prestigious non-partisan international and domestic economic organizations for its foresight and effectiveness.

The University of Toronto's Institute for Policy Analysis declared, "helping offset the weakness here will be the 'fortuitous' injection of stimulus from the tax cuts...announced" in the October economic statement. BMO economist Doug Porter congratulated our government for our economic statement that was "brilliantly timed. Just as the economy was running into serious heavy weather", Canada has some "serious fiscal stimulus". Most impressively, the distinguished IMF World Economic Outlook released this April praised the measures, "A package of tax cuts has provided a timely fiscal stimulus". The Canadian government's "structural policy agenda should help increase competitiveness and productivity growth to underpin long term projects".

Since coming to office, this Conservative government has taken action to reduce the overall tax burden for Canadians and businesses by nearly \$200 billion.

Overall, we are bringing taxes to their lowest level as a percentage of the economy in nearly 50 years. Canadians are getting back their own money in increasing amounts, more money in their pockets where it belongs, which means our economy will benefit from consumers with thicker wallets and every reason to be confident about their future.

As for those who suggest that our economic leadership and tax reductions are not benefiting low income Canadians, I ask them to consider the facts.

• (1105)

Statistics Canada reported this week that in 2006, the first year of our Conservative government, the rich did not get richer but lower income Canadians did. Families at the bottom of the income ladder saw strong growth in their earnings in 2006. I will quote from the report:

Business of Supply

After-tax income improved for families in all five income groups, except for those at the top, where it remained stable.

Why? Consider that approximately 700,000 low income Canadians will be removed from the tax rolls by 2009 because of our actions. Consider that since coming to office, our tax cuts have disproportionately benefited the bottom two income tax brackets. Indeed, over three-quarters of personal income tax relief is being provided for Canadians in the lowest two tax brackets with people in the lowest bracket alone realizing almost 30% of all annual personal income tax relief. Most important, we cut the GST, the only tax cut benefiting the one-third of low income Canadians not paying income tax.

Accordingly, it is somewhat odd that the NDP and their colleagues on the left have been so adamantly opposed to this reduction. Even Toronto *Star* columnist Thomas Walkom is puzzled. I will quote him at length:

The New Democrats say the [GST] cut favours the rich...

And yet...were equally outraged...by a new study pointing out that the tax system has become less fair since 1990 because (wait for it) governments have been relying too much on regressive sales taxes, like the GST.

He continued:

The reason that sales taxes are unfair is that those toward the bottom tend to spend more of what they earn (and hence pay more in sales tax as a proportion of their income) than those at the top.

He further noted:

Economist Marc Lee, who authored the Canadian Centre for Policy Alternatives study, calculated that roughly half of the increased tax burden borne by the poor between 1990 and 2005 came from small hikes in regressive levies such as sales taxes...

So in this context, it could be argued that [the Prime Minister] struck a small blow for social justice by reducing Canada's most notorious regressive tax. Indeed, it could be said that he took a small step towards rectifying the tax unfairness created by former prime minister Jean Chrétien's Liberals...

I find the left's attack on the GST cuts both baffling and sadly indicative.

Nevertheless, unlike the Liberals, we are taking concrete action to help low income Canadians through tax measures like the landmark working income tax benefit ensuring people are better off as a result of taking a job. Taxes, reduced income support and loss of benefits often discourage individuals receiving social assistance from working, clawing back nearly 80% of their income. This benefit, a first step we hope to build on, will increase income support while simultaneously strengthening work incentives. This is a move that has also been praised across the political spectrum.

The Caledon Institute of Social Policy acknowledged it was a "welcome addition to Canadian social policy. It fills a long recognized gap in Canada's income security system". The NDP member for Winnipeg North approved our measure as an "important program that goes in the right direction". Even Ontario's Liberal finance minister called it a progressive move saying, "I think that will help those at the lower end of the income ladder and I think"—the Conservative government—"has taken a good step."

Clearly today's motion ignores what this government has accomplished and will be defeated accordingly. For that I applaud the Liberal opposition for once again expressing its unwavering confidence and approval of our Conservative government.

● (1110)

Hon. Keith Martin (Esquimalt—Juan de Fuca, Lib.): Mr. Speaker, in my colleague's dissertation, he spoke about a central issue on which he and the Conservative Party continue to press. I disagree with some of his statements. They continue, correctly, to talk about the increase in GDP. The problem, however, is not one that deals with a central increase in GDP. It is an issue of distribution, of equity, of those people on the ground, the poorest people, and their ability to have the resources in their pocket to go to school, to get the skills training, to get into a place where they a roof over their head, to have the necessary medical care for things like substance abuse or mental health problems. These people cannot get access to those. They do not have the money to do it and the levels of government do not have the money to provide for the type of care these people need.

As a country, thankfully, we are doing well, but the people who most need our help, most need the help of the House, are not getting it.

Could my friend tell me if his government would reconsider some of its policies and put a significant structural investment into access to skills training, put money in the pockets of the poorest people and help our seniors? The child tax benefit helps those children, but does not help single people or seniors who have had their children. Money in the pockets of people, lower tuition fees for students, better help to the provinces for mental health disabilities and substance abuse are the things those people most need.

Mr. Ted Menzies: Mr. Speaker, my hon. colleague made such splashy headlines last weekend in one of our national papers, which showed him giving blood. He probably still has the mark on his arm from that. I applaud him for making note of that and showing some leadership on that file as well, as he does on many other files. He has shown a great deal of passion for poorer people, not only in Canada, but in other countries too. We should applaud the member for considering those who are less fortunate than others.

I find it fundamentally appalling that we have this kind of a message going forward to Canadians from the House, the message that all is doom and gloom in our country. The hon. member has seen what the poor people in other countries go through. I am sure, as I have, he has come back to this country and realized how fortunate we are to live here, how fortunate we are that our parents, if not our grandparents, chose to move to Canada, how fortunate that we born here, that we have stable governments, that we can look forward to having a job when we graduate high school, university or college.

We have members of a party who every time they stand in the House they condemn how fortunate we are by scaring people. The government has done a tremendous job in taking many Canadians off the tax roll and reducing their taxes. I get letters every day from my constituents. They tell me how much money they have saved after they have filed their taxes. They tell me how they are able to stimulate the economy and provide more for their families because we have reduced taxes.

I hear optimism. I do not know why the NDP only listens to negativity.

Business of Supply

•(1115)

Mr. Tony Martin (Sault Ste. Marie, NDP): Mr. Speaker, it is unfortunate and disappointing that the parliamentary secretary is not willing to listen to the evidence that has been presented to him. The Statistics Canada report, which is supported by economists who have looked at it, very clearly indicates that the rich are getting richer, the poor are getting poorer and the middle class is stuck. As I crossed the country and looked at the anecdotal evidence, Calgary is probably the most obvious example of this separation now between the rich and the poor. Between 3,500 or 4,000 homeless people live at the base of large buildings built in the honour of big oil.

I suggest the member spends too much time around the board tables and not enough around the kitchen table of families in places like Hamilton, Welland, Windsor and communities in northern Ontario or B.C., which has been ravaged in the downturn of the forestry sector. Would he take some time, go out there with some of his colleagues and sit at a kitchen table and hear what those families and those folks have to say?

Mr. Ted Menzies: Mr. Speaker, I take exception to the suggestion by the hon. member that I do not listen to my constituents. I have the privilege of representing a riding in Alberta. That riding is not filled with rich people, and everyone in the House realizes this. I take exception to the suggestion by the hon. member that I do not represent all members of my constituency, that I do not listen to the poor as well as those who have done well.

I spend much time throughout my riding. I have visited many ridings across the country and I hear the same thing, that there are job losses. However, Canadians are resilient people. They have mostly found new jobs. That is why our net new jobs are over three-quarters of a million in the last two years. I do not know how many times I have to stand in the House and repeat that number. This is not new jobs.

Yes, people have lost jobs. We understand that and we empathize with that, but those resilient Canadians have found other jobs. In 80% of those cases those jobs are higher value jobs than what they had before.

We have faith in Canadians. I wish the hon. member from the opposition, who put forward this negative motion, this motion that reduces Canadians' ability to have faith in themselves, would listen to his constituents who have faith in the government.

[*Translation*]

Mr. Paul Crête (Montmagny—L'Islet—Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, I listened to the Parliamentary Secretary to the Minister of Finance's speech, and he said something that I cannot accept. Here in the House, we are discussing real situations that real people are going through. It sounds like the government is saying that people who do not think the way it thinks should not submit that kind of request. That sounds an awful lot like the Bush government's approach in the United States, but that is not how we do things here.

Early on in his speech, he said that there are people all over the world who are far worse off than Canadians and Quebecers will ever be. I always thought that we treated our people here the same way we treated people elsewhere.

Can the parliamentary secretary explain how the government managed to funnel the \$54 billion surplus out of the employment insurance fund and make it look as though workers and the unemployed never contributed in the first place?

Can he explain how the government managed to justify diverting \$54 billion dollars and make it legal while leaving international aid at 0.3% even though so much wealth is being created here? We are way behind developed nations on this. Coincidentally, the same thing is happening here with those who are the worst off, the unemployed.

The government should be getting that message rather than reacting negatively to the NDP motion, which reflects a reality that I believe should be an election issue.

•(1120)

[*English*]

Mr. Ted Menzies: Mr. Speaker, I enjoy sitting on the finance committee with the hon. member. He provides some very strong input and does a great job of bringing the concerns of his constituents forward, and often raises the issue of lost jobs. It is his job to do that.

We in the government share his concerns for what happened with the EI fund. I will not try to defend what the Liberals did or did not do with that fund, but we recognize how it failed the unemployed. That is why we put forward suggested changes in the budget for an independent fund that could not be tampered with by any government. It would be completely at arm's length from government, which will protect the money paid by both the employees and employers for employees who get into a situation of job loss.

Mr. Michael Savage (Dartmouth—Cole Harbour, Lib.): Mr. Speaker, I am pleased to take part in the debate. I will be splitting my time with perhaps the foremost expert on economics in the House, the hon. member for Markham—Unionville.

I thank my colleague from Sault Ste. Marie for bringing forward the motion. We come to Parliament, we work with our colleagues and we forge relationships with other members of the House, which can be very productive based on respect. This is the relationship I feel I have with my colleague. I know other members of my family have it as well.

The motion is one that needs to be addressed because it deals with a hugely important issue, clearly though, and I will say this up front, it is not an issue that Canadians would want and certainly do not expect to be the impetus for a national general election. The motion raises an issue that Liberals, and particularly our leader, have brought front and centre to the national agenda. It will be the centrepiece of our next national campaign, the time of which will be determined carefully and not as a result of the latest move in a game of inside Ottawa parliamentary checkers.

A couple of months ago, the member for York Centre, an outstanding Canadian hero, embarked on a country wide tour focused on poverty in Canada. I think he went to more than 20 locations in this immense country. Canadians will know, knowing the member, that this was not a photo op, but somebody who was trying to find real solutions on poverty.

Business of Supply

One of his first stops was in my riding of Dartmouth—Cole Harbour. We thought we would have a decent crowd, but we were all surprised to see over 300 people come out to a church basement in Dartmouth to talk about poverty, its causes and some solutions. We heard from a number of groups and organizations, homeless shelters, youth in crisis workers, food banks, mental health workers and many more, people who combat poverty on a daily basis and try to make a difference in their communities. These groups expect their politicians and their governments to do something about it.

We should acknowledge that improvements have been made over the years to help Canadians with many major national initiatives such as the Old Age Security Act, the Canada Pension Plan Act and the Quebec Pension Plan Act, the guaranteed income supplement in 1967, the national child benefit in 1997, which has had a significant impact on reducing child poverty in our country. We implemented personal income tax cuts. We brought forward the plan to strengthen health care, which followed on the 1960s plan to bring a national health care system into Canada.

The member for York Centre understood that among the challenges facing low income families was the lack of affordable and universal access to child care. Our Liberal government signed child care agreements with each of the provinces and territories, agreements that would begin to chip away at family poverty, allowing individuals to work to earn a decent living and support their families. Those child care agreements were one of the first casualties of the Conservative government.

We all know we live in a prosperous country where our standard of living ranks among the best in the world. Despite this success, far too many Canadians are left behind and it should be unacceptable to us all.

Last fall, the Leader of the Liberal Party of Canada, a man who is serious about solving serious problems, laid out the most ambitious plan to tackle poverty in Canada. This is what we will do when we return to office. It is our 30:50 plan. We want to reduce by 30%, or cut in half, the number of children living in poverty over five years. That plan includes the creation of a making work pay benefit to lower the welfare and to encourage and reward work by Canadians. It includes support for working families to expand and improve the Canada child tax benefit and to help lift the vulnerable seniors out of poverty by increasing the GIS for the lowest income seniors.

I want to talk about another issue that is referenced in the motion, and that is employment insurance. Our government in the last decade reduced EI premiums, both for employers and employees. Since 1994, the EI rate for employee contributions has been reduced from \$3.07 to \$1.95 in 2005 and for employer contributions from \$4.30 to \$2.73 by 2005. As a result of these rate reductions, employers and employees paid some \$10.5 billion less in premiums comparatively than they would have paid in 1994.

On the benefit side, from 2000 to 2005 the Liberal government invested in the EI program. Parental benefits were extended to one year. In 2004 a new employment insurance benefit, the compassionate care benefit, was introduced. In 2004 a pilot program was introduced to provide workers with five additional weeks of EI regular benefits in regions of high unemployment. Several other pilot programs were introduced, which included benefits for those who

were new to the labour market to have access EI benefits after 840 hours of work rather than 910 hours. We also went to the best 14 weeks of earnings, not a bad idea for people in high unemployment areas, and we increased benefits for the working while on claim threshold.

● (1125)

However, I think we can all agree, and certainly members of my party understand, that we should do more. We should re-evaluate employment insurance. Members in this House for Labrador, for Madawaska—Restigouche, for Honoré-Mercier, for Beauséjour and from parts of Cape Breton have stood up and have been involved in discussions to make that happen.

As Liberals we have worked hard over the past two years to work with labour groups and other opposition parties to find common ground to improve benefits for EI recipients. We need to evaluate this. We need to look at a number of things, such as the waiting period and what is referred to as the black hole.

How about the expansion of sick benefits, as proposed in Bill C-278? Bill C-278, a private member's bill, was introduced by my colleague from Sydney—Victoria and is supported by members of the Heart and Stroke Foundation and the Canadian Cancer Society. It is a recognition that the workplace has changed and illness has changed. People are recovering from strokes and from heart attacks, but they need support. This bill was supported by all parties except the government party. It would have been a perfect thing for the government to stand up and do for workers in Canada.

We need to address how EI relates to people who are working part time. Often they are women working in poverty. We need to do more about that.

In budget 2008 the government introduced the idea of a new crown corporation. It may be a good idea. Some people have called for a different agency to look at EI, but there has been no consultation on it, and if it were not for the fact that the Liberals brought forward a motion at the human resources committee, which was supported by other parties, there would have been no consultation on this.

Is \$2 billion the appropriate amount of money as a reserve fund? What is the bureaucracy going to look like? Should there not be some consultation and discussion with workers across this country? I think there should be. EI needs to be changed. We need to do it rationally and sensibly, balancing the workers and employers. It is imperative for us to do that.

Business of Supply

Over generations, Canada has built a social infrastructure that is designed to help vulnerable Canadians. Improvements have been made, with public health care, pensions, EI and support for children and others, but we need to do more. Furthermore, I believe there is a public appetite in this country for us to do more. However, today we have a government that seems to love power but seems to hate government and sees little or no role for government in assisting those most in need.

Partly through design and, in fairness, partly through incompetence, the federal fiscal framework has a reduced capacity to help, but Canadians want a government with a heart, a mind and a solid plan to reduce poverty in this country. Our leader has put forward such a plan. In the next election the Liberal Party will campaign on that alternative. We are the only realistic alternative to this government.

Poverty in our country is not inevitable, but it will take leadership, energy and national will to make the difference. We should talk about it here in Parliament. I am pleased that we are also studying it at the human resources committee, but to really make a difference we need a government that sees a role for government in standing up for those who need help, a government that balances budgets but not at the huge social cost and huge social exclusion we see now.

I believe the Liberal Party has the leader, I believe the Liberal Party has the plan and I believe the Liberal Party has the team to attack poverty in our country and work for those who most need help.

Mr. Wayne Marston (Hamilton East—Stoney Creek, NDP): Mr. Speaker, it is interesting on this side of the House to hear the positive comments about our friend from Sault Ste. Marie. It certainly is appreciated because we know how hard he works, but following those kind remarks was a bit of a listing of the Liberal record. I would like to add a couple of things to the Liberal record.

In the mid-1990s we had—

• (1130)

Mr. Todd Russell: Make sure they're good.

Mr. Wayne Marston: Oh, they will be good.

The Liberals set out the Canada health and social transfer, which basically gutted moneys transferred to the provinces and led to Ontario's Mike Harris government in particular off-loading social costs to the municipalities. That transferred money from income tax to property tax, so that the poorest people and the people on fixed incomes had the biggest problems.

One of the biggest changes the Liberals made in the mid-1990s, though, was the change from unemployment insurance to EI. At that time, 85% of the people applying for unemployment insurance received it and also received benefits for a longer time. Following the changes, nowadays between 28% and 35% qualify and for a shorter period.

That is the Liberal record.

Mr. Michael Savage: Mr. Speaker, I thank the member for his addition to the record. Maybe I should add a few more things as well: in 2004, the 10 year plan to strengthen health care, at \$41 billion; in 2005, increased benefits for the guaranteed income

supplement; in 2005, \$5 billion invested for early learning and child care; and \$5 billion invested for five years for the Kelowna accord.

I do not need to go into the fact that in 1993 the Liberals took over that side of the House facing a \$42 billion annual deficit and a \$500 billion debt, most of which built up over the previous Mulroney government. Conservatives take an economy, make it worse and then turn it back to us. We are going to have to do it again, probably not too far from now.

However, we do it by balancing the need for solid economics in this country with an investment in social infrastructure that recognizes and understands that not everybody gets to be an equal beneficiary in the great wealth that is Canada. A government should stand up for those who most need help and this Conservative one does not.

Mrs. Lynne Yelich (Parliamentary Secretary to the Minister of Human Resources and Social Development, CPC): Mr. Speaker, I have a question for the member, who sits on the committee with me and is so pleased that we are studying the EI account. However, I am very discouraged with our study because it appears that we are continually talking about a \$54 billion surplus that was "siphoned". That is the word that is used.

If the member is really that excited about the account, perhaps he can explain at committee where the \$54 billion went. The account is not being studied as it should be. I am surprised that he thinks this is going to be any kind of solution for the EI account.

He named a few promises that the Liberals made, but he did not assert who really delivered on those promises. It was this government.

The member also did not stand up and vote for the \$39 billion that we transferred back to the provinces after his government took \$25 billion out of the provinces.

I just wanted to clarify a few things. I do not want the member to get overexcited about there being any solution to the EI account unless he can bring some sort of understanding as to where the \$54 billion surplus went.

Mr. Michael Savage: Mr. Speaker, I appreciate the parliamentary secretary's work on our committee. I also enjoy working with her. I hate to even suggest it because it seems mean, but it causes me pain to hear her being so wrong on these issues. She suggested that we promised things but her government delivered them. Is that the \$5 billion for child care? As for the Kelowna accord, yesterday the Conservatives were asking to see it. Apparently they have not even seen the Kelowna accord. They do not even know what is in it.

They talk about the cuts made by the Liberal government in the early 1990s. The Minister of Human Resources, among others, stood in this House then and said those cuts were not deep enough, that we did not cut enough, that we should cut more and hurt vulnerable Canadians.

Business of Supply

Liberals take a balanced and sensible approach. We balance the economics of the nation with the need to invest in the social infrastructure that provides opportunities for Canadians who do not get them. The Conservative government does not do that.

The government has some nice people over there—they disperse now and then—but as a government they are mean and nasty and they do not do anything for the people who most need help in this country.

Hon. John McCallum (Markham—Unionville, Lib.): Mr. Speaker, I am very pleased to rise on this motion today. I am going to tackle this question by focusing on two aspects.

The Statistics Canada data to which the NDP makes reference has two problems attached to it.

The first is the fact that the rich are getting richer and the poor are getting poorer, so it is a question of distribution. Here, I think, only the Liberals have a coherent plan to help those Canadians who are worse off.

The second aspect is that the average person's income has hardly grown over many years, and that is a question of growing the pie, creating wealth and improving our productivity performance. This is an area in which the NDP has absolutely no understanding.

As well, as I shall indicate in my remarks, the Conservatives are wrong-headed by adopting measures that will not do anything to improve productivity and living standards in this country.

[*Translation*]

First of all, I would like to point out that the NDP has taken a contradictory position, which is not all that surprising.

On the one hand, the NDP claims that, as a party, it now understands Quebec and Quebecers. On the other hand, based on my calculations, if the NDP manages to get its motion adopted, when would the election be held? It would be held June 23, the day before Quebec's national holiday. For a party that claims to understand Quebecers, it is a little strange that the NDP would make Quebecers vote in a general election the day before their national holiday.

• (1135)

[*English*]

The first issue here is to help those who are worse off. On this issue I at least agree that the NDP would be in the same spirit as the Liberal Party. The difference is that we have a concrete and very ambitious plan, and we will form government at some point and will be in a position to implement this plan.

As my colleague has mentioned, this is the so-called 30-50 plan, in which we have committed publicly to reduce the overall number of Canadians living in poverty by 30% over a five year period and to reduce numbers of children in poverty by 50% over a five year period. By setting out those concrete targets, we are holding our feet to the fire, because the commentators will monitor our progress and make sure we hit our targets.

There are three basic components of this plan. One is an expanded “making work pay” benefit, which will help lower income Canadians climb over the welfare wall, get over the disincentives

to work and become full participants in the labour force. This is good for the incomes of lower income Canadians and also good for productivity.

The second component is that we will provide major support for working families. We will provide child tax credits as the Conservatives did, but ours will have one key critical and crucial difference. The Conservative tax credits are non-refundable, meaning that if people's incomes are so low that they pay no tax, they get no credit. Therefore, the high income Canadian, like the Minister of Finance, gets large sums of money from these credits, and he does not really need it, while the lower income Canadians who do not make enough to pay tax and therefore are not eligible for this credit get nothing at all. Our child tax credit will be refundable, meaning that the lower income Canadians who pay no tax will get just as much, at least as much, as the higher income Canadians.

The third important component of our 30-50 anti-poverty plan is to increase the GIS, the funding for income for lower income seniors. We will increase that as well.

Through these measures and a number of other measures, we are totally serious about making a radical dent in poverty in general and in child poverty over the five years from the time we come to power. These measures will certainly have a major bearing on this increased inequality that has afflicted Canada and indeed countries throughout the western world over the last decades.

I come now to the second aspect. The first aspect is to reduce the inequality and our anti-poverty plan will make a major move in that direction.

The second component is to grow the pie: to increase the productivity so that the income levels and the living standards of all Canadians will rise more quickly over the coming 10 years, let us say, than they did over the last 10 to 20 years. It is here I believe that the Liberal Party is unique in this House, because the NDP has no understanding of wealth creation, of growing the pie, and the Conservative Party and government have zero interest in helping those who are in poverty because that is not their base.

We are the party of balance. We understand that one has to grow the pie and create the wealth in order to redistribute it.

On the subject of productivity, I think the NDP should study very carefully the new ideas and new policies emerging in Europe among their social democratic brethren, particularly in Scandinavia, and indeed among NDP-led provinces, which have to actually govern and therefore understand the real world.

I would say that only the federal NDP is left in a kind of class warfare mentality of the 1960s where anything that reduces corporate taxes, for example, is inherently evil, while the NDP-led provinces and Scandinavian countries led by social democrats are in fact leading the way and understand the need for lower corporate taxes to enhance productivity. Indeed, the Scandinavian countries are leading the world in terms of having among the lowest corporate tax rates. Among those with the highest corporate tax rates, one finds George Bush's United States.

Business of Supply

•(1140)

I would suggest to the NDP that it is necessary to grow the pie, as well as to share the pie, because if we do not grow the pie and the pie shrinks then we will have very little to share.

As we in the Liberal Party have said, competitive corporate taxes are an important part of the productivity agenda. We need look no further than Denmark, Sweden and Norway to find leadership in this area. I know the Conservatives agree with us on this. Following our leader's call for corporate tax rates, soon thereafter they copied the idea.

Another important angle about improving productivity and living standards is to tax smart. We in the Liberal Party have favoured not only lower corporate taxes but lower personal income taxes to give people the incentive to save, to work and to invest. That would be a part of our program, funds permitting.

Whereas, on the government side, the Conservatives put no less than \$12 billion a year, \$60 billion over five years, into the worst, dumbest possible tax cut that anyone could imagine, and that is to cut the GST, a tax on consumption, rather than to use that money to cut taxes on income.

There is not an economist on the planet who would disagree with my view that if we want to improve incentives to save, to invest and to work, if we want to improve Canada's competitiveness and productivity, the way to go is to reduce income tax. According to IMF, OECD, C.D. Howe, The Fraser Institute, name it, the worst thing to do, the most anti-productivity tax agenda is to reduce the GST.

To conclude, to deal with this problem of a growing gap and stagnant incomes requires a double policy to provide public assistance to those at the low end, which is at the core of the Liberal 30-50 plan, and, on the other hand, to produce a sensible, credible, coherent plan to raise the productivity growth of this country and thereby grow the pie and enhance the living standards of all Canadians.

I submit that in terms of this balance between wealth creation and wealth distribution, it is only the Liberal Party that offers the balance that this country needs.

Mr. Tony Martin (Sault Ste. Marie, NDP): Mr. Speaker, I am always disappointed when I hear the arrogance of the Liberals and some other members in the House when they suggest that we do not know anything about the economy and that we should not actually have any thoughts about the public life of this country because we will never be government one day. It is disappointing because it reduces the level of respect and dialogue in this place to one of not being very productive and helpful.

The member talked about the Liberal anti-poverty strategy that was rolled out. The criticism of that, not just by us but by others out there, the *Toronto Star* included, was that there was no substance. It was a lot like other Liberal programs that have been rolled out. We saw the programs that were trotted out just before the election of 2006 that, when the veil was lifted, there was nothing there. There was no reference to Treasury Board for the money to support Kelowna, Kyoto or any of the programs that the Liberals, at that time, said that they were running on.

This morning I heard the member say, and I guess he was being honest here, that he supports the tax cutting agenda of the Conservatives. The Liberals did that when they were in government for 13 years, and it is the reason that we do not have the money any more to transfer to the provinces to take care of things like health care, education and infrastructure. The province of Ontario is in big trouble right now with its health care system because Mike Harris, who also had a tax cutting agenda from 1995 to 2003, depleted that treasury.

So, you depleted the treasury from 1993 to 2005. The Conservatives are now doing the same thing. If you get back into office, I guess from what I—

•(1145)

The Deputy Speaker: Order, please. The hon. member for Sault Ste. Marie keeps using the second person. He is not in the Ontario legislature where that is permissible. It is not permissible here.

The hon. member for Markham—Unionville.

Hon. John McCallum: Mr. Speaker, I am afraid the hon. member does not seem to understand our 30-50 plan. In fact, it was endorsed strongly by the *Toronto Star*. There is nothing more concrete than one can imagine. We lay out the exact measures that would constitute this plan. This plan has received strong endorsement from the anti-poverty groups and other social groups around the country. We are serious about it and we will do it.

In terms of his comment that we endorse the government's tax policies, I thought perhaps he was listening a little more carefully to my speech. The one thing we have in common is that we believe over time that Canadian corporate taxes should be competitive internationally, but I do not think any party in the House has been more critical of the government, both for engaging in the dumbest possible tax cut, which is the cut to the GST, and for its overspending, which led Canada from a massive \$13 billion surplus, which the government inherited from the Liberals, to the brink of deficit in just over two years.

At a time when the manufacturing sector in the country needs support, because we are entering into a time of economic uncertainty, the government has depleted the treasury and has left the cupboard bare. It has engaged in the most irresponsible macroeconomic management—

The Deputy Speaker: Order, please. We want to get one more question in. The hon. member for Leeds—Grenville.

Mr. Gord Brown (Leeds—Grenville, CPC): Mr. Speaker, I have been listening intently to my friend on the other side and I have simple questions for him that can be answered with a simple yes or no.

First, if his party were to get back into power, would it support raising the GST? Second, will he support the NDP motion today? Third, will he vote to bring down the government? Those are simple yes or no questions. I know when the hon. member gets up in question period—

The Deputy Speaker: The hon. member for Markham—Unionville, briefly.

Business of Supply

Hon. John McCallum: Mr. Speaker, while I thank the hon. member for his questions, I do not think he has the right to impose one word, yes or no, answers on his colleagues in the House. Nevertheless, I will answer his questions.

Our leader has been absolutely clear that we will not raise the GST when we come to power. He has said that many times. I would question the honesty of the government when it sends out 10-percenters with a 5% picture of the Prime Minister and a 7% picture of our leader because that is absolutely dishonest when he is on the record as having said that he will not raise the GST. That is a very direct answer to your—

• (1150)

The Deputy Speaker: The time has expired for answering the other questions.

Resuming debate, the hon. member for Chambly—Borduas.

[*Translation*]

Mr. Yves Lessard (Chambly—Borduas, BQ): Mr. Speaker, I am indeed the member for Chambly—Borduas, and I am proud to represent the voters and everyone in that riding who is paying attention to this motion here today.

I must first congratulate our colleague from Sault Ste. Marie and thank the NDP for moving this motion here today, which gives us the opportunity to debate an issue that is too often ignored, but that is nonetheless extremely important, especially for the people living in poverty. I would have liked to be able to ask our colleague from Markham—Unionville a question earlier, but I will save it for another time. I will touch on it during my presentation.

The motion is especially important because it links the issue of the gap between the rich and the poor with factors that cause poverty among our citizens. The program most butchered by the Liberals was the employment insurance program. The Conservatives continued the butchering, so much so that people were literally deprived of money owing to them in the form of EI benefits, just so the government could build up the kitty and increase the surplus to pay down the debt or meet other government obligations. Who knows? The Conservatives are probably even using part of the \$54 billion diverted from the employment insurance fund for national defence and utterly questionable expenses.

This motion is even more interesting because it reminds us of what our society values and makes us think about the real role we play here in the House of Commons. Above all, we are here to represent the people, and not to represent economic interests that serve to benefit groups, consortiums or, as is currently the case, oil companies, or that would finance the war. That is not it. Our primary concern and focus should be the well-being of the public.

Therefore, the motion before us today is completely appropriate, and we will support it. We will vote in favour of this motion and we urge our colleagues in the House to do the same.

If the member for Markham—Unionville wanted to be credible in this House, he should have said that the Liberals were also going to vote in favour of the motion. Announcing a plan will not convince the House that the Liberal Party is sincere in its desire to eradicate

poverty, since in the last 13 or 14 years, more than any other party, it has contributed to the impoverishment of working class people.

I remind members that in 1997—and I am referring to issues raised by the Liberal member for Markham—Unionville—the Liberals eliminated the assistance program for older workers, which was not all that expensive. Workers over the age of 55 were forced into poverty if they could not be retrained. They no longer had any recourse other than social assistance in their respective provinces. This party, along with the Conservatives, also ensured that seniors were not informed that they were entitled to the guaranteed income supplement.

• (1155)

The people who are the most isolated, the people who are the most vulnerable because they are unaware of their rights, were deprived of \$3.5 billion.

If the hon. member who spoke earlier had wanted to be credible, he should have apologized, acknowledged that he and his party had not done their homework and had been irresponsible, and announced that they were going to vote in favour of the motion before us today. If he had wanted to be credible, our Liberal colleague would have refused to jump on the Conservative bandwagon, he would have acknowledged that the cuts he and his party had made to employment insurance were a bad decision and were unfair to unemployed workers, and he would have announced that the Liberals were going to vote in favour of this motion in order to correct the injustice done to all people who lose their jobs.

By reducing access to employment insurance, the previous government succeeded in excluding nearly 60% of unemployed workers. Barely 40% of all people who lose their jobs qualify. Not only is this an injustice, but it is a very serious economic crime against the unemployed, their families, the regions concerned and the provincial governments.

People who would have been entitled to employment insurance benefits but do not receive them go on welfare, placing a double burden on the provinces. They contributed to the national fund, just like their employers. But over the past 12 years, the federal government has siphoned off the \$54 billion surplus to use for other purposes. No, the ministers have not pocketed this money. It has been put to use elsewhere. But it was not tax money to begin with. It consisted of contributions for insurance in case workers lost their jobs. This is totally unfair.

Business of Supply

The current Minister of Human Resources and Social Development has admitted that funds were diverted and that it should never have happened. After he admitted funds were diverted and that it was unfair, we expected an announcement saying that they would right this wrong and accept the unanimous recommendation of the Standing Committee on Human Resources, Skills Development, Social Development and the Status of Persons with Disabilities from 2005, which stated that all of the diverted money, the \$46 billion that has now become \$54 billion, should be refunded to the fund at a rate of \$1.5 billion a year. To be sure it is done legally and, above all, legitimately, the funds should be considered a loan just as if the government had borrowed from financial markets.

That was a unanimous recommendation from the committee. We expected the Liberals to accept it, but they turned a deaf ear and continued to loot the fund for other purposes.

The Conservatives have been doing the same thing for two-and-a-half years. They admit now that they should not have. And what have they done to fix it? Nothing. They are just as guilty as the Liberals. There is a saying that the person holding the bag is just as guilty as the one filling it. Right now, it is the Conservatives who are holding the bag. Why are they not putting the cash back into the fund?

We would then find ourselves in a position where the two parties—of course we would urge the Liberals to support the action—would become more credible. But, neither of them has the credibility to do it. When plans or strategies are announced to eliminate poverty, neither party—neither the one in power nor the one forming the official opposition—has any credibility.

• (1200)

The current government, for its part, has added to the burden on the poorest individuals and families. For example, the first thing it did was to eliminate a national child care program. Quebec's national child care program, which is paid for in part by the government and in part by parents, has resulted in a decline of roughly 3% in the poverty level. This is huge.

When the federal government eliminates the program for the rest of Canada, people slip into poverty. In addition, when the government deprives women's groups of the means to defend their rights, it is depriving a segment of our society that has difficulty obtaining recognition of its rights, especially labour rights. The employment insurance policy is a wrong-headed policy, because only 33% of all women who lose their jobs can hope to receive employment insurance.

Anyone who is looking for factors that exacerbate poverty does not have to look any farther than the government, which is continuing to make cuts to measures designed to eliminate poverty. For 18 years, since 1990, the federal government has promised repeatedly to eliminate poverty, yet it has done just the opposite.

Just a week ago, I believe, Statistics Canada announced that the gap between Canada's rich and poor had widened since 1980. The rich have gotten 16% richer, while the poor have gotten 20% poorer. This is no big deal, apparently, because Canada's decision makers, who were elected on the promise that they would do better than the previous government, are supporting the previous government's

decisions and adding insult to injury by eliminating existing measures.

Regarding employment insurance benefits, the solution is not very complicated, because measures are available to us. They existed in the past. In terms of a social safety net, one of the most effective ways our society has to prevent poverty from worsening is the employment insurance system. With employment insurance, workers who lose their jobs and have no income have enough money to support their families. Employment insurance is not a gift from the government, because only employers and employees contribute to it.

The purpose of the fund is to insure against unemployment. The previous government changed the name to employment insurance. That change had an impact. It might have seemed as though it was just a name change—maybe it sounded better or something. But there was more to it than that. As soon as the name of the fund was changed, the government started meddling with the fund and using it for other purposes.

That is quite disturbing, so we suggest that the government go back to the main reason for the fund's existence and dedicate it to supporting people who have lost their jobs. What needs to be done? The government has to relax the eligibility criteria. For example, someone who has worked 360 hours should be eligible for employment insurance benefits. Benefits should be calculated based on the 12 best weeks, and people should be able to collect benefits for 50 weeks, not just 45 weeks.

• (1205)

Benefits should also be increased to 60% of an individual's income rather than the current 55%. Some people might say that 60% is a lot, but that is not true. We have to remember that most of the people who lose their jobs are low income earners. Even high income earners living on 60% of their previous income have to change their lifestyle. It is very difficult for people who lose their jobs to lose 45% of their income. People should not have to lose more than 40%. That would at least help them a little.

Here is the situation. We introduced Bill C-269, which covered all of these measures, here in the House. All of these measures were recommended by the Standing Committee on Human Resources, Social Development and the Status of Persons with Disabilities, which is a House committee whose mandate is to advise and counsel the House and ministers. The committee approved all of the measures I mentioned, measures that are included in Bill C-269.

What happened? The Conservatives said the bill required royal recommendation and that they would not give it. Imagine that. That money does not belong to the public treasury. It belongs to workers and employers. The Conservatives have decided to prevent this House from studying a Bloc Québécois bill that would lead to measures that are a little more humane and fair and have been paid for by those who contribute to the EI fund, namely workers and employers. The Conservative government has refused to give royal recommendation. In a letter, the Leader of the Bloc Québécois and the Leader of the NDP officially asked the Prime Minister to give royal recommendation. The leader of the official opposition refused to sign the letter. Imagine that.

Business of Supply

The Canadian government, the Conservatives and Liberals together—those Liberals who literally destroyed the employment insurance system—now is saying we have to trust it because it has a plan. When it announces a plan, there is cause for concern because people end up even more disadvantaged. The government's past plans are an example of what they are capable of and that is cause for concern. We have to be concerned about both the government and the Liberals. The government wants us to trust it, but we do not.

The interesting thing about the NDP motion is that it expresses the public's general lack of confidence. Why this lost confidence? Because the Liberals and the Conservatives have not lived up to their responsibilities when it comes to protecting the social safety net, in order to ensure a balance between creating wealth and distributing that wealth. They do not care about the working class and the most vulnerable in our society. Not only did they not care, but they have managed to make the situation even worse.

If the Liberals want to gain some credibility today, then they have to vote in favour of this motion. All their fine speeches have nothing to do with their true intention. Their true intention will only be known when they vote. My concern is that they will support the Conservatives' disastrous policy and uphold measures that are totally unfair to the working class and to those who are the most vulnerable in our society.

•(1210)

This government is only interested in war, oil companies and nuclear power and not in humanity. I will close there. I invite all my colleagues who truly want to represent their ridings to vote in favour of this motion.

[English]

Mrs. Lynne Yelich (Parliamentary Secretary to the Minister of Human Resources and Social Development, CPC): Mr. Speaker, I sit on the committee with the member and I have some respect for the member, although when he talks about confidence and credibility I do wonder about the member because he subordinates everything to separation and to taking Quebec out of Canada. Therefore, I do not really believe that his comments about us are in fact representative of what we are doing with the EI account.

We are improving the governance of the account and the management of it has continued. In the throne speech, we made a commitment to improve the governance of the EI account, but this member is perpetually looking to try to put more money into the reserve fund and to get the \$54 billion.

The member suggests that we should reimburse these billions of dollars to the workers. How would he suggest we do it when there is no \$54 billion surplus as he hears at committee over and over again? How would he suggest that we implement it? Where would the money come from? Would it be from the workers or would it be from higher taxes? I would like to hear from the member just what his intentions are for reimbursing our revenue fund.

[Translation]

Mr. Yves Lessard: Mr. Speaker, while waiting for sovereignty to dawn, we will continue to debate and defend the interests of the people we represent. Most of the time, when we defend the interests of the people of Quebec, we are defending the interests of all

Canadians. We want to do things in such a way that what is good for Quebec is good for the rest of the country as well. When it is bad, we say so, and that is the case here.

Our colleague, the Parliamentary Secretary to the Minister of Human Resources and Social Development, sits on the Standing Committee on Human Resources, Social Development and the Status of Persons with Disabilities and knows very well what I mean when she asks her question. The minister himself acknowledged it: the \$54 billion were siphoned off. That should not have been done. These \$54 billion do not belong to the treasury but to working people and their employers. It will not pose any great problem for the treasury if these \$54 billion are paid back over the years, as the Standing Committee on Human Resources, Social Development and the Status of Persons with Disabilities suggested, at a rate of \$1.5 billion a year. It also suggested that the new account—as well as the board—should be constituted first from some of these funds.

When the government takes out a loan from someone, it pays the loan back. It does not tell the creditor that it used the funds for some other purpose and now they are gone and the creditor should understand it was money well spent. The creditor would tell the government that it still owes him the money. Why would the government not do the same for employers and working people? It owes them the money. That is how it is entered in the national accounts, that \$54 billion from the EI account were used for other purposes. This money should be considered, therefore, as a loan.

The reverse approach, as advocated by our colleague, the parliamentary secretary, is to say that it is okay to cheat. Because it is cheating. If that cannot be done for one particular person, why can it be for someone else? The government says that if it has to help out the EI account, the account will have to pay the treasury back.

Why should the reverse not apply as well when the national treasury dips into the EI account and uses it for other ends?

That is my answer. It seems to me it is as easy as pie. Trying to reason in some other way is contrary to all common sense.

•(1215)

[English]

Mr. Wayne Marston (Hamilton East—Stoney Creek, NDP): Mr. Speaker, I want to thank the member from the Bloc for his heartfelt and well-informed speech today. Many Canadians will realize that for the last 15 years they have lived under two governments, first the Liberals and now the Conservatives. They have spent most of their time supporting big corporations and very little time on the needs of Canadians.

The member for Markham—Unionville was speaking earlier. He talked about how his leader, the Liberal leader, had called for the very tax cuts, the \$14 billion every year in tax cuts from big corporations which has taken away the fiscal capacity of government to enact new programs to help Canadians. We are very concerned about that in the NDP.

Business of Supply

We also had the Liberals that had five surpluses, three majority governments and siphoned \$50 billion off the EI fund. They did not get it done. In fact, Canadians fell farther and farther behind during that time period.

The Liberals cannot have it both ways. They cannot take \$14 billion out of the capacity of the country and expect to do this new program that they are talking about. How can they fund it? They are going to have to raise taxes and there is no doubt about that.

As far as this motion that is before the House today, I heard the passionate call from the Bloc to the Liberals to vote down the government, to stand with the Bloc and the NDP and do that here today. We know that is not likely to happen. The Liberals will likely vote for the interests of the Liberal Party instead of the interests of Canadians.

[*Translation*]

Mr. Yves Lessard: Mr. Speaker, I thank our colleague for his question. The Conservatives and the Liberals want us simply to forget the \$54 billion. They often use the expression “it is theoretically \$54 billion”. But the money that working people and employers put into the account was not theoretical. It was the real thing and it was used for other ends. To the contrary, we must never forget these \$54 billion.

They want to push their siphoning further. They say not only that they siphoned this money off but they want to justify it by saying the money was put to good use and should be forgotten now. No, to forget it would be to betray the workers and their employers, and we are not in the habit of doing that.

Mr. Peter Julian (Burnaby—New Westminster, NDP): Mr. Speaker, I thank my colleague from Chambly—Borduas very much for his speech. The question that the NDP has raised in the House today is an important one.

I would like to come back to a question we discussed here in the House a year and a half ago: the softwood lumber agreement. A lot of this decline in family income that we are seeing under the Conservatives, as we saw under the Liberals, is due to the fact that there has been a hemorrhage in the softwood lumber industry in Quebec as there has been elsewhere in Canada. We have lost a lot of plants in British Columbia. We have lost thousands and thousands of jobs in Quebec as well because of the ratification of the softwood lumber agreement. The Liberals supported the Conservatives, but so did the Bloc, unfortunately.

I would like to ask the member whether today, now that he knows the devastating effect that the softwood lumber agreement has had on the softwood lumber industry in Quebec, he regrets supporting it and understands that it was obviously not in the interests of Quebecers.

Mr. Yves Lessard: Mr. Speaker, that is a good question, and I am glad that my colleague has asked it because the New Democrats often come back to that question.

It is a question of democracy, and it is based on an understanding of how things work in Quebec. The NDP unfortunately finds it difficult to understand this. The NDP’s name contains the word “democratic”. The New Democratic Party, while it is less new than before, is the democratic party.

In Quebec, everyone was aware of what was happening because a lot of communities—we are talking about 760 or 763 communities—depend on the lumber industry. Everywhere in Quebec, people were watching what was happening. They were very aware of the softwood lumber situation. It was debated. Everyone affected—employees, unions, the industry itself, employer organizations, the whole forum of the industry—unanimously agreed that this settlement had to be made. It was not a good settlement for them, but in the circumstances, it was a settlement that would let them keep their heads just above water, while they waited. It was a strategic choice; they had no choice.

We voted for the agreement because Quebec said unanimously that it had to be done. Is our colleague telling us that we should have gone against the wishes of Quebec? And he persists in saying this. No, Mr. Speaker, we work—

• (1220)

The Acting Speaker (Mr. Andrew Scheer): The member for Burnaby—New Westminster.

[*English*]

Mr. Peter Julian (Burnaby—New Westminster, NDP): Mr. Speaker, I will be sharing my time with the hard-working member of Parliament for Windsor West.

I am very proud to be speaking today in the House on this motion sponsored by the NDP, which expresses no confidence in the Conservative government for its completely unbalanced economic policy.

It is no surprise that the Conservatives are continuing the same unbalanced economic approach that we saw from the former Liberal government and that we saw from the former Conservative government before the Liberals came to power.

What we have seen essentially over the past 20 years is a steady economic degradation in the lives of working families from coast to coast. The figures are pretty compelling. Most working families sitting around their kitchen tables tonight, after their shifts, are going to be talking about the fact that they are earning less now than they were even 20 years ago.

Two-thirds of Canadian families are earning less than they were in 1989 when the Conservative government pushed through the Canada-U.S. Free Trade Agreement. Subsequent to that we had the Liberals pushing through, with the Conservatives, the NAFTA. We have essentially seen, through trade policy, that those agreements have benefited the wealthiest citizens in Canada. Most working families are earning less.

The trade policies that the Conservatives put forward, like the Liberals before them, are policies that are structured around the boardroom table and not structured with the interests of those who are sitting around kitchen tables.

Let us talk about what the results of the last 20 years have been because the NDP has been very clear. We want to renegotiate NAFTA. It has not been in the interests of most Canadian working families and we have been very clear about that.

Business of Supply

We are the only party in the House that says to Canadians that things have not worked. The bottom line is that these trade agreements have failed and we are going to go back and renegotiate. Happily, as members well know, we now have the two leading contenders for the Democratic nomination in the United States, who are running for president in November, agreeing with the NDP and saying it has to be renegotiated.

As members also well know, the PRD, the major opposition party in Mexico, is also saying the same thing, so what we have is increasingly, progressive forces in all three countries saying it has not worked.

What has happened over the last 20 years is that middle class Canadians essentially have lost about \$1,000 in real terms out of their pockets. They are actually earning less now, about a week's wages, than they were back in 1989. For lower middle class Canadians, they have actually lost even more, probably about \$1,200 because they have lost on average two weeks of income for each and every year since 1989, and for the poorest Canadians, as my colleague from Sault Ste. Marie said earlier, the income decline has been catastrophic. They have lost a month and a half of income, on average, which is close to \$2,000 for each and every working family across the country.

For the Conservatives to pretend that everything is fine is simply ridiculous, but they talk to the wealthy, and the wealthiest of Canadians now take half of all the real income in Canada. Their income has gone up 20% in that same period, so if the Liberals and Conservatives are only talking to corporate lawyers and the wealthiest people in society, I guess they get kind of out of whack. They simply do not understand the economic fundamentals and the failures that we have seen from the current Conservative government and the former Liberal government.

The statistics are compelling. Two-thirds of Canadian families are earning less and we now have levels of income inequality that we have not seen since the Great Depression. It has been a catastrophic failure of economic policy and economic fundamentals. The most catastrophic impact has been on younger Canadians, a generation that has been completely lost by both the Liberals and the Conservatives over the past 20 years.

We know full well now that we are talking about record levels of student debt, levels that are incomprehensible to people in this House who represent the NDP, who see how willingly the Conservatives and Liberals shovel money at the corporate sector in corporate tax cuts. They just never seem to be able to shovel enough money off that truck, yet for poor students in this country, the average debt level is now \$26,000. Statistics Canada tells us some other things about that younger generation. Those same individuals now come into a job market with far lower wages than existed 10, 15 or 20 years ago.

• (1225)

Most of the jobs that the Conservatives love to say they are creating are part time and temporary. If someone has three part time jobs for a couple of hours each a week, according to the Conservatives the workforce has been tripled. It simply is not true. We have seen a hemorrhaging of manufacturing jobs and family sustaining jobs. There have been one-quarter million jobs lost on their watch.

At the same time what they have managed to create is part time, temporary jobs, nothing that will allow students to pay off their record levels of student debt. Another thing the NDP opposes is that those jobs, because they are part time and temporary, do not come with pensions and benefits. The generation that we are sacrificing with record levels of student debt, created by the Liberals and continued by the Conservatives, are the same individuals who are earning less to pay off the debt. When they finally manage to get through the process of paying off their student debt, when they reach retirement age, most of them will not have access to company pensions. What are we doing to the nation's youth when we mortgage them to that appalling extent?

Liberals and Conservatives have been doing the same thing now for 20 years. That takes massive change and that is why I think more and more Canadians are looking to the NDP.

I come from British Columbia where we have seen the effects of Conservative economic policies. I guess that is almost an oxymoron because there is nothing about policy in their economic approach. It is simply one of shovelling money at the corporate sector. We have seen the impact of the softwood lumber agreement. There have been 10,000 jobs lost in British Columbia since the agreement was pushed through with the support of the Liberals and unfortunately the support of the Bloc.

We had a change in government in British Columbia which brought in a Liberal government. The median figures are very compelling of what the Liberals have done provincially, along with the federal Liberals and Conservatives, to British Columbia. For most British Columbians since 2001, since the B.C. Liberals came to power, their median income has gone down. This is for all age categories up to the age of 55. We are seeing that for individuals at the ages of 20, 30, 40 and 50 their real income has gone down. They are earning less now than they were when the NDP was in power. These are compelling economic facts. It is the compelling economic bottom line.

In this corner of the House we are not economic cheerleaders, unlike the Conservatives and Liberals who like to say that everything is going well because the wealthy in Canada are doing well. We are the ones who look at the hard facts. We are the ones who look at the figures. We are the ones who say this has been a fundamental failure of economic policy and that is why we cannot express confidence in the Conservative government.

The Liberals of course, as is their wont, will continue to support the Conservatives, continue to prop up the Prime Minister regardless of what that means for ordinary working families, regardless of what that means for the middle class, regardless of what that means for poor Canadians. The Liberals will simply prop up the Conservatives. But they have an opportunity now, given the hard economic facts that Statistics Canada gave to them last week, to actually stand up in the House and say that these economic failures mean that the government has failed and we need to go back to the Canadian people and have the Canadian people judge based on what is happening to their family income and what is happening when they discuss things around their kitchen tables.

Business of Supply

[Translation]

And so solutions do not come about through magic. It is very simple: we need social policies, industrial policies, policies to support our industries, including the manufacturing industry, the auto industry and the softwood lumber industry.

We need the government and the public sector to get involved. Given the weak economic policies we have had for the last 20 years and the total failure of those policies, the NDP is the only party saying essentially that we have to go in a new direction, one that takes into consideration the importance of the public sector and that thinks it is important to raise family income across the country rather than lowering it. The NDP is the only party that is offering this economic alternative.

• (1230)

[English]

Mr. Dean Del Mastro (Peterborough, CPC): Mr. Speaker, earlier I rose after the speech of an NDP member to comment that the motion does not seem to make any sense with the realities of Canada's economy today.

That said, I do respect that the NDP members legitimately stand for what they are speaking about today. We hear Liberal members speaking to issues in which they say they believe, but in 13 years they did nothing about them, and if they were given 13 more years, all indications would point to their continuing to neglect Canadians in the same fashion.

There are over 17 million Canadians, a record number of Canadians, working today. We have created over 800,000 jobs. There is no question there is some weakness within given sectors, but overall the Canadian economy is doing incredibly well.

We are outperforming every economy in the G-7. As I said, we have record low unemployment. Unemployment is at a 33-year low. We are the only country in the G-7 running an ongoing fiscal surplus and paying down debt. We are reducing taxes in every way that the government collects taxes. At the same time we had year over year average wage increases for Canadians of 4.5%. That is a record.

Why would the member support the motion? It is silly.

Mr. Peter Julian: Mr. Speaker, a wise person in my riding said, "Yes, I guess the Conservatives are creating some jobs. I've got three of them". That is exactly the point. The Conservatives have created part time service jobs. A person can get a minimum wage job, or two or three of them for three or four hours each a week, but a person cannot sustain a family, rent an apartment or buy a house with those crappy jobs. That is what the Conservatives are experts at: creating crappy jobs. They have destroyed the good manufacturing jobs, the softwood industry jobs, the jobs that sustain communities, the jobs that actually provide additional positions, because when we create one full time manufacturing job or one full time softwood industry job, we are creating another 2.5 indirect jobs that are good, wage paying jobs. This is the reality.

The Prime Minister learned his economics from a text book. He never had to balance a budget. He never actually had to do any real work. He never had to meet a payroll. He learned his economics

from a text book and it shows the lamentable inability of the Prime Minister and the Conservative caucus to actually manage.

The bottom line economic results have been very clear. That is why we are expressing non-confidence.

[Translation]

Mr. Paul Crête (Montmagny—L'Islet—Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, the Bloc Québécois will support the NDP motion. We believe that there are two aspects of the motion that particularly deserve our support.

There is the fact that the government's economic agenda is completely inefficient and does not get the desired results because the government has adopted a laissez-faire attitude. Then, there is the scandal of the \$54 billion taken from employment insurance that will remain in the government's coffers. These two reasons alone would justify moving a non-confidence motion and giving the public an opportunity to decide on the outcome in an election.

This just confirms what was in the papers today, about the widespread tax cuts offered to big corporations. Not only will they take away the government's ability to intervene, but they will also have more impact in the oil-producing provinces, which are currently very economically viable.

For example, Alberta and Newfoundland have corporate profits worth almost \$16,000 per resident, while the rest of Canada averages \$4,500 per capita. When the taxes of multinational companies are reduced, they end up with more money. This will widen the gap between the provinces.

Is the role of the government not to ensure there is leeway to help the manufacturing industries, so that Quebec and Ontario, for example, can grow? The government's role should not be to widen the gap.

• (1235)

Mr. Peter Julian: Mr. Speaker, the member is absolutely right. The Conservatives have the same laissez-faire attitude as the Liberals. They both cut taxes for big business, which benefits only the wealthiest members of society, who now account for half of the income Canadians make. All other Canadian families are now poorer than they were a few years ago. They are certainly poorer than they were 20 years ago. These economic policies are a dismal failure.

[English]

Mr. Brian Masse (Windsor West, NDP): Mr. Speaker, it is a pleasure to join my colleague from Burnaby—New Westminster and to support the NDP motion on the economy and jobs in the middle class. It is worth fighting for across the country, not just in Windsor, Ontario which I represent, but in London, Kitchener, all the way along the 401 to Toronto, as well as St. Catharines, all those areas where we have seen economic devastation. It is important to fight for these jobs for the rest of the country as well. People in British Columbia all the way to Prince Edward Island and Newfoundland and Labrador understand that when Canadians do well, we all do well together.

Business of Supply

These policies of the Conservative government supported by the Liberals are shrinking the middle class and it will be very difficult to get it back. There is that element of Canada's history where we have had prosperity and a lot of different elements that created our great social fabric which has made us a leader in the world. That will disappear. We do not want that to happen.

I do not necessarily want to go to another election. I fought in elections in 1997, in 2000 when I was elected to city council, in 2002 in a byelection, in 2004 and in 2006. I do not need another election, but we have to go to one right now because it is necessary to save these jobs.

There are calls to my office every single day. We are witnessing people's dreams going up in smoke because there has not been the proper strategy and economic planning that should have been there during times of prosperity. The policies right now are stripping us of our capability to compete in the world. These are not nameless people. They are people in my constituency.

I have heard Conservative members say in this chamber that they believe in the mobility of work, that a person should just find a job somewhere else. That is no way to build a community. That is no way to raise a family. That is no way to develop a country that competes in the world, that people should have to move all over the place just because the proper policies are not in place.

Let us talk about specific people in my constituency. Jennifer is a 39-year-old single female who has two college degrees and skilled training in the tool and die and mould making industry. She has done everything right. She has invested in and paid for her education. She is a law-abiding citizen. She has been laid off from four different companies, two of which have actually gone bankrupt. Why would that happen when we are the best in the world at tool and die and mould making? Because our economic and trade policies subvert the efforts of workers. They allow other types of merchandise to get into this country, but we have no access to the other market. We have no supports in place.

An example is the rise in the dollar. Because the government wants to have a petrol industry as the sole provider for Canada, it escalates the Canadian dollar. No company or worker can benefit from that. The rise in the dollar cost them their jobs because it happened so quickly. That is not fair for someone like Jennifer. She has done everything right. What did she do? She went on employment insurance. She is one of the few women who can actually apply for employment insurance. That is a scandal in itself, something brought on by the previous administration and supported by the current one, where most women cannot even qualify for employment insurance.

Jennifer has tried. She has gone back to work for a number of different people. Her employment insurance is running out. What will happen now? She is on her last legs, and is selling her car and other assets. Her house is the last thing that she has. That is not fair. She is a skilled tradesperson. What has happened is not acceptable. We have led the world in that industry for many years and can continue to do so but the right policies need to be in place. This is happening at a time of indifference.

Look at the automotive industry. There have been 250,000 manufacturing jobs lost in the last number of years, and the automotive industry has taken a big hit in that: people in St. Catharines, Brampton, Oakville, London and Windsor, in southern Ontario we have seen some of the biggest losses. People are worried. They are sitting around the kitchen table looking for solutions, but they cannot do it alone. The government has to do its part.

The government wants to enter into another unfair trade agreement with South Korea and further sell out the automotive sector. Why? Because it is easy for the government to do. It is a feather in its cap. It is interesting because the government will let state owned companies that produce vehicles and subsidize them flood into our markets and cost our workers their jobs. The Conservatives are the people who brought in an eco-auto rebate program that actually sent money to Japan and Seoul, Korea and to those automotive manufacturers that got subsidies. That is wrong. We should be producing those vehicles here. We have the people with the skills and ability in the trades. They are willing to do it.

• (1240)

We have recently seen a number of unions put out good business plans on how to work together. They have led the charge. The CAW has always led the charge to try to bring more automotive jobs. It had to bring the previous administration and the current administration kicking and screaming to the table.

Why do we not have a national auto policy? Why do we not have proper trade policies? The United States does. It protected its shipbuilding and bus industries. It has tariffs on certain vehicles that go in to the United States. It does it because it recognizes those jobs are important, and it is hemorrhaging some of those jobs now too.

There is an opportunity right now for us to work collectively to improve human rights, labour and environmental standards that will protect Canadian citizens, provide jobs and be a better economic trading bloc, but the government wants to shut that down. It does not want to talk about that.

What are people to do in their communities? Are they supposed to all work at Wal-Mart? Is that the way it is supposed to be? It is wrong. Service jobs are fine. They are good for the economy, there is no doubt about it, but manufacturing counts. If people are interested in the real facts, they should go to www.caw.ca, the CAW website, and look at the economic studies that Jim Stanford has done. He is renowned and recognized.

Look at the TD Bank. It is no socialist think tank, but even it has recognized the fact that we are losing good jobs and lower wage jobs are now falling into their place. That is bad for everyone. It is bad when the coffers of Ontario, for example, go down.

Business of Supply

I take pride in the fact that Ontario has been able to provide for this nation, not only for my community and province, but for the rest of the country, and build it from coast to coast to coast. We are gutting the manufacturing sector by rapidly accelerating the Canadian dollar and not having manufacturing or auto strategies when other countries have these elements. It is wrong and we lose capacity.

There is one very interesting element that has not been talked about enough in this debate and it should be. When we gut our manufacturing base, we gut our ability as a nation to have full independence. We have to rely on others to do the hard work, when our own people can do that. They can build the tools and moulds and assemble. We have the natural resources. We know that the secondary work, after natural resources, is where the real money is. Why does everything have to be about shipping it out somewhere else for the secondary work to be done? Why can we not do that here like we have in the past?

We have unfair trading practices, for example, in the textile industry, where there has been dumping. The WTO has provided a remedy for that. It had a tariff element that we could have put in place to save some of the jobs here, especially in Quebec. The United States took the WTO up on that, but we did not. We sat around and let it go by, and that is unacceptable.

Other policies are important. I just came from the transport committee. We know the government has tabled Bill C-43. In my riding, as everyone knows, is the busiest international border crossing, with 40,000 vehicles and 10,000 international trucks going through it every day. The public safety minister has tabled a bill that changes the Customs Act.

The transport department has not work with him. What happens if they do not work together? The two separate chambers create laws that add to more backlog and other issues. That is unacceptable. The lack of infrastructure spending is incredible, whether it be the railway, the airline industry or our roads.

I would not get up and say nothing has been done by any of the previous administrations or the current one. Stuff has been done, but we are choosing the wrong priorities right now. Instead of investing in Canada, we have general corporate tax cuts. To stay competitive and prosper, we have to invest. The decision for large corporate tax cuts as opposed to investing in our railway system, our roads and in air is costing us competitive advantage.

It is important to note that. As we make that choice, we lose opportunities. Other nations are making the choice to invest in those things. That is why the NDP supports motion. At the end of the day, the middle class income earners need sustainable jobs in order to raise their families with dignity and send their children for university and college educations so we can compete with the world. If we do not, we will be left behind.

• (1245)

Hon. Roy Cullen (Etobicoke North, Lib.): Mr. Speaker, I think the member for Windsor West is definitely on to something. The Conservative government has been in power for two years plus and keeps talking about how it is getting the job done. It is not getting the job done when it comes to the incomes of working and middle class Canadians.

The Conservatives inherited a very strong economy when they formed government in 2006. The Liberals had record surpluses, low unemployment, a strong fiscal capacity, and good growth prospects. What did the Conservative government do? It spent money and left the cupboard bare.

The Bank of Canada estimates that growth this year could be 1.4%. At that rate, we are heading into a deficit.

The Conservatives keep saying that they are getting the job done. What kind of flexibility do they have to deal with the challenges facing low income and middle class Canadians? They have taken away the flexibility our Liberal government gave them in 2006 when they formed government.

Mr. Brian Masse: Mr. Speaker, I know the member works hard in the House, but with all due respect, it is difficult to hear him and his party continually support these policies. The current tax cuts have basically been led by the Leader of the Opposition from day one. In fact, he called for deeper tax cuts.

Let me explain the difficulty the NDP has with regard to the current system and how the economy is hurt by this. Let me use as an example the auto sector versus the oil and gas sector, which already makes record profits. These tax cuts are going to give the oil and gas sector record windfalls.

A tax cut will not do any good to a tool and dye mould-maker in the manufacturing sector that is losing money. Companies cannot invest in new technology and new resources so they can compete. They wither on the vine, and that has been happening.

This is why the economics sector is saying this is nuts. The sector is saying this does not make any sense. Why should the banks and the oil and gas companies continue to get record windfalls at the expense of working Canadians?

Mr. Dean Del Mastro (Peterborough, CPC): Mr. Speaker, I guess we are learning as we go here. The Liberal Party now refers to excess taxation as flexibility. I suppose there were \$52 billion in flexibility in EI when the Liberals were government, since they ran enormous surpluses. They did not create a specialized fund for EI. All the money went to general revenue. The \$52 billion the Liberals ran in surplus were really a tax. I guess that was flexibility.

When the Liberals talk about flexibility, what they really mean is they like to tax Canadians to death. They like to have enormous surpluses, which they cut up and give to their friends. They only talk about that when they are caught.

The member knows the numbers he has quoted are not accurate. He knows that year over year salary increases are up by 4.5%, so we are creating good paying jobs. Canadians are going into better paying jobs. However, there is no question there is sectoral weakness.

The member talked about the dollar. He knows the Canadian government has no influence over it.

Is the member aware of the economic benefit of the strength of Canada's energy industry to Ontario and to southwestern Ontario? Over \$88 billion in procurement for Ontario alone are from Alberta's energy sector. Is he aware of that?

Points of Order

● (1250)

Mr. Brian Masse: Mr. Speaker, the member can continue to disregard economists, the banks and all those who have come forward with these facts if that is what he wants to do. He can put his head in the sand if he is comfortable with that.

Yes, some industries are prosperous right now, and that is good. We do not have a problem with that. However, that does not mean others should get left behind. That does not mean there is no collateral damage. We need to ensure the men and women who work hard in those industries should not be victims in the crossfire. They should not be the ones to pay the price.

Other countries have policies in place that cost Canada jobs. We need to have policies in place to deal with this. We cannot surrender and throw up the white flag and celebrate because some industries get ahead while some go down. Our country is not made of that. We do not leave people behind in our country. We have to ensure our policies protect Canadian jobs.

* * *

POINTS OF ORDER

ORAL QUESTIONS

Hon. Bev Oda (Minister of International Cooperation, CPC): Mr. Speaker, yesterday in question period the member for Timmins—James Bay noted some discrepancies in the proactive disclosure of my expenses while I was minister at Canadian heritage.

I thank the member for pointing out these discrepancies. My expenses have been reviewed and the proactive disclosure is in the process of being updated. These were administrative errors, and we are correcting them.

The Acting Speaker (Mr. Andrew Scheer): I think the House appreciates that clarification.

* * *

[Translation]

BUSINESS OF SUPPLY

OPPOSITION MOTION — THE ECONOMY

The House resumed consideration of the motion.

Mr. Jacques Gourde (Parliamentary Secretary to the Minister of Labour and Minister of the Economic Development Agency of Canada for the Regions of Quebec, CPC): Mr. Speaker, I will be sharing my time with the member for Blackstrap.

I am pleased to rise today to speak to the opposition motion.

There is no doubt that Canada is now facing a number of economic difficulties. The economy of the United States, our primary export market, has slowed, particularly in the housing sector. Global economic growth has also slowed in the wake of turbulence in international credit markets.

Despite these difficulties, we remain strong, and the fact is that the Canadian economy has weathered these times well compared to the United States and other countries. That is clear from the spectacular number of jobs that have been created.

So far this year, the Canadian economy has created over 104,000 new jobs, 14,000 of those last month alone. In the past 12 months, 325,000 new jobs were created, and over 813,000 jobs have been created since we came to power in 2006. I would also like to take this opportunity to remind the members that as a result of this growth in jobs, the unemployment rate has been at its lowest in 33 years.

This increased employment extends to every province of Canada. In Newfoundland and Labrador, for example, 2,500 people have found jobs since January, and in Ontario, the number of new jobs is more than 57,000. In British Columbia, 25,000 jobs have been created and in Alberta, more than 10,000 new jobs have been created since January. In Quebec, Manitoba and Saskatchewan, at least 3,000 new jobs have been created.

In the majority of cases these are full time jobs. Since January, more than 94,000 full time jobs have been created, which amounts to 90% of all new jobs.

These impressive figures on job creation reveal only one aspect of the situation. Automobile sales and consumer spending are increasing. The Canadian economy continues to grow and the finances of Canadian businesses and households are strong. Inflation remains low, stable and predictable and we have reduced the public debt to a level not seen in this country since the 1950s.

This government has worked to create the conditions that will allow the private sector to do what it does best: to create jobs and contribute to the prosperity of Canadians.

Just 18 months ago, the government unveiled Advantage Canada, its long term economic plan to make Canada a world economic leader.

The plan focuses on the creation of five advantages for Canadian companies. The first is a tax advantage that establishes the lowest tax rate on new business investment in the G-7. Another fiscal advantage will eliminate Canada's total government net debt in less than a generation. The third is an entrepreneurial advantage that will reduce unnecessary regulation and red tape. The fourth is a knowledge advantage that will create the best-educated, most-skilled and most flexible workforce in the world. Finally, the infrastructure advantage will consist in investing in modern, world-class infrastructure.

I would like to conclude by commenting on the government's recent measures to develop Canada's infrastructure advantage, an advantage that will improve our ability to compete in the automobile sector.

The Canadian automobile sector represents the largest manufacturing activity in the country and accounts for almost one-quarter of our merchandise exports. The sector provides direct employment to more than 150,000 workers. The Canadian automobile industry is part of a closely integrated supply chain network that crosses the border between Canada and the United States. Some parts may cross the border several times before reaching an assembly plant.

The Ambassador Bridge is an essential link in this network, and it is mind-boggling to realize that 40% of all trade between Canada and the United States travels across this infrastructure.

Points of Order

•(1255)

The Ambassador Bridge carries more than 8,000 semi-trailers on a typical day. It is a privately owned structure that was built in 1928, before the Great Depression. It carries more trade annually than the entire trading relationship between the United States and Japan.

As we all know, that bridge is well past capacity. It therefore represents a potentially devastating weak link in the supply chain of our auto trade.

In budget 2008, our government committed \$400 million as part of our promise to fund 50% of the eligible costs of improving the Windsor–Detroit crossing.

This will help fund the construction of a new route that will link Highway 401 to the new bridge. The goal is to have a new crossing by 2013, and we are determined to build this bridge as part of building a stronger auto sector, with a view to facilitating the transport of vehicles and parts.

The Ontario Chamber of Commerce called the construction of this new route a critical step towards opening this new international crossing. I would like to quote the president of the Chamber of Commerce, Len Crispino, who said improving the flow of traffic at the border is a “matter of national and international urgency”.

I would also like to share with my colleagues what Mark Nantais, president of the Canadian Vehicle Manufacturers' Association, said in response:

It is absolutely crucial for the automotive industry to be assured that the border crossings are reliable and predictable in order to accommodate just-in-time delivery on both sides of the border.

This investment will help support the existing automotive manufacturing in Windsor and across Ontario, and will help make the province more attractive for future jobs and economic growth.

I would like to point out to the members that this investment comes in addition to the \$75 million from this government over two years to fund the Canada Border Services Agency in order to further facilitate the movement of goods and services.

It is also in addition to the \$250 million we announced in budget 2008 to support innovation in the auto sector.

The Canadian economy has never been so strong. We have taken concrete measures to ensure the competitiveness of Canada's auto industry and we have laid the foundation for Canada's long term economic growth through the delivery of the Advantage Canada plan.

[*English*]

Mr. Wayne Marston (Hamilton East—Stoney Creek, NDP): Mr. Speaker, with the Liberal leader cheering on the finance minister when the budget was passed, he allowed \$14 billion to be taken, each and every year, out of the fiscal capacity of our country, which is a huge loss in the capacity of the current government, or any government, to help those Canadians who are not part of the new jobs the member is talking about.

In Hamilton, in particular, over 93,000 people are living in poverty, mostly women and seniors who are falling further and further behind. We know the private sector will not stand up to protect seniors and women. That is the government's job. When will

it take up that challenge and start defending the people who are at the bottom and not those who are at the top all the time, not the corporations it always supports, but the average working family and those who have the misfortune of being unemployed or retired on a fixed income?

•(1300)

[*Translation*]

Mr. Jacques Gourde: Mr. Speaker, as we mentioned in the Speech from the Throne, “our Government will continue to invest in our families and our future, and will help those seeking to break free from the cycles of homelessness and poverty.”

We are currently making significant investments to help families and individuals: \$13 billion in benefits for families with children, including the universal child care benefit and the new child tax credit; \$9 billion in programs for Canadians with disabilities; \$30 billion in income support for seniors; budget 2008 includes increased support for low income seniors who are still working; and also \$550 million through the working income tax benefit.

[*English*]

Hon. Keith Martin (Esquimalt—Juan de Fuca, Lib.): Mr. Speaker, I have a fairly simple question for my hon. colleague with regard to the GST reduction that his government put forward.

The GST reduction will cost the government coffers about \$12 billion. It, preferentially, will help those who make more money because, obviously, the more one spends the more one gets back. The people who are the poorest do not derive much of a benefit from it because most of their money is spent on food and rent, which are GST-free.

Rather than reducing the GST two percentage points, does my colleague not think that it would have made more sense to take that money and put it into things such as lowering tuition rates for students; implementing a refundable tax credit for the poor, particularly those who make less than \$20,000 a year; working with the provinces to establish a country-wide strategy for affordable housing; or putting money into health care for those issues that affect those who are living on the street?

In my view, those things would have been a much more prudent and effective use of limited taxpayer funds. Twelve billion dollars could go a long way toward helping those people who are the poorest in our country.

[*Translation*]

Mr. Jacques Gourde: Mr. Speaker, our government has kept its promise to reduce the GST, which has gone from 7% to 5%. The GST cut provides a tax break to all Canadians, even those who do not earn enough to pay taxes.

Keeping the GST credit at the same levels, even though the GST was reduced by 2%, translates into \$1.1 billion for Canadians of low and modest income every year.

Points of Order

The government is also ensuring that working is more advantageous for more than 1.2 million low income Canadians, thanks to the working income tax benefit.

Budget 2008 reinforces these measures by making it easier for Canadians of low and modest income to save. More specifically, the new tax-free savings account, TFSA, is not subject to any clawback provisions. Neither the income nor the capital gains accumulated in a TFSA will have repercussions on eligibility for income based benefits, such as the guaranteed income supplement.

Budget 2008 also provides financial assistance measures for low income seniors who are still in the workforce by increasing the amounts they can earn before the guaranteed income supplement starts to decrease.

[English]

Mrs. Lynne Yelich (Parliamentary Secretary to the Minister of Human Resources and Social Development, CPC): Mr. Speaker, I thank the hon. member for Sault Ste. Marie for raising the important subject of employment insurance.

I find it amusing when he claims that the government refused to reform the EI program when it was this government that brought about the greatest and most important reforms to the EI program in more than a decade. Our government proposed reforms in budget 2008 to ensure that the pilfering of billions of dollars from the EI surplus by the Liberal Party could no longer occur.

The NDP bemoans that theft every day but when the government made moves to fix it, the NDP voted against every measure.

This government has demonstrated our commitment to ensuring that the EI program continues to serve Canadians for many years to come. The NDP, on the other hand, has supported about a dozen private members' bills that proposed more than \$17 billion in new annual program spending from the EI program. Spending that amount would bankrupt the system in just a few short years. I guess that is the benefit of being a party in perpetual opposition. It does not have to worry about the long term consequences of what it proposes.

On this side of the House, we do worry about that, which is why we have made meaningful and important changes to support unemployed Canadians and the EI program now and in the future. This government promised, when we were in opposition, to fix the employment insurance and we have followed through on that commitment.

The commitment includes the announcement in budget 2008 to create a truly independent employment insurance account.

Before discussing these measures, however, I would like to remind the members of the many actions the government has taken on the EI to improve the effectiveness of the program. Our goal and this government's priority has always been to help Canadians participate in the labour market. We believe that the best path out of poverty is to provide people with the skills and the opportunity to acquire good, well-paying jobs, jobs that will allow them to support themselves and their families.

The NDP's priority, on the other hand, is to promise billions in new spending that would bankrupt an important program used by unemployed Canadians in need of temporary support and assistance.

As I said, this government has made several important reforms to the EI program. We have expanded eligibility for compassionate care benefits, making them accessible by recognizing a broader range of family relationships, and improving the administration of the benefits to ease the burden on the gravely ill and their families.

We have also launched a pilot project to examine the effects of providing additional weeks of benefits to those in high unemployment regions and we have extended EI transitional measures for two regions in New Brunswick and Quebec to provide easier access to employment insurance and longer benefits for unemployed workers in those regions.

In making the reforms that I have outlined, the government has taken a measured approach, making specific targeted changes to address specific issues or areas of concern.

The NDP, by contrast, simply supports every proposed measure to increase benefits, which would drain the EI program and leave Canadian workers without an important safety net.

In making these changes, we have always been conscious of the need to protect those individuals who need the program the most. That is why the government has made significant investments in skills development. These investments include labour market agreements with the provinces. Through these agreements, we will invest \$3 billion over the next six years to help people get the training they need to find and keep good quality jobs.

In budget 2008, our government delivered on its commitment in the Speech from The Throne to improve the governance and management of the employment insurance account. Going forward, we will establish the Canada employment insurance financing board as a small crown corporation working at arm's length from the government. This will ensure that EI surpluses can no longer be used to fund the political priorities or pet projects of the government of the day. Any EI surplus funds will be used to reduce EI premiums and increase EI benefits.

● (1305)

For too long, EI has been just another tax on employers and employees, a tax that Liberals used to announce legacy projects at election time and a fund they dipped into shamelessly to buy votes and award their corporate friends. That is the kind of thing that will never be permitted to happen again, thanks to the actions of this government.

It is also important to note that budget 2008 committed to funding a cash reserve of \$2 billion in this new account. This amount of \$2 billion is being established as a contingency fund to ensure that premium rates remain stable and predictable.

In the unlikely event that the reserve is insufficient to cover any deficit in the EI account, Canadians can be assured that the Government of Canada will continue to pay EI benefits with funds from the consolidated revenue fund.

Points of Order

Our approach addresses concerns expressed by a whole range of stakeholders, including employers, employees, labour groups and chambers of commerce across the country.

The Canada employment insurance financing board will be run by directors who have the necessary skills and expertise to effectively carry out the organization's mandate.

The Prime Minister promised to put an end to the era of patronage in Ottawa. That is why the government has mandated that the members of this board will be selected based on merit, following recommendations from a nominating committee that includes the commissioners for workers and employers. Through this process, business and labour will play a role in ensuring that only the most qualified individuals are selected to manage decision making around the setting of EI rates and management of the reserve fund.

Our plan is one that looks to the future and ensures independent decision making regarding the management of employment insurance funds and making sure that these funds are used only to pay for employment insurance benefits. It ensures that premium rates reflect actual program costs and take into account investment returns so that Canadians pay the right premium rate, just sufficient to cover the cost of benefits received, no less, no more. It ensures that the program is on firm financial footing going forward. Finally, it ensures that the program is well positioned to withstand changing economic conditions.

These are responsible and long overdue changes. They are financially sound. They make sense for the workers and employers who pay the premiums and use the program.

I must point out that they are changes the New Democratic Party voted against. Thankfully, the Liberals have seen the error of their past ways and have allowed the budget to pass so that we can finally reform this important program.

Our approach to employment insurance financing is the same as it has been to all the improvements we have made to the EI program. We have combined sound management with good governance. We have sought to protect people while they are unemployed and provide opportunities for them to gain the necessary skills to participate fully in the labour market.

This is the approach we will continue to take. It is an approach that my hon. colleague ignored when he put this motion forward.

• (1310)

Mr. Yvon Godin (Acadie—Bathurst, NDP): Mr. Speaker, the member raised a question about this new kind of crown corporation for employment insurance, at arm's length to the government, to decide what the premiums will be.

Here is what I would like to know from the member. When we raise a question in the House about crown corporations, for example, about CBC or Radio-Canada, the minister's answer is always that it is at arm's length to the government and the minister will not answer the question. When we raise a question about Canada Post, for example, it is the same thing. We are told the minister cannot answer and that we should go and see Canada Post because Canada Post is at arm's length to the government.

Is that not what would happen with employment insurance? When elected members of Parliament want to question what is happening to the employment insurance fund, we will not be able to raise questions for Canadians in the House of Commons because we will be treated the same way we get treated with regard to the other crown corporations. That is my first question.

Next, regarding the \$2 billion that has been put into the employment insurance account, when the Conservatives were in opposition they were promoting the fact that if they were to be in power they would put back in the EI fund in the next 10 years the \$55 billion or \$57 billion that was taken away from the working people.

Did they change their minds? Or are they saying, "No, no, start living, member for Acadie—Bathurst, and start to look to the future" because the government has spent all the money already? I would like to hear the hon. member's comments on that position the Conservatives had when they were in opposition.

• (1315)

Mrs. Lynne Yelich: First, Mr. Speaker, the member has to understand that the new crown corporation will be there just to manage and govern the \$2 billion fund. As parliamentarians, we will be watching over the benefits. Also, the EI programs will still be delivered by the government. He has no worries about having to ask any questions. It will be an independent board that will be overseeing the rates and ensuring that there are no surpluses.

A \$54 billion surplus is what has driven us to reforming the EI account. He knows as well as anyone that there is no \$54 billion. It has been spent. Just this morning, in fact, we heard from witnesses who continually told us that it was siphoned by the Liberal Party.

I do believe that the member does not have to worry about this being difficult for him to ask any questions about, because it is not going to be dealing with benefits. It will still be the purview of the House.

Mr. Dean Del Mastro (Peterborough, CPC): Mr. Speaker, I have been listening to the debate since it began this morning. People have talked about job losses while we know that jobs have actually been created in record numbers over the last two years and that these jobs have in fact been better jobs. They pay better. Of course that is supported by statistics that the NDP does not want to acknowledge.

Despite the doom and gloom being put forward by the NDP, the member is from Saskatchewan and I would love to hear her talk about what she is seeing in Saskatchewan. I know that the people got rid of the NDP government there. Maybe she could just talk a bit about what she is seeing in Saskatchewan and the new opportunity that has been created there.

Mrs. Lynne Yelich: Mr. Speaker, what I saw in Saskatchewan was really sad. I saw an NDP government ruling for 12 or 13 years and I saw everybody move to Alberta.

However, we now have a new conservative government there, and federally we also have encouraged the resources. We have encouraged science and research. Agriculture has benefited from this federal Conservative government. We now have a conservative government in power in Saskatchewan that is going to grow the economy, so we now are dealing with a labour shortage.

Points of Order

Just as I understand that B.C. will be short 350,000 workers, Alberta will require 100,000 and probably more as people all move back home to Saskatchewan. Ontario will need 560,000 more workers by 2030. Quebec will have 1.3 million job openings by 2016.

I just want to put on the record that there are labour shortages from coast to coast to coast and the economy is booming under this Conservative government and this Prime Minister.

Mrs. Irene Mathysen (London—Fanshawe, NDP): Mr. Speaker, today only one in three unemployed women collects employment insurance benefits. This number is down from 70% of unemployed women who collected in 1990.

Changes to employment insurance in the early 1990s under the Mulroney government reduced EI access for part time, seasonal and low income workers. Women, who account for about seven in ten of all part time employees, were therefore disproportionately and most negatively affected by these changes.

In 1997 the then Liberal government introduced more changes to the EI system. Eligibility for EI used to depend on the number of weeks worked. When the Liberal government converted EI eligibility to depend on total hours worked, it made changes that were grossly unfair to many workers. The government used the 35 hour work week as the average to calculate the new rate, but ignored the fact that women, on average, worked 30 hours a week.

Under the previous system, those working an average 300 hours in a 20 week period were eligible for EI. Devastatingly, the requirement for eligibility doubled or even tripled, excluding women from qualifying from benefits.

According to the Canadian Centre for Policy Alternatives, 40% of working women work in non-standard work arrangements. They are employed in part time or temporary, casual and contract work.

Many women hold multiple jobs or are self-employed. Those who are self-employed or work on farms will find they are not eligible for employment insurance at all.

On top of this, most women have to work shorter hours because of their caregiving responsibilities. They look after minor children, elderly parents or sometimes both.

Our workplaces are changing. No longer can people depend on finding full time work with an employer that lasts the rest of their lives. Many of my constituents are losing their jobs in the manufacturing sector as jobs are exported overseas and factories shut down.

These manufacturing jobs paid living wages and provided good benefits, allowing workers to retire in dignity with adequate pensions. Unfortunately, these jobs are evaporating, forcing workers, especially women, into non-standard work arrangements.

In 2004, 34% of jobs fell into this category. Some of these jobs are part time, temporary, contract work or casual, or require workers to be self-employed. Many workers need to hold multiple jobs to make ends meet.

Because these non-standard jobs have irregular or part time hours, they reduce eligibility, especially for women, to qualify for EI. Over

40% of women, compared to 29% of men, work in non-standard work arrangements.

Women who have to leave the workforce because of caregiving responsibilities are considered new entrants when they return to work. These women have to start from scratch to accumulate sufficient hours to qualify for employment insurance.

Quite simply, women suffer in our system, where eligibility is based on the number of hours. It is irresponsible.

It was irresponsible for the Liberal government not to take into account the difference in the workplace participation of men and women when redesigning the EI program in 1997. The current Conservative government has refused to make any changes to make EI more inclusive.

To compound the problems, the current government's budgets have failed to invest in strengthening our economy and have opted instead to reduce social spending in favour of tax cuts. Unfortunately, for 68% of Canadian women these cuts are meaningless, because they do not benefit. They do not earn enough to qualify.

Consecutive Liberal and Conservative governments collected EI premiums but forgot to distribute the proceeds.

Mr. Speaker, I need to tell you at this point that I am splitting my time with the member for Acadie—Bathurst.

The \$55 billion in EI surplus was not put into the pockets of unemployed workers, the people whose paycheques created that surplus.

Because our maternity and parental leave programs are based on the EI system, women once again are falling further and further behind. As well, due to a lack of safe, affordable housing and early learning and child care programs, women are insecure. It should come as no surprise that the birth rate in Canada is decreasing.

• (1320)

Without security, women and families cannot thrive and this is particularly poignant when we consider that the job losses in London, which number in the thousands and where I am the member of Parliament, include Vytex, Siemens, Beta Brands and auto sector jobs, and have increased with the recent loss of jobs at Jones and Sons. These are the jobs that sustain families and communities.

Manufacturing is a critical piece of the London economy. London is home to 40,600 manufacturing workers. It accounts for one in seven area jobs. It makes a substantial contribution to London's research and development capabilities as well as economic growth.

Points of Order

In 2006, London's manufacturing workers contributed \$422 million to provincial and federal income tax, supported \$109 million in municipal property tax, and generated \$14 billion in economic activity. This is a matter of fairness. These people deserve to have jobs.

There are, of course, solutions. The Standing Committee on the Status of Women in two reports, "The Interim Report on the Maternity and Parental benefits under Employment Insurance: The Exclusion of Self-Employed Workers" and in "Improving the Economic Security of Women: Time to Act" made very clear recommendations.

Some of the recommendations from these two reports included:

That HRSDC remove the two-week waiting period at the beginning of the benefit period for the receipt of maternity and parental benefits, thus making applicants eligible for benefits during the entire 52 week period covered by Employment Insurance.

That the Department of Human Resources and Social Development expand the maternity and parental benefits program to cover two years, and increase the benefit rate to 60%, in order to help parents balance their paid and caring work.

That the federal government extend eligibility for maternity and parental benefits by changing qualifying requirements to allow parents to reach back over the three-to five-year period prior to the birth of the child.

That the federal government change the eligibility criteria under the Employment Insurance Act to increase access to benefits to persons in part-time or part-year work.

That the federal government amend the Employment Insurance Act to allow self-employed persons to opt into the special benefits programs under the Employment Insurance (EI) program, such as maternity and parental benefits and the Compassionate Care Benefit.

The NDP further expanded these recommendations to include: the maximum yearly insurable earnings should be increased to \$51,748, the eligibility criteria lowered to 360 hours, the benefit increased to 70% of regular earnings, and that maternity and parental leave become a distinct benefit under EI. Unfortunately, neither the Liberal nor Conservative governments were interested in any of these recommendations.

There are bigger problems for women in this country than just the need to amend the EI program. The government seems to fear women because: it cut the court challenges program; refused to implement pay equity; will not invest in safe, affordable housing; refuses to implement a national child care program; cut the operating budget of Status of Women Canada; and eliminated funding to most major women's organizations.

Just last month, Lise Martin of the Canadian Research Institute for the Advancement of Women ended her 10 year tenure at the helm of the central women's equality seeking organization. Over its history, CRIAW has helped rethink and redefine women's equality work while challenging successive governments to improve policies. CRIAW's operating budget had been cut in half due to the changes at Status of Women Canada.

CRIAW follows a long list of organizations that have either closed or had to lay off most of their staff including the Women's Future Fund, NAWL, and WISE. These organizations helped to lead the way to improve women's economic security in Canada. Their research, expertise and advice helped inform policy makers of gaps in the system and provided recommendations on how to improve the situation of women in Canada.

Addressing the systematic discrimination that women face is good fiscal policy. The economic cost of violence against women, according to Statistics Canada, varies from \$385 million to \$15 billion. Each year women are the key contributors to our communities and our economies, but the government does not seem to understand that, that women and children need its understanding and support.

No nation can hope to fully realize its potential, create a strong economy or support successful communities when half of its citizens can be silenced by poverty, lack of services or a sense of powerlessness. Canadians, like New Democrats, quite simply have lost confidence in the government.

• (1325)

Mrs. Lynne Yelich (Parliamentary Secretary to the Minister of Human Resources and Social Development, CPC): Mr. Speaker, I listened to the member and want to remind her that we have done a great deal for women. In particular, if she wants to talk about working women, we have indeed given them opportunities in a growing economy. I found in my own province that if the economy grows, more women will participate in the work force and that is important to us.

We have also expanded the EI benefits and women benefit from that expansion. We have reduced the GST from 7% to 6% to 5%, thereby lowering the taxes for all Canadians. Many of the women who contribute to the economy are in small business and really appreciate us lifting the threshold for small business, for example.

They appreciate that we have streamlined small business in Canada because many women want to work at home. There are many in my constituency who like to work out of home and there is no doubt that some of the things we have done have indeed made women's working lives a little easier. The member has to recognize that creating a strong economy will help many of the women who are trying to get out of poverty.

• (1330)

Mrs. Irene Mathysen: Mr. Speaker, yes, creating a strong economy would help women if the government had indeed created a strong economy. We are looking at layoffs and plant closures. In my community nearly 6,000 jobs have been lost. This creates a profound sense of insecurity.

When the member talks about the government doing a great deal for women, does it include the fact that there is no affordable housing strategy? Does it include the fact that it cut funding to equality seeking groups and that it cut the court challenges program?

Its tax largesse is laughable. Some 68% of Canadian women do not earn enough to benefit from its so-called tax cuts. I remind the member that the GST savings on the basics of living are far different than the GST that her friends save when they go out to buy a new Mercedes.

Points of Order

If we want women to be included in the workforce, if we want women to be able to make their contribution, raise their families and contribute to the economy and society, we would make sure, like in Quebec, they have access to decent, affordable child care.

The rate of involvement of women in the workforce in Quebec is significantly higher than the rest of Canada where there is no child care. Guess what? Quebec has figured out that women want to make a contribution and they can make a contribution, but they have to have a government that cares, that believes, and is willing to invest in them and their families. We have not seen any of that yet.

Mr. Wayne Marston (Hamilton East—Stoney Creek, NDP): Mr. Speaker, I want to talk for a moment about the mythology that is out there regarding the NDP and fiscal policy. I would like to point out that Gary Doer has been in office since 1999 balancing the books of Manitoba and as did Roy Romanow from 1991 to 2001, followed by Lorne Calvert who also balanced the books in Saskatchewan.

Mr. Randy Kamp: Yes, real prosperous provinces.

Mr. Wayne Marston: I hear someone talking about prosperity. Saskatchewan moved to the climate of prosperity we see today based on the policies of an NDP government that was in office more than 15 years. That makes it very clear, in my mind. The evidence is there and both Manitoba and Saskatchewan are doing quite well, thanks very much. It was not because of what the current government did in a short two years.

More importantly, the member for London—Fanshawe was talking about women and poverty. I spoke earlier about the 95,000 women and men who live in poverty in Hamilton. We find that most of these people in poverty are women or seniors and of the seniors, 52% are women. With the government giving \$14 billion back to the corporations of this country every year, how can it—

The Acting Speaker (Mr. Andrew Scheer): Order. I am going to have to cut off the hon. member to allow the hon. member for London—Fanshawe a chance to respond.

Mrs. Irene Mathysen: Mr. Speaker, I thank my colleague for his little history lesson because I too remember the fiscal responsibility policies of great premiers like Tommy Douglas, Roy Romanow and Gary Doer. It seems to me, in terms of Saskatchewan, that the economy was doing very well there and that the government of Lorne Calvert was doing well. Of course this was after all the Conservatives went to jail.

My colleague talks about senior women and the fact that \$14.5 billion went to tax cuts. Nothing went to seniors, nothing went to the needy—

The Acting Speaker (Mr. Andrew Scheer): Resuming debate, the hon. member for Acadie—Bathurst.

[*Translation*]

Mr. Yvon Godin (Acadie—Bathurst, NDP): Mr. Speaker, I am pleased to speak today to the NDP opposition motion. I would like to thank the sponsor of the motion, the member for Sault Ste. Marie.

The motion reads as follows:

That the House recognize the harmful effects on working and middle-income Canadians of the growing income gap fostered by this government's unbalanced economic agenda, including its failure to reform employment insurance to ensure that people who lose their jobs during economic downturns are protected and trained, and therefore the House has lost confidence in this government.

First, I would like to thank the member for London—Fanshawe for sharing her time with me. She has given a good explanation of the problem faced by women with seasonal jobs. In many cases, these women cannot even work the number of hours they need to qualify for employment insurance.

Before I go any further, I would like to correct something. If I understood correctly—and we can check in the blues—the member for Blackstrap, who comes from Saskatchewan, said that after electing an NDP government for 13 years, that province now had a Conservative government. It is regrettable that the government of Saskatchewan, formed by the SaskParty, is not a Conservative government. It is a government of Conservatives in disguise, who convinced the people of Saskatchewan that they were forming a new party with new policies.

The member for Blackstrap, a Conservative member of the House of Commons from Saskatchewan, admits that the party in power in that province is not the SaskParty, but the Conservative Party. No one really wants to talk about the Conservatives who were in power in the 1980s, before the NDP, because most of them were put in jail as a result of scandals. We have to tell it like it is.

How many times in this House have the Liberals and Conservatives said that if the NDP were in power, we would head straight into debt because we do not know how to manage money. Not very long ago, the Government of Canada had a debt of \$535 billion or \$565 billion. It was not the NDP, though, that was in power and put the country into debt but the Liberals and Conservatives.

These corrections having been made, I want to start now on the subject up for debate today in the House.

The Conservatives boast that the economy is doing well and thousands of jobs have been created. They never say, though, that 55,000 well paying industrial jobs have been lost.

If the economy is doing well in Alberta, I congratulate them and am happy for them. It is not a matter of jealousy. At the same time, though, there is more to Canada than Alberta. Canada is the entire country. Why does the government not say instead that the economy is doing well in some places but it is worried because things are not going so well in north-eastern New Brunswick?

Four fish-processing plants have closed: two in Grande-Anse, one in Maissonnette and one in Anse-Bleue. The Conservatives do not mention that. They do not say that, at the same time, a paper plant was closing in Bathurst taking with it jobs that paid \$30 an hour. They do not mention UPM in Miramichi, which just closed down, taking more than 600 jobs with it. They do not talk about that but just about how well the economy is doing in certain regions.

It is all very well to make fine speeches here and say that jobs have been created. The trouble is that they are minimum wage. People are telling us that they need three jobs to earn a decent income. The government says that jobs have been created, but many of them do not pay very well. I am not talking about Alberta but about other places in Canada. There is more to Canada than Alberta.

Points of Order

● (1335)

In Ontario, right now, they are getting ready to call for transfer payments, because things are not going so well in that province. Jobs have been lost in northern Ontario, in White River, in Hearst, in the factories of Ontario, and in London and Windsor. And there have been jobs lost in the auto industry. Nobody is talking about that.

In a country like ours, people do not agree with what they have been seeing in this government's recent budgets. On the one hand, they will be giving \$14 billion in tax breaks over the new few years to big companies that are making money. On the other hand, when we are talking about all the companies that have closed down, the government says it is going to provide \$1 billion to help the manufacturing industry and paper mills in Canada. There is \$1 billion to help the entire forestry industry, which is falling apart and where good jobs have been lost.

In my riding, people have had to leave home—and not just in my riding, this is happening in many places—to go and work in Alberta. They have had to leave their families and children behind and go away for three months. Then the Parliamentary Secretary to the Minister of Human Resources and Social Development talks about the employment insurance system. Nothing has changed in that system for worker mobility in Canada. Absolutely nothing has changed.

She talks about the pilot project for Quebec and the Atlantic provinces. Why has this not been put into law? Why is it a pilot project? The Conservatives say they are the ones who created it. Excuse me, but this project was created by the previous government. The Conservative government has been asked to put it into law, to make regulations that would be permanent. But they are still playing with pilot projects.

The government changes its mind and then it brags about it. When the Conservatives were in opposition, the only thing they wanted to do was to reduce employment insurance premiums, no benefits to help families. They do not want to help families. They are more interested in investing in the big companies that are making millions of dollars in profits, like the oil industry. This year, it has a \$22 billion surplus and people are getting robbed at the gas station. They are not getting robbed by the gas station owner, they are getting robbed by the big refineries.

● (1340)

[English]

Then we turn around and all those people are doing work with the new industry as cheap labour. That is what we have. There are people who have to work at three jobs. The government says that things are going well in our country and that it has created lots of jobs. But people have to have three jobs in order to survive.

How many women have to work in one restaurant in the morning, in another restaurant at night and in another restaurant on the weekend? How many people have to do that? They do not brag about it, but when we meet those people on the street, they are telling us. When we meet people at the shopping malls or when people phone our offices, they are telling us about the cheap labour occurring across the country.

Yes, it is going well in Alberta. Good for them, but that is not the answer to the economy of our country. The answer is not to take the Atlantic region and move it to Alberta. For those people who want to move from New Brunswick or any other place to work in Alberta, there should be the flexibility in the employment insurance to help them. Only 32% of women qualify for EI in our country. Only 38% of men qualify for EI. There is something wrong with the program.

The gap between the rich and the poor is getting bigger and bigger. When the big oil industry makes a \$22 billion profit and people cannot even buy food to put on the table for their children, and they have to have three jobs to survive, there is something wrong in our country. There is something wrong with the Conservative Party when it gives a \$14 billion tax break to the big corporations and at the same time \$1 billion to try to fix all the problems in the pulp and manufacturing industries.

We are not getting our share of economic growth. Ontario itself has proven it. It is not going so well in Ontario. The car industry is not doing well and the government is doing nothing. The only thing the government says is if people do not move to Alberta to go to work, they are lazy. The government says that if it changes the employment insurance program, it will discourage people from going to work in Alberta.

That is wrong for society. We are not building a good society when people in some regions of the country have to separate from their families to go to work for six or three months at a time.

For those reasons we have no confidence in the government.

Mr. Dean Del Mastro (Peterborough, CPC): Mr. Speaker, there is something wrong in the House. It is wrong that the NDP does not acknowledge the facts that are out there on the economy.

I take offence at some of the things that have been said, that somehow people are working at more jobs since this government came to power. My father for the most part had three jobs when I was a kid. He always had at least two. My mother also always had at least two jobs. They worked hard and they paid a lot of taxes. They paid a lot toward the establishment of this country.

This government believes in hard-working Canadians. We want to support hard-working Canadians. That is what the government policy has been. What are the results? There are 17 million Canadians working today. It is a record. There is record low unemployment. We reduced taxes to the lowest level in 50 years last October.

What is consistent? The NDP has voted against every credit for families, every credit for small business. The NDP has voted against every hard-working Canadian.

I would love to hear what the member has to say about that.

● (1345)

Mr. Yvon Godin: Mr. Speaker, what I have to say about that is I feel very bad about his mom who had to have three jobs and not be with her family. Probably the government that was in power was not supporting families. Life is not only about working 24 hours day, seven days a week. People should have the right to be with their families and earn a living too.

Points of Order

The government only thinks about sending people to work in cheap jobs. People have to have three jobs. It is a shame. I feel bad to hear that his father had to have three jobs and his mother had to have three jobs to earn a living.

I believe people have the right to live too. It is not only about big corporations and companies. People should have a family life. What we are losing with the Conservative government is the family life. The people of this country are losing their family lives.

I am very proud that we voted against a budget that gave \$14 billion in tax breaks to big corporations when nothing was there for the poor people.

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, talking about budgets the member will recall in 2005 when the Liberal government proposed to increase the threshold on tax free income to \$10,000 removing off the tax rolls 860,000 of lowest income earners, including 240,000 seniors. The lowest income tax bracket was going to be reduced from 16% to 15%. There was the \$5.1 billion Kelowna accord to address poverty among aboriginal Canadians which the member is well aware of. There was the \$2.2 billion toward the working income tax benefit to help people on social assistance so they could keep more money in their pockets. The NDP voted against those provisions.

How can the NDP members say they are in favour of supporting the poor and the most needy in our society when in fact they were the ones who defeated that budget, defeated that government for political reasons rather than for political need?

Mr. Yvon Godin: Mr. Speaker, the only reason we defeated the government was that the government was corrupt. The Liberal Party was corrupt. The Liberals gave a million dollars to their friends in their own organization in Quebec and they got caught. Canadians had the right to decide who would run the country. I am sorry but Canadians democratically decided to put the Liberals out of office. I do not want to be blamed for that. We did what Canadians wanted us to do and they made a decision.

When we look at what the member said about the budget, in 2004 the NDP came in with a budget because the Liberals were giving big corporations breaks, as the Conservatives did in the last budget and on which the Liberals did not vote. The Liberals did not take their responsibility as the official opposition party. They sat here and did not vote. I do not think they should get their pay because they did not do their work. As well, the Liberal government in 1996 cut employment insurance to the point that they took \$55 billion out of the pockets of the working people. That is what the Liberal Party has done.

The member wants to talk about the poor people. The Liberals are the ones who have made 1.4 million children go hungry today because 800,000 people do not qualify for employment insurance. Those people have families. Those people have kids. They are poor because they lost their jobs and have no way to make a living. The Liberal Party did it in 1996. What happened? The Conservative Party legalized all the money that was taken in 1996 with this new bill that it passed to have a corporation which is arm's length from the government. It is legalizing the change that the Liberal government made, which made our children poor in this country. It is the fault of the Liberals and the Conservatives.

Hon. Shawn Murphy (Charlottetown, Lib.): Mr. Speaker, I rise today on this issue which I consider to be extremely important.

The motion talks about the harmful effects of the growing income gap fostered by the government's unbalanced economic agenda. It is my belief that this is one of the most important challenges facing all levels of government today. It is probably an issue on which we as leaders in the federal government and leaders in the provincial governments are going to be judged. The situation is serious and I submit it is getting worse.

The statistics that were released last week confirmed trends which most of us were aware of already: the rich are getting richer and the poor are getting poorer. Presently across Canada, 788,000 children are living in poverty and 244,000 seniors are living in poverty. Statistics Canada has broken down the figures into five strata. Between 1980 and 2005, the income of people in the top 20% increased by 16.4%, using constant dollars. However, the income of the individuals in the bottom one-fifth decreased by 20.6%. We can see the dramatic effect that has happened over the last number of years.

This is an issue that all Canadians should be concerned about. The issue is one of social justice. It has a tremendous effect on our economy, our society and our future.

The correlation between levels of poverty and health care is fully documented. It is well known to people who study this particular issue. The relationship between people living on a low income and crime is also well documented. I do not hear that discussion when we talk about getting tough on crime. The relationship between people living on a low income and lower educational attainment is also well documented. The incidence between people living in poverty and their participation in society, which I call the "demographic" deficit for lack of another word, is well known. When we combine education and participation in society, we are getting right to the heart of the whole productivity agenda.

This issue has such a dramatic effect on our productivity right now, and will have in the future, that it should concern everyone in this assembly.

The motion talks about the growing income gap, which is extremely important. It also talks about reforming employment insurance. I am going to speak briefly about employment insurance, which is a very important issue to all Canadians, especially seasonal workers, people who do not have income security. However, it is only one part of the overall policy and any changes have to be part of a larger comprehensive strategy.

Over the last five to ten years there have been some significant changes made to the EI regime, some of which are extremely important. The most significant social change I have seen in the EI program has been the institution of paternity benefits. We have seen lower EI rates. We have seen compassionate benefits. Changes have been made to allow five additional weeks of benefits in certain areas. These are steps in the right direction. I submit that paternity benefits are a major step in the right direction. I agree with a lot of the other speakers that further changes are required.

Statements by Members

●(1350)

However, this is all part of a larger issue, which must be improving income and income security for lower income Canadians. It does require a comprehensive strategy and the federal government working closely and in cooperation with the provincial governments, some of which are doing more work on this particular issue than others.

Above and beyond EI, it talks about the rates of social assistance that are now being paid to low income Canadians. It talks about the minimum wage and about job opportunities that are not available in many regions. It talks about the need for increased supports for people moving from welfare into the workforce and the disincentives that are there for those people who want to make that jump.

It cries out for the need for increased public transit, supporting individuals. It cries out for the need for increased affordable housing. It talks about the need for affordable early childhood education and affordable child care. It talks about aids and support for children from low income families trying to pursue their goal for post-secondary education. It talks about pensions, child care programs and workforce training.

We see a whole hodgepodge of strategies that the government is not pursuing. As we saw from the statistics that were released last week, the rich are getting richer and the poor are getting poorer. It is my position that that will have a tremendous effect on our future productivity, whether it be health care costs, crime rates, educational attainment or the economy.

What have we seen in the last couple of years? We have had some tax cuts. I certainly supported the corporate tax cuts that were made because they support the productivity of this nation. We saw a very small decrease in the personal income tax rate and the basic personal exemption was raised, but not significantly.

The GST was reduced. Do people earning \$14,000, \$16,000 or \$18,000 a year receive any benefit from the decrease in the GST from 7% to 5%? I do not think so. If the benefit is there, it is very minimal. They do not pay GST on their rent, on their fuel oil or on their food. Any benefit to that class of people is extremely minimal. If, on the other hand, people were to go out and purchase a new Audi, the benefit would be significant.

The Kelowna accord for our aboriginal population was gutted. The early childhood programs that were implemented were gutted. The affordable housing programs were not gutted but they were decreased. Cuts were made to the literacy programs across the country.

Most important, what I have seen happen in this assembly over the last two years is that the fiscal framework of the Government of Canada has been destroyed.

The government in power inherited a surplus of approximately \$15 billion a year but now, according to all economists and people who are talking about this issue, we are very close to going into a deficit like we had in 1993. We have lost the ability to respond to issues that come up like this, issues that cry out for a response from the Government of Canada.

I certainly support the announcement made by our leader, the 30-50 plan—

●(1355)

The Acting Speaker (Mr. Andrew Scheer): I regret to interrupt the hon. member but it is 2 o'clock. He can continue his speech after question period.

We will now move on to statements by members.

STATEMENTS BY MEMBERS*[English]***WORLD RED CROSS DAY**

Mr. Kevin Sorenson (Crowfoot, CPC): Mr. Speaker, I rise today to recognize the outstanding work of the International Federation of Red Cross and Red Crescent Societies.

As we witness the devastation in Burma, we can see why this world renowned organization remains as vital today as it did at its inception.

Canadians are a very compassionate, caring people. We take pride in the work that we do, both at home and abroad. This government's commitment to humanitarian efforts is a reflection of Canadian society.

I was personally touched by the outpouring of support from Canadians in my riding of Crowfoot during the tsunami. I know families across the country are pledging donations for the mission in Burma.

I am pleased to inform this House, on World Red Cross Red Crescent Day, that Canada will support its courageous efforts with \$500,000 of the \$2 million set aside for the international humanitarian response to the natural disaster in Burma.

The Government of Canada is a proud partner with the Red Cross.

* * *

●(1400)

WORLD LUPUS DAY

Hon. Shawn Murphy (Charlottetown, Lib.): Mr. Speaker, I stand today to recognize World Lupus Day that occurs on May 10.

Lupus is known as a disease of a thousand faces, as it can affect a person in many different ways. Lupus is a disease that could be affecting the person beside us, our teachers or our neighbours, but we may not even be aware of the struggles they are facing.

Lupus is a chronic autoimmune disease that can affect any organ of the body and in a pattern that varies greatly from person to person. This disease affects men and women, both young and old. The people and their families who are dealing with lupus are looking for more and concentrated research, a greater awareness of the disease and, of course, increased public support.

This Sunday, thousands of Canadians and people around the world will be walking in a "Walk a Block for Lupus" campaign to raise awareness for this disease.

Statements by Members

I ask all members to join me in recognizing those facing this disease and the commitment of those walking in support on Sunday.

* * *

[Translation]

OFFICIAL LANGUAGES

Mr. Richard Nadeau (Gatineau, BQ): Mr. Speaker, imagine for a moment that this government had not put any figure under the National Defence heading in the March budget. Unthinkable, you say? But for the official languages action plan, on page 256 of the budget, there is nothing. It says: “to be determined”. That was on February 26, and here we are on May 8, 72 days later, and still there is nothing.

The Conservative government said to wait for the results of consultations leading up to the Lord report for the action plan renewal. The document was made public on March 20, and still nothing.

The fact that the Minister of Canadian Heritage, Status of Women and Official Languages has yet to table the second plan proves that the anti-French-language and anti-French-culture neo-Reform ideology reigns supreme amongst the Conservatives.

* * *

[English]

CHARLES CACCIA

Hon. Bill Blaikie (Elmwood—Transcona, NDP): Mr. Speaker, today I rise to pay tribute to the life of the Hon. Charles Caccia, a distinguished former colleague and my predecessor as Dean of the House of Commons.

Charles was the member for Toronto—Davenport for 36 years and, while he was here, he established a reputation as one who practised politics with dignity, with principle, with civility, with independence of mind and with a deep, abiding and well-informed concern for the environment.

It is not an exaggeration to say that had Charles Caccia been listened to more often over the years by both Liberal and Conservative governments, many of our ecological problems would be far less difficult than they are today. Unfortunately, he was the minister of the environment for only a very short time.

His concern for the environment was part of a larger ethic of care that made him an advocate for peace and social justice in general and a mentor to many in this place. I worked with him in the mid-eighties when we were our party's respective environment critics, on the environment committee, on the special committee on acid rain and on many issues of mutual concern over the years.

Many others will also gratefully remember the excellent work he did more recently as chair of the environment committee for over a decade, producing critical reports that challenged his own party and government.

Parliament could have used a lot more Charles Caccias. May his memory be instructive now and in Parliaments to come.

VICTORY IN EUROPE DAY

Mr. Brian Storseth (Westlock—St. Paul, CPC): Mr. Speaker, 63 years ago today, the guns in Europe fell silent after six agonizing years of conflict.

Today we pause to remember those who fought and the 45,300 Canadians who died on land, at sea and in the air as the allies triumphed over evil and set Europe free from Nazi tyranny.

We owe a debt that can never be fully repaid to those who served and those who never came home. These few words are my humble attempt to thank them.

I thank those of Churchill's Few. I thank those who braved the Atlantic and enemy submarines to keep Europe supplied. I thank those who fell at Dieppe and who stormed the shore at Normandy. I thank those who fought their way up the Italian boot and across North Africa. I also thank those who, night after night, flew into the valley of the shadow of death as members of Bomber Command. Fifteen Canadian squadrons were part of that incredible effort and 10,000 aircrew made the ultimate sacrifice.

Some of those who survived join us today as we remember Victory in Europe Day. We are privileged and proud to be in their presence.

Lest we forget.

* * *

● (1405)

MOTHER'S DAY

Mr. Paul Steckle (Huron—Bruce, Lib.): Mr. Speaker, Canada is a nation that embraces various cultural lifestyles and groups. In spite of this obvious diversity, we also share many common traits. In particular, each one of us has a mother.

This Sunday we will observe the 94th annual Mother's Day, an observance that was originally set aside on May 11, 1914, as a way for us to remember the numerous and substantial personal sacrifices that our respective mothers made on our behalf. In many cases, our mothers put their own lives on hold to see that we were provided with the tools that we would require to enjoy a prosperous and rewarding future.

If we look back over our history, I am certain that we would see countless Canadians who made a difference to this country and to the world in general. If we look a little further, we would find that many of those remarkable achievements were made possible because of the selfless efforts and acts of caring provided to those people in their formative years.

I stand here today as a father, a grandfather, a husband, a successful businessman and a member of Parliament. I am blessed with success and have only one more thing to say to my mother, Seleda, who is preparing to celebrate her 100th birthday this fall, thanks, mother.

THE ENVIRONMENT

Mr. Gary Goodyear (Cambridge, CPC): Mr. Speaker, the Conservative government is committed to helping Canadians do their part for the environment.

After 13 years of Liberals not getting it done on the environment, I want to congratulate the Minister of Natural Resources and the Minister of the Environment for their hard work and support of made in Canada technologies to save the planet.

I had the pleasure of meeting with students from the University of Waterloo, which is the first university to build a fully functional, hydrogen fuel cell vehicle. This vehicle runs better than my own car and produces absolutely no emissions.

The engineering team told me that the time is coming when solar panels on the car will provide the electricity needed to produce the hydrogen to fuel the car. Power from the sun, fuel for the car, no emissions for our future: that is getting it done.

* * *

[Translation]

REGIONAL AWARD CEREMONY FOR WOMEN

Ms. Pauline Picard (Drummond, BQ): Mr. Speaker, the École d'agriculture de Nicolet hosted the award ceremony for the regional winners of the *Chapeau, les filles!* contest. This ceremony was an opportunity to congratulate 11 women from the Mauricie and Centre-du-Québec region who are enrolled in a vocational or technical training program, and who intend to work in a traditionally male-dominated field.

I am proud to pay tribute to Vicky Brousseau, who is studying machining techniques at the Centre de formation professionnelle Paul-Rousseau, and Rosa-Julia Asalde-Martinez, who is studying transport logistics techniques at the CEGEP in Drummondville.

The *Chapeau, les filles!* contest aims to challenge stereotypes by encouraging women to choose unconventional careers. There is no doubt that women have a role to play in less traditional fields that for too long have been strictly reserved for men.

* * *

[English]

BUDGET 2008

Mr. Dean Del Mastro (Peterborough, CPC): Mr. Speaker, it is no surprise that Bill C-50, budget 2008's first implementation act, enjoys the support of the overwhelming majority of the members in the House.

While budget 2008 is widely acknowledged for its fiscal prudence, I am exceptionally proud of the many new and worthwhile investments contained in Bill C-50. Some of these investments include the creation of a \$500 million public transit trust fund, a \$400 million police officers recruitment fund, \$110 million to the Canadian Mental Health Commission and \$282 million over this and the next two years to extend new supports to survivors of our war veterans who are disabled or in financial need.

Those are but a few examples of the many substantial new investments that are contained in Bill C-50, a bill drafted by our

Statements by Members

outstanding Minister of Finance under the strong and principled leadership of our Prime Minister.

I encourage all members to assist the government in passing Bill C-50 as quickly as possible as our provincial and territorial governing partners, as well as many worthy organizations, eagerly await these new federal investments.

* * *

CHARLES P. ALLEN HIGH SCHOOL

Hon. Geoff Regan (Halifax West, Lib.): Mr. Speaker, the Charles P. Allen High School Learning Centre in Bedford is full of bright, articulate and thoughtful young people. These students are on the Hill today to teach us about the education gaps facing special needs students.

I have been amazed by how passionate they are, how engaging they are and I believe their message is one every MP should hear. These talented students raised over \$25,000 to travel to Ottawa and they deserve to be applauded for their efforts.

I know that all members will join me in congratulating them for their courage, their conviction and their commitment.

* * *

• (1410)

[Translation]

BLOC QUÉBÉCOIS

Mr. Daniel Petit (Charlesbourg—Haute-Saint-Charles, CPC): Mr. Speaker, the Bloc is living in a dream world. It thinks that changing the C in CRTC to a Q would solve all of Quebec's communications problems even though it is against signing administrative agreements. The problem is that the Bloc has been watching from the sidelines for 18 years and has no hope of getting into the game.

If only it had managed to get one tiny little piece of legislation passed in the House of Commons. Oh, my mistake. It did get two bills passed—to change the names of a couple of ridings.

Has the Bloc done anything to help the economy?

Some hon. members: No.

Mr. Daniel Petit: To help workers?

Some hon. members: No.

Mr. Daniel Petit: To help families?

Some hon. members: No.

Mr. Daniel Petit: To help seniors?

Some hon. members: No.

Mr. Daniel Petit: To help the unemployed?

Some hon. members: No.

Mr. Daniel Petit: To help youth?

Some hon. members: No.

Statements by Members

Mr. Daniel Petit: To help women?

Some hon. members: No.

Mr. Daniel Petit: To help the Quebec nation?

Some hon. members: No.

Mr. Daniel Petit: The Bloc has been stuck on the opposition benches for 18 years now, which gives Quebecers of all political stripes good reason to ask themselves why the Bloc even exists.

Fortunately, for more than two years now, the 11 staunch Conservative members from Quebec have done more than just talk. They have been acting in the best interest of Quebec and Canadians.

* * *

[English]

2010 WINTER OLYMPICS

Hon. Hedy Fry (Vancouver Centre, Lib.): Mr. Speaker, most Vancouverites are looking forward to the 2010 Winter Olympics as an opportunity to showcase, not only our own high performance athletes, but British Columbia's natural beauty, its aboriginal roots and multicultural society.

B.C. Liberal MPs, aware of the mistakes during Expo '86 when vulnerable groups became homeless to make room for tourists, ensured that legacy projects were built into 2010 planning to allow for aboriginal sport and low income housing infrastructure. There was pride in the 2010 Games.

However, the Conservative government has destroyed Canada's reputation in the world. The cancellation of Kyoto, the Bali conference, the reneging on the UN Convention on the Rights of Indigenous Peoples have made Canada the target of local and international protesters, who have labelled us human rights deniers.

Now the 2010 Games, like the Beijing Olympics, are in danger of becoming the stage for Canada's shame rather than its glory.

What will the Prime Minister do to mitigate his damage to Canada's once proud global reputation?

* * *

[Translation]

UNBORN VICTIMS OF CRIME ACT

Ms. Nicole Demers (Laval, BQ): Mr. Speaker, as we speak, a pro-choice demonstration is being held at the human rights monument on Elgin Street to counterbalance the March for Life, which was organized by pro-life groups and is taking place on Parliament Hill. These pro-life groups do not hesitate to recruit Catholic school children and bring them to the event.

Groups such as the Canadian Feminist Alliance for International Action and Planned Parenthood of Ottawa invited members of Parliament to participate in the pro-choice demonstration in order to show their support for women's freedom of choice regarding abortion and their opposition to Bill C-484—the bill that would extend rights to the fetus and could set women back 20 years.

The women of Quebec are no fools. They see the Conservatives' ploy, which could re-criminalize abortion instead of tackling the problem of violence against women.

I urge everyone here to show their opposition to Bill C-484 and to sign the Bloc Québécois' petition.

* * *

[English]

PHARMACEUTICAL INDUSTRY

Ms. Peggy Nash (Parkdale—High Park, NDP): Mr. Speaker, the generic pharmaceutical industry provides important medicines at often half the price of brand name producers and invests in research and development at a rate almost double that of name brand pharmaceuticals.

Draft regulations, with no consultation, would allow brand name drug companies to get an automatic injunction preventing Health Canada's approval of lower cost generics.

This unfair practice by the big pharmaceutical companies is called “evergreening” of drug patents, and the proposed new rules would override a 2006 Supreme Court decision, which called it a “draconian regime”.

As the average Canadian struggles to meet the costs of medications and our provincial health care systems are strapped for cash, the low cost medicines sold by generic producers play a very important role.

Does the Prime Minister care about making life more affordable for Canadians and helping our struggling health care system, or does he only care about the wish list of big pharma?

* * *

• (1415)

[Translation]

WORLD RED CROSS AND RED CRESCENT DAY

Mr. Anthony Rota (Nipissing—Timiskaming, Lib.): Mr. Speaker, today is World Red Cross and Red Crescent Day.

May 8 is the birthday of the founder of the Red Cross, Henry Dunant and the date on which the international community recognizes the contribution the Red Cross makes to humanity.

The development of the Red Cross shows how powerfully one person's idea can affect the course of events.

[English]

From Canada to Afghanistan, from tsunamis to cyclones, from disaster relief, to humanitarian work, the impact of the Red Cross can be seen and felt around the world.

The message at this year's international conference of the Red Cross Red Crescent movement will be that human dignity is something to which every human has a right and it must be protected.

On behalf of the Liberal Party, I salute the work of the Canadian Red Cross and the extraordinary volunteers who help those most in need. The world would be a very different place without the vast contributions of the Red Cross.

We all look forward to celebrating the 100th anniversary of this day next year.

* * *

LEADER OF THE LIBERAL PARTY OF CANADA

Mr. Mervin Tweed (Brandon—Souris, CPC): Mr. Speaker, it looks like the Liberal leader is in for a tough summer. We have learned he plans to tour the country, attempting to convince Canadians his new massive gas tax is a good idea. With gas prices estimated at being the highest they have ever been this summer, that is going to take a lot of explaining.

I hope he also tells Canadians why he supports raising the GST back to 7% and possibly even higher. Maybe he will also explain wanting to spend over \$63 billion, bringing our country into a deficit.

Prudent decisions by our government have allowed Canada's economic fundamentals to remain strong. We have lowered taxes, reduced debt and carefully managed government spending. Disposable income has been rising steadily and net employment has increased by over three-quarters of a million new jobs.

As the Liberal leader tries to convince Canadians this summer that he should be in charge of their hard-earned money, I wish him luck. He is going to need it.

ORAL QUESTIONS

[English]

NATIONAL SECURITY

Mr. Michael Ignatieff (Etobicoke—Lakeshore, Lib.): Mr. Speaker, questions about ministerial judgment and national security are not a private matter. They are everyone's business and we will raise them in the House.

[Translation]

I would like to ask a simple question. Does the Prime Minister still have confidence in his Minister of Foreign Affairs?

Hon. Maxime Bernier (Minister of Foreign Affairs, CPC): Mr. Speaker, I never thought that I would be the victim of such a low, meanspirited attack by an opposition party. This is my private life people are talking about. This is about my ex-girlfriend's private life and her past, and a person's private life is nobody else's business.

[English]

Mr. Michael Ignatieff (Etobicoke—Lakeshore, Lib.): Mr. Speaker, this is not just a private matter. There is a pattern of embarrassment in the conduct of the Minister of Foreign Affairs.

He is the minister who confuses the name of the former president of Haiti. He undermined the sovereignty of Afghanistan within intemperate remarks about the governor of Kandahar. Now we learn

that he failed to disclose potential security problems with a private relationship.

Based on this record of embarrassment, I ask again: How can the government have confidence in the Minister of Foreign Affairs?

Hon. Peter Van Loan (Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Mr. Speaker, I am sure you would agree that if the House of Commons lowered itself to spending its days inquiring into the private lives of the members, our country would be a much sadder place.

As for the national security concerns of member of the opposition, I could take those a little more seriously if they had not spent the entire leader's round yesterday asking the government to bring two suspected terrorists back to Canada.

Obviously they do not really care about security concerns for Canada. They are really just in the gutter.

• (1420)

[Translation]

Mr. Michael Ignatieff (Etobicoke—Lakeshore, Lib.): Mr. Speaker, I have a question for the minister.

As the head of Canada's diplomatic corps, the minister has the highest security clearance, so can he explain why he thought that a relationship with a person with connections to organized crime would have no consequences? Can he explain why he thought that?

[English]

Hon. Peter Van Loan (Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Mr. Speaker, it was Prime Minister Pierre Trudeau who said, "The state has no place in the bedrooms of the nation". The deputy leader of the Liberal Party is clearly no Pierre Trudeau.

Hon. Denis Coderre (Bourassa, Lib.): Mr. Speaker, we know the Minister of Foreign Affairs has access to some of the highest security clearances available to the cabinet members.

Some hon. members: Oh, oh!

Hon. Denis Coderre: Mr. Speaker, would you ask the Minister of the Environment to settle down, please. This is an important matter.

To achieve the security clearance, the minister would have had to submit to a thorough background check. Did he list the woman he called his spouse, Julie Couillard, on his security clearance background check and were any concerns raised about his involvement with Ms. Couillard at that time? That is a simple question.

Hon. Peter Van Loan (Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Mr. Speaker, it is quite clear that these are politically motivated, personal attacks on someone's private life, which have no place in the House of Commons.

Oral Questions

I notice it is not the foreign affairs critic asking questions of the foreign affairs minister. There is probably a reason for that. I think he may be the one guy over there who is a little too classy to do that.

[*Translation*]

Hon. Denis Coderre (Bourassa, Lib.): Mr. Speaker, the government must acknowledge that this is a matter of public concern because it is a matter of national security. When his status and security clearance were upgraded, the Minister of Foreign Affairs should have informed his Prime Minister.

Was the Privy Council aware of this? Did it express concern or produce a report about the minister and the woman he called his spouse, who had connections to organized crime and biker gangs?

Also—and this is important—have foreign government services raised this issue with Canadian authorities?

[*English*]

Hon. Peter Van Loan (Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Mr. Speaker, there is a party leader who is normally in this House and who said just last year, “I would be very pleased to see less personal attacks, less low politics”. That was the leader of the Liberal Party. Clearly he is not leading his party today.

[*Translation*]

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, on August 14, 2007, the Minister of Foreign Affairs was seen entering Rideau Hall for his swearing in ceremony, with a woman on his arm. The image was so striking that a journalist from *The Hill Times* tried to find out the woman's identity and learned that the minister wanted to keep her name a secret.

Is this not proof that the Minister of Foreign Affairs knew about his partner's somewhat shady past at the time of his swearing in?

Hon. Lawrence Cannon (Minister of Transport, Infrastructure and Communities, CPC): Mr. Speaker, all the members of this House have a public life and all members are also entitled to their private lives. Everyone has the right to privacy and a private life, be they ministers, journalists or dentists.

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, not only was the Minister of Foreign Affairs aware of his spouse's past at the time of his swearing in, but so was the Privy Council, the Prime Minister's department. In fact, the journalist from *The Hill Times* contacted Foreign Affairs, Industry Canada and the Privy Council to establish the identity of the woman who accompanied the minister, but no one was talking.

Is this not further proof that, at the time of the swearing in, the Minister of Foreign Affairs and the Prime Minister's Office were aware of his spouse's somewhat shady past?

Hon. Lawrence Cannon (Minister of Transport, Infrastructure and Communities, CPC): Mr. Speaker, the Minister of Foreign Affairs is doing remarkable work in a very difficult job in our country. He deserves our encouragement and support. He definitely does not deserve this suspicion and these insinuations.

• (1425)

Mr. Michel Guimond (Montmorency—Charlevoix—Haute-Côte-Nord, BQ): Mr. Speaker, it appears from this morning's newspapers that the former spouse of the Minister of Foreign Affairs

has a shady past. She was so closely linked with organized crime that her life was allegedly threatened at one time.

Knowing that the underworld does not hesitate to put pressure on people and knowing his former spouse's shady past, should the Minister of Foreign Affairs not have disclosed this situation during his security screening as Minister of Foreign Affairs?

Hon. Lawrence Cannon (Minister of Transport, Infrastructure and Communities, CPC): Mr. Speaker, can the leader of the Bloc Québécois assure this House that he never took part in a teleconference with reporters or threatened them if they did not go along with his story today?

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Yes I can, Mr. Speaker. I never threatened any reporter. I am not a Conservative. I ask—

Some hon. members: Oh, oh!

The Speaker: Order, please. The hon. member for Laurier—Sainte-Marie.

Mr. Gilles Duceppe: Mr. Speaker, I ask the minister, if he has any sense of honour and responsibility, to tell us from his seat that on August 14, he was not aware of his spouse's rather shady past. Let him stand up and answer.

Hon. Lawrence Cannon (Minister of Transport, Infrastructure and Communities, CPC): Mr. Speaker, if the leader of the Bloc Québécois were a Conservative, one thing is certain: he would be able to make good on his promises to Quebeckers, as we are doing.

I have taken note of the fact that the leader of the Bloc Québécois did not threaten any reporters.

* * *

ECONOMIC SITUATION OF FAMILIES

Hon. Jack Layton (Toronto—Danforth, NDP): Mr. Speaker, the softwood lumber, manufacturing and automobile industries are in crisis. Large numbers of people are losing their jobs and have less and less access to employment insurance. The census indicated that middle-class families have only improved their lot by \$2 a year in 25 years.

Can the Prime Minister tell us why families today are in the same position they were in 25 years ago with these policies—

The Speaker: The Hon. Leader of the Government in the House of Commons.

Oral Questions

Hon. Peter Van Loan (Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Mr. Speaker, that is not true. Those are old statistics from the Liberal era. There have been many policy changes, including a reduction in taxes for the middle class and workers. We have reduced taxes in terms of the GST and capital gains. There are also child benefits and so on. Because of all this, the middle class is in a better position.

[*English*]

Hon. Jack Layton (Toronto—Danforth, NDP): Essentially then, Mr. Speaker, what we have is a government that is completely out of touch with what is going on with ordinary families across this country. They are being thrown out of work by the tens of thousands. They cannot get access to the employment insurance that they have paid into for their whole lives.

Why? Because the government has robbed the employment insurance program of billions of dollars just at a time when there is more need for the social supports the program was meant to provide. It has drained fiscal capacity of the federal government by giving tax cuts in the billions to its friends. Why will the Prime Minister not understand the real economic situation?

Hon. Peter Van Loan (Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): In fact, Mr. Speaker, the truth is exactly the opposite. Fewer Canadians need employment insurance now than at almost any time in the past 33 years. That is because we have created over three-quarters of a million new jobs since we became the government.

Last fall we took measures to ensure that we were ahead of the American downturn. As a result, we have been performing better than the Americans have on job creation, with another 14,600 net new jobs last month. Why? Because our measures are working. We are managing the economy well and ordinary Canadians are benefiting and are better off today as a result.

* * *

●(1430)

NATIONAL SECURITY

Hon. Ujjal Dosanjh (Vancouver South, Lib.): Mr. Speaker, contrary to what the government benches say, questions of ministerial judgment and national security can never be private questions in the House of Commons. This is the court of public opinion. This is where we need to ask those questions.

I want to hear from the Minister of Public Safety. Did he ever meet with the Minister of Foreign Affairs and Ms. Couillard?

Hon. Peter Van Loan (Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Mr. Speaker, I am really saddened and surprised that the Liberal Party continues to—

Some hon. members: Oh, oh!

Hon. Peter Van Loan: I should confess that I am not surprised that the Liberal Party continues to engage in deep personal attacks that are not matters of government business. If anybody's judgment as to their personal partners is something that people disagree with, I do not think that is a matter of government business.

If we are going to spend time in this House of Commons inquiring into people's personal lives, I think people can conclude that whatever politicians are engaged in that they are entirely wasting taxpayers' money and are not fit for public office.

Hon. Ujjal Dosanjh (Vancouver South, Lib.): Mr. Speaker, a cabinet minister having a relationship with someone who has contact with biker gangs is absolutely a question of national interest and ought to be answered in this House, and we will ask that question.

I ask the Minister of Public Safety: did he ever discuss Ms. Couillard's background with the Minister of Foreign Affairs? This is a question that needs to be answered here and now.

Hon. Peter Van Loan (Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Mr. Speaker, this is a question that should not be answered here. It should not be asked here. It should not be asked now. It should not be dealt with ever in this kind of forum.

Some hon. members: Oh, oh!

The Speaker: Order. The hon. member for Wascana has the floor. We will have some order, please.

Hon. Ralph Goodale (Wascana, Lib.): Mr. Speaker, private lives are not the business of this House, but issues that do affect, potentially, the public security of Canada must be discussed here, and the answers should be very straightforward.

Can the Minister of Foreign Affairs tell us if his former personal friend has ever had access, even inadvertently, to any official briefing materials of the Government of Canada?

Hon. Peter Van Loan (Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Mr. Speaker, I am not going to inquire into the private conversations they have with their spouses. I am not sure why anything that goes on between partners and why these kinds of personal relationships are a matter of public business.

I do not understand, Mr. Speaker, why you are even allowing these questions.

Hon. Ralph Goodale (Wascana, Lib.): Mr. Speaker, this is not about Madame Couillard. This is about national security.

Some hon. members: Oh, oh!

The Speaker: Order. The hon. member for Wascana has the floor.

Hon. Ralph Goodale: Mr. Speaker—

Some hon. members: Oh, oh!

The Speaker: Order. We will have some order. The member for Wascana has the floor. We will want to hear the question.

Some hon. members: Oh, oh!

The Speaker: Order.

Hon. Ralph Goodale: Mr. Speaker, this is a fundamental issue of democracy. If the government is not prepared to let the people of Canada have their say and ask decent, legitimate questions, then this government stands exposed as a government that is denying fundamental democracy in this country.

Oral Questions

Mr. Speaker, I insist on the right to ask a legitimate question.

Some hon. members: Oh, oh!

The Speaker: We can always extend question period by another 20 or 30 minutes, no problem, if we are going to have this kind of noise. We will have some order. These questions, in my view, are in order. We may want to have an argument about it later. Questions about national security are legitimate questions. Members may not like the references. I am not saying I do either. That is not my business. The question is whether the question deals with a government matter.

These questions, the way they are being phrased so far, are dealing with a matter of the government, so the member for Wascana will be able to put his question, with some quiet, please.

• (1435)

Hon. Ralph Goodale: Mr. Speaker, this is not, indeed, about Ms. Couillard. This is about national security and that is the business of this House.

Will the Minister of Foreign Affairs simply assure the House that his former friend did not travel with him to sensitive foreign locations, in the Middle East, for example, or to Camp Mirage near Dubai?

Hon. Peter Van Loan (Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Mr. Speaker, these questions do not constitute what he described to this House a moment ago as decent questions. This entire line of questioning is indecent.

I know, Mr. Speaker, that you said he had the floor. In my opinion, he has the subleased basement.

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[*Translation*]

400TH ANNIVERSARY OF QUEBEC CITY

Mr. Pierre Paquette (Joliette, BQ): Mr. Speaker, yesterday the Prime Minister said, “The Governor General is today’s successor to Samuel de Champlain, the first Governor of Canada.” Everyone knows full well that Champlain was never the Governor of Canada; he was the Governor of New France. To interchange New France and Canada the way the Governor General and the Prime Minister do is to rewrite history.

Is this not further proof that the federal government wants to use the festivities of the 400th anniversary of the founding of Quebec City for Canadian nation building?

Hon. Lawrence Cannon (Minister of Transport, Infrastructure and Communities, CPC): Mr. Speaker, there is one thing I know and that is that Quebec City was not founded by sovereignists, and that is clear. Quebec City was founded by courageous people, people with a far-reaching, wide-ranging vision. Champlain himself travelled through and mapped Acadia, he saw New England, he saw the St. Lawrence valley and Georgian Bay.

It is not hard to understand: Champlain was the founder of Quebec City and a forerunner of Canada.

Mr. Pierre Paquette (Joliette, BQ): Mr. Speaker, Quebec City may not have been founded by sovereignists, but it certainly was not founded by federalists either.

The Prime Minister and the Governor General would have us believe that the 400th anniversary of Quebec City celebrates the birth of Canada—we just heard that again from the Minister of Transport, Infrastructure and Communities. In other words, the conquest, the Durham report, the patriots rebellion in 1837, never happened.

Instead of celebrating the encounter between British people and the French-speaking world, as the federal Web site claims, should the Prime Minister not be sticking to the truth? In 2008, we are celebrating the founding of Quebec City, the cradle of the Quebec nation. Period.

Hon. Lawrence Cannon (Minister of Transport, Infrastructure and Communities, CPC): Mr. Speaker, the Leader of the Bloc Québécois wants to rewrite history again. He would like to turn his back on a glorious history and a unique destiny.

It is well known that the Leader of the Bloc Québécois is one of the most senior MPs in this House. However, he cannot claim to have taught Champlain about sovereignty.

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THE ENVIRONMENT

Mr. Bernard Bigras (Rosemont—La Petite-Patrie, BQ): Mr. Speaker, this government’s lack of action on environmental issues could end up shutting Canada out of international carbon trading if the UN inquiry finds that Canada has not fulfilled its Kyoto obligations.

Is the Minister of the Environment aware that the his government’s laxity could severely penalize Quebec and Canadian businesses?

Hon. John Baird (Minister of the Environment, CPC): No, Mr. Speaker.

Mr. Bernard Bigras (Rosemont—La Petite-Patrie, BQ): Mr. Speaker, does the Minister of the Environment realize that Canada’s inaction not only prevents companies from participating in carbon exchanges, but could also cause them to be subject to an export tax for not respecting Kyoto, particularly in European countries?

Hon. John Baird (Minister of the Environment, CPC): Mr. Speaker, the French Prime Minister has been asked publicly if he thought this applied to Canada, and he said no.

* * *

[*English*]

BURMA

Hon. Keith Martin (Esquimalt—Juan de Fuca, Lib.): Mr. Speaker, the tragedy in Burma has reached proportions the world has not seen since the tsunami of December 2004. In that disaster the then Liberal government put forth a matching program that would match the extraordinary contributions made by Canadians.

My question is simple for the Minister of Foreign Affairs. Will he authorize a similar matching contribution that will massively increase the resources for the beleaguered people of Burma?

Oral Questions

•(1440)

Hon. Bev Oda (Minister of International Cooperation, CPC): Mr. Speaker, I agree with the member opposite that this is a very serious disaster we are facing. Of course, the first thing to do is to ensure that the international aid NGOs can get in there to assess the need and we will respond with the need.

We are looking at every course of action and I know that we as a government are urging the Burmese government to allow the workers to get in there so that we can address this issue. This issue is getting more serious day by day. We need action now. We hope the Burmese government will take the interests of the Burmese people first.

Hon. Keith Martin (Esquimalt—Juan de Fuca, Lib.): Mr. Speaker, the minister is correct. We do not need more words. We do need action. These people will die in the events taking place after this disaster unless we act quickly. There is another option at hand. Canadians are very proud of our Disaster Assistance Response Team. That team can be deployed and can be used to save lives in this very situation.

My question is simply this. Will the government authorize and offer the deployment of the Disaster Assistance Response Team to the people of Burma?

[Translation]

Hon. Maxime Bernier (Minister of Foreign Affairs, CPC): Mr. Speaker, I am pleased to inform the House that I had a telephone conversation this morning with the UN Secretary-General. I offered Canada's assistance, and more specifically, the assistance of DART, the Disaster Assistance Response Team. As we know, it is currently impossible to enter the country. The military junta is rejecting all offers of international aid. I hope that with the help of the UN, we will be able to convince this despicable military junta to let us enter and help those in need.

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VANCOUVER OLYMPIC GAMES

Hon. Raymond Simard (Saint Boniface, Lib.): Mr. Speaker, the CEO of the Vancouver Olympic Games said that he is very worried about the possibility of French-language coverage of the games not being available all across Canada. The French-language broadcasting contract was awarded to private networks TQS and RDS, which are available only on cable to most francophones living outside Quebec. What is more, TQS is now under bankruptcy protection.

When will the minister responsible for the 2010 Olympic Games show some leadership and ensure that all francophones in Canada have access to coverage of the Vancouver games in their own language?

[English]

Hon. David Emerson (Minister of International Trade and Minister for the Pacific Gateway and the Vancouver-Whistler Olympics, CPC): Mr. Speaker, I have had a number of discussions with Vanoc and Vanoc is working closely with the successful bidder for the television rights. CTV is engaged in discussions and we are pursuing this in a collaborative and constructive way. I can assure the hon. member and I can assure the House that the Olympic coverage

will be available to Canadians in the official language of their choice across this country in record numbers.

[Translation]

Hon. Raymond Simard (Saint Boniface, Lib.): Mr. Speaker, francophone and Acadian communities do not want words from the government on this file. They want action.

Apparently, CBC Radio-Canada turned down an offer from the CTV network to broadcast French coverage of the games outside of Quebec for free to ensure that all francophones across the country would have access to it.

Can the minister responsible for CBC Radio-Canada explain to all francophones living outside of Quebec what she plans to do to protect their interests? Should we expect the same disastrous results we got with the court challenges program and the action plan for official languages?

[English]

Hon. David Emerson (Minister of International Trade and Minister for the Pacific Gateway and the Vancouver-Whistler Olympics, CPC): Mr. Speaker, the hon. member can expect that we will find a collaborative solution that will be in the best interests of all Canadians. The coverage will be there in the official language of choice and it will be done in a constructive, collaborative way, not by government dictate.

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BURMA

Mr. Dean Allison (Niagara West—Glanbrook, CPC): Mr. Speaker, the people of Burma have been devastated by the recent cyclone that hit their country. Estimates of the number of people who lost their lives are now running as high as 100,000. Yet, the Burmese military regime seems unable to respond and unwilling to let foreign aid workers in.

Can the Minister of Foreign Affairs inform the House what Canada is doing to help the Burmese in this very difficult situation?

Hon. Maxime Bernier (Minister of Foreign Affairs, CPC): Mr. Speaker, as I said before in French, I just had a conversation with the UN Secretary-General to offer the services of our disaster assistance response team, DART, to help with relief efforts. We urge the military junta to let international aid and Canadian aid enter the country.

•(1445)

Ms. Alexa McDonough (Halifax, NDP): Mr. Speaker, the U.S. envoy to Burma suggests the death toll from the cyclone could reach 100,000 and 20,000 have died already. Canada needs high level representation to deal with Burmese authorities to ensure that Canadian aid and Canadian relief workers to administer it can get into Burma. A Canadian envoy could play a vital role here, but for now Canada's staff is located in Thailand.

Will the government appoint an envoy to gain access for Canadian relief and relief workers so that Canada's contribution is maximized?

Oral Questions

Hon. Maxime Bernier (Minister of Foreign Affairs, CPC): What the Burmese need, Mr. Speaker, is not an envoy. It is Canadian aid right now, as fast as possible. It is why this morning I spoke with the UN Secretary-General to ensure that we will have his help so that our aid will be able to enter the country. Right now, nobody can enter the country. This is the urgency of the situation. We will be ready when we get a request from the Burmese government or when we get a request from the UN.

Ms. Alexa McDonough (Halifax, NDP): Mr. Speaker, United Nations humanitarian flights are arriving in Rangoon today. Relief from India, Indonesia and Bangladesh is now getting into Burma, but without experienced disaster relief personnel on the ground, there is no assurance that aid will reach the people in greatest need.

Financial aid is starting to flow but international relief staff are being blocked. What has the government done to ensure that Burmese authorities cannot siphon-off Canadian aid and ensure that the sanctions regime does not restrict humanitarian organizations in their relief operations?

Hon. Bev Oda (Minister of International Cooperation, CPC): Mr. Speaker, we can assure Canadians that their assistance will be there as soon as possible. The countries that are being allowed in are being allowed in by the Burmese government. There are four UN flights that have been allowed in. We are asking the UN and all our partners to ensure that Canadian NGOs can get in there as well.

Today, I announced \$500,000 to the Red Cross in Burma that has been working there. We are working with organizations that have been working there. We, of course, need to get more organizations, more countries to be allowed to address this international disaster.

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GOVERNMENT ACCOUNTABILITY

Ms. Tina Keeper (Churchill, Lib.): Mr. Speaker, last year we caught the Minister of International Cooperation trying to hide her limo expenses. Having been caught, she was forced to repay taxpayers for her extravagance. Now she admits that she has done it again, with a limo bill of \$17,000 that she had tried to hide in her department. I can understand why she is embarrassed about these bills, but why is she taking the limos in the first place?

Hon. Peter Van Loan (Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Mr. Speaker, that question might be better asked of her own leader, who, for the period between July 2004 and November 2005 when he was minister of the environment, billed \$14,225 in 98 separate expenses for trips between Gatineau and Montreal in his limousine. Apparently, he likes limousine rides an awful lot more than the Minister of International Cooperation.

Ms. Tina Keeper (Churchill, Lib.): Mr. Speaker, Conservative expense disclosures are not real for the very reason that these ministers systematically hide their expenses. This was not an error. This was a scheme to hide her expenses. Why should Canadians pay for a limo ride from her house to a Conservative Party event? If the minister says it was an error, could she tell us, was it an error taking the limo or was it getting caught?

Hon. Peter Van Loan (Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Mr. Speaker, of course, the Liberals think, when they look at our

expenses, that we were hiding them because they cannot conceive that we are not living high off the hog the way they always did.

I can assure them that when the minister's expenses are all corrected, and they are fairly minor corrections, her expenses and those in both heritage and international development will have expenses far below those Liberal counterparts for their last year in government because they think that the public coffer is theirs to wine, dine and travel on.

* * *

MUNICIPAL AFFAIRS

Ms. Bonnie Brown (Oakville, Lib.): Mr. Speaker, one day last December, the environment minister's chief of staff called the OPP four times to try to stop it from transferring the O'Brien file to the RCMP. The minister himself was in Bali at the time and abandoned his Canadian delegation so he could attend to this crisis. Since the minister is not talking about this, will the Prime Minister confirm it was the PMO that pressured the environment minister to have the calls made to the OPP?

● (1450)

Hon. Peter Van Loan (Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Mr. Speaker, the member who has made this accusation likes to engage in the practice of public fiction. This is yet another example. No such call ever occurred in the sense that nobody told the minister what he could put in his own pleadings.

None of that ever occurred, but it did not stop them from putting it down in black and white as if they believed it. That is why they ended up in court in the first place because they were quite happy to go out there and make stuff up regardless of the truth and now they are bearing the consequences for it.

Ms. Bonnie Brown (Oakville, Lib.): Mr. Speaker, what part of this is fiction? We know that the minister's chief of staff admits to making four calls to OPP officers handling this file. We know that Mr. O'Brien is charged with negotiating an appointment that would have involved the minister. We know that what the minister told police contradicts an affidavit backed up by a polygraph test. Why does the government believe that intervening with the OPP in a court matter is appropriate?

Oral Questions

Hon. Peter Van Loan (Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Mr. Speaker, she left out one relevant fact. The OPP said there was no wrongdoing whatsoever on the part of the Minister of the Environment and it cleared him entirely. That has not stopped members opposite, though, from casting aspersions.

Instead, they say the OPP must be lying and breaking the law. If they cannot have it their way, they are willing to smear everybody. That is all they have done today. That is what they do when they do not have any policies and do not have any ideas.

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[Translation]

OMAR KHADR

Mrs. Vivian Barbot (Papineau, BQ): Mr. Speaker, Omar Khadr is the first child soldier to be tried by a western country. He was 15 years old at the time of the events. According to international human rights experts, his trial will violate international conventions signed by Canada that are intended to protect child soldiers.

Will the government honour its signature and act immediately in favour of a Canadian child soldier?

Hon. Maxime Bernier (Minister of Foreign Affairs, CPC): Mr. Speaker, Omar Khadr is facing serious charges related to his capture in Afghanistan, charges such as murder in violation of the law of war, attempted murder in violation of the law of war, conspiracy, providing material support for terrorism and spying.

That being said, we have been assured by the American government that Mr. Khadr has been treated humanely.

Mrs. Vivian Barbot (Papineau, BQ): Mr. Speaker, as Canadian Bar Association president Bernard Amyot said, whether Mr. Khadr is guilty or not is what must be decided during the trial.

Has it become so difficult for the Canadian government to simply demand that the United States respect such fundamental principles as those of the Convention on the Rights of the Child, and to defend its own citizens against the arbitrary decisions of the Bush administration?

Hon. Maxime Bernier (Minister of Foreign Affairs, CPC): Mr. Speaker, my hon. colleague knows very well that all these questions are premature. Given that Mr. Khadr is facing these charges, legal proceedings are underway and the appeal process will follow.

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[English]

FERRY SERVICE

Hon. Robert Thibault (West Nova, Lib.): Mr. Speaker, the Digby-Saint John ferry is a long established maritime highway linking western Nova Scotia to the rest of North America. This ferry contributes well over \$40 million to the net economic benefits of western Nova Scotia and much more to the rest of Canada. This federally regulated and financed maritime interprovincial highway is fundamental to the social and economic future of western Nova Scotia.

Will the Minister of Transport assure this House and the people of Atlantic Canada that there will always be a ferry between Digby and Saint John, and that it will be financially supported—

The Speaker: The hon. Minister of National Defence.

Hon. Peter MacKay (Minister of National Defence and Minister of the Atlantic Canada Opportunities Agency, CPC): Mr. Speaker, the member opposite would know that I have been in his riding a number of times and have met with officials at the municipal level and with those who will be most affected by this ferry were it to close.

We have met with the owners of Bay Ferries Limited and with the industry in the area. I thank my colleague, the Minister of Transport, for his cooperation in the past to keep this particular ferry running.

I do note that it was that member, during his time in government, who devolved this particular ferry, left it in the dire straits in which we found it and we have been able to keep it functioning since.

* * *

● (1455)

FISHERIES AND OCEANS

Mr. Fabian Manning (Avalon, CPC): Mr. Speaker, since 2006, we have seen a major turnaround at NAFO. Most recently, there was an intersessional meeting held in Montreal.

We understand that the United Nations General Assembly resolution on sustainable fisheries, which calls on high seas fishing nations and regional fisheries management organizations to identify and protect vulnerable species and habitats by December 31, 2008, was on the table for discussion.

Would the Minister of Fisheries and Oceans please provide the House with an update on this issue?

Hon. Loyola Hearn (Minister of Fisheries and Oceans, CPC): Mr. Speaker, the hon. member is right, as he always is.

First let me say that within the last two years the first thing we did was reform NAFO in relation to enforcement and then we modernized the convention.

Working with the NGOs and the fishing industry, we have enabled NAFO to go in and protect marine sensitive ecosystems, not on the high seas where we have no control or cannot do anything about it, except to pay lip service, which we were asked to do in the past, but within the NAFO regulated zone where we can do something. We are getting the job done.

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GOVERNMENT ACCOUNTABILITY

Mr. Charlie Angus (Timmins—James Bay, NDP): Mr. Speaker, the former heritage minister has admitted that she did wrong when she carried out an elaborate spending spree with taxpayer money and then tried to hide that spending from the public.

I appreciate the fact that she has risen in the House and spoken about it, but this is not, as she said, an administrative error. This is a breach of the basic rules of accountability by which we hold cabinet ministers accountable. If an average Canadian tried to hide financial spending, there would be tough consequences.

Oral Questions

The minister broke the rules. She billed the taxpayers \$1,300 for a limo to a partisan rally.

What steps will the government take to get the money back?

Hon. Peter Van Loan (Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Mr. Speaker, the minister is correcting all the disclosures and I can assure the member that no improper charges will be or have been charged to taxpayers.

I can also assure the member that, under this government, Conservative ministers have a serious regard for taxpayer money, which is why, under almost every department, expenses for travel and hospitality are far lower under the Conservatives than they were under the previous Liberals.

The government House leader, for example, 204% higher under the Liberals. The government leader in the Senate, 3,711% higher under—

The Speaker: The hon. member for Timmins—James Bay.

Mr. Charlie Angus (Timmins—James Bay, NDP): Mr. Speaker, the record shows otherwise. The finance minister broke the rules. The transportation minister broke the rules. The labour minister broke the rules. The former heritage minister broke the rules. When they were caught, the Prime Minister said that there would be absolutely no consequences.

We are talking about hiding elaborate spending from the taxpayers.

That is a cabinet that is living high off the fat of the land, while telling everybody else that the cupboard is bare. What makes the Conservatives think they are so much more superior to average Canadians who play by the rules and who pay their bills?

Hon. Peter Van Loan (Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Mr. Speaker, far be it from me to talk about things that are fat.

However, I can say that those expense accounts under the Liberals and those meals were an awful lot fatter. I can say that this government House leader pays for every one of his meals and enjoys them fully.

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FERRY SERVICE

Mr. Paul Zed (Saint John, Lib.): Mr. Speaker, the Saint John to Digby ferry is a vital link for Atlantic Canada. The provinces should not have to pay to maintain the service. It is part of our national transportation infrastructure, just like highways and rail lines.

This is a marine superhighway from the energy hub of Saint John to Nova Scotia lumber and fishing communities.

Will the government commit today to use funding from the Atlantic gateway initiative to help keep this tourism and trade link running?

Hon. Peter MacKay (Minister of National Defence and Minister of the Atlantic Canada Opportunities Agency, CPC): Mr. Speaker, I thank the member kindly for his question and his concern. This does affect both Nova Scotia and New Brunswick.

We have been working with both governments and both provinces, as we did the last time when we were able to bring together an arrangement that kept the Bay Ferries running between Saint John and Digby.

I do note, however, that there is some level of cynicism and hypocrisy in his question, knowing that it was under his government that this was devolved. At that time he did not express near the concern or the passion or the feigned indignation as he points the finger at this government today.

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TRENT-SEVERN WATERWAY

Mr. Bruce Stanton (Simcoe North, CPC): Mr. Speaker, in October 2006, I presented a motion in the House to evaluate the future of the Trent-Severn Waterway and last week the Minister of the Environment delivered some welcome news to the people who live in and around the waterway.

Could the minister please tell this House how the government has shown its commitment to the future of this national treasure?

• (1500)

Hon. John Baird (Minister of the Environment, CPC): Mr. Speaker, because of the hard work of the member for Simcoe North, I am pleased to say that our government will be making a five year commitment of more than \$63 million to support the Trent-Severn Waterway.

People have known for many years that the member for Simcoe North works hard and now is just another example that he gets results.

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ABORIGINAL AFFAIRS

Mrs. Irene Mathysen (London—Fanshawe, NDP): Mr. Speaker, one of the most disturbing outcomes of the discrimination and marginalization that aboriginal women in Canada suffer is the extreme violence they face. In recent weeks, the remains of two young aboriginal women, Amber Redman and Tashina General, have been found.

Along the Highway of Tears and in Vancouver's east side, over 80 women are missing or have been found murdered. The Native Women's Association of Canada estimates that well over 500 aboriginal women have disappeared or have been killed.

Why will Indian affairs not grant the money needed to stop the violence against aboriginal women?

Hon. Chuck Strahl (Minister of Indian Affairs and Northern Development and Federal Interlocutor for Métis and Non-Status Indians, CPC): Mr. Speaker, I was very pleased earlier this year to announce, after the budgetary policies of this government, that we had added five new shelters for aboriginal women, to add to the current network of shelters across the country.

It is important that all Canadian take this issue very seriously. Violence against women is something that everyone in this House feels is a terrible crime, and for aboriginal women especially, who are often the most vulnerable, we need to ensure we take all the steps necessary to look after their needs, including these shelters for victims of violence.

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PIERRE ELLIOTT TRUDEAU AIRPORT

Mr. Francis Scarpaleggia (Lac-Saint-Louis, Lib.): Mr. Speaker, the member for Notre-Dame-de-Grâce—Lachine has written to the Minister of Transport asking him to use his regulatory powers to suspend night flights into Pierre Elliott Trudeau Airport in Montreal until public consultations on environmental, economic and health issues are conducted.

The minister, indeed, has that authority. What is he prepared to do to assist Montreal residents in the area of the airport who are suffering through the noise and nuisance of night flights into the airport?

Hon. Lawrence Cannon (Minister of Transport, Infrastructure and Communities, CPC): Mr. Speaker, I have received representations from both that colleague as well as the colleague from Lachine on this specific issue.

We know that l'Aéroport international de Montréal is responsible for the flight patterns. It is also responsible for determining how things are going. It has put forward another option and it will be looked at. Over the course of the next couple of weeks, it will be in consultation with the people who are interested parties in this file.

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[Translation]

COMPETITION ACT

Mr. Roger Gaudet (Montcalm, BQ): Mr. Speaker, the House of Commons unanimously passed, at second reading, Bill C-454, which strengthens the Competition Act and gives greater powers to its commissioner, which would make it possible to keep oil companies in line.

Does the government agree to pass this bill through all the stages so that it can be implemented before the summer?

Hon. Jim Prentice (Minister of Industry, CPC): Mr. Speaker, the hon. member should have risen earlier last Monday to prepare and move his motion. Now it is too late. Bill C-454 is before the Standing Committee on Industry, Natural Resources, Science and Technology, where it will be examined. Once that is complete, there will be discussions. But now, today, it is too late.

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[English]

PRESENCE IN GALLERY

The Speaker: Today, 63 years after victory in Europe, as we celebrate VE Day, I wish to call to the attention of all hon. members the presence in the gallery of several distinguished veterans of the second world war: Dr. Don Elliott, Q.C.; Mr. Fred Stephens; Mr. James Finney; and retired general, Paul Manson. They are

Business of the House

accompanied by the distinguished historian, Sir Martin Gilbert and Lady Gilbert.

Some hon. members: Hear, hear!

* * *

● (1505)

BUSINESS OF THE HOUSE

Hon. Ralph Goodale (Wascana, Lib.): Mr. Speaker, I wonder if the government House leader could outline the plans he has for government business through the rest of this week and next week before the May break.

I wonder if he could tell us, since there is one week before the May break and one week after the May break, which two of those ten days he will officially designate for the House to examine in committee of the whole the estimates on one occasion of the Minister of Foreign Affairs and on another occasion the Minister of Finance.

Two such days need to be designated before the end of May and I wonder if the House leader could tell us which they will be.

Hon. Peter Van Loan (Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Mr. Speaker, the government took a major step forward this week to maintain a competitive economy, our theme for this week, and I am happy to advise the House that yesterday the Standing Committee on Finance agreed to report the budget implementation bill back to the House by May 28.

[Translation]

This is excellent news. The budget bill ensures a balanced budget, controls spending, and invests in priority areas.

[English]

This week also saw the passage of Bill C-23, which amends the Canada Marine Act, and Bill C-5 on nuclear liability at report stage.

[Translation]

Today, we are debating a confidence motion on the government's handling of the economy. We fully expect, notwithstanding the minority status of our government, that this House of Commons will, once again, express its support for the government's sound management of Canada's finances and the economy.

Tomorrow, will we continue with maintaining a competitive economy week by debating our bill to implement our free trade agreement with the countries of the European Free Trade Association. It is the first free trade agreement signed in six years and represents our commitment to finding new markets for the goods and services Canadians produce.

*Points of Order**[English]*

If there is time, we will also debate Bill C-14, which would allow enterprises choice for communicating with customers; Bill C-7, to modernize our aeronautics sector; Bill C-32, to modernize our fisheries sector; Bill C-43, to modernize our custom rules; Bill C-39, to modernize the Grain Act for farmers; and Bill C-46, to give farmers more choice in marketing grain.

The government believes strongly in the principle of democracy and the fundamental importance of human rights. Next week we will show our support for that with strengthening democracy and human rights week. The week will start with debate on Bill C-30, our specific land claims bill. The bill would create an independent tribunal made up of superior court judges to help resolve the specific claims of first nations and will, hopefully, speed up the resolution about standing claims.

We will debate Bill C-34, which is our bill to give effect to the Tsawwassen First Nation final agreement. We will debate our bill to provide basic rights to on reserve individuals, Bill C-47, to protect them and their children in the event of a relationship breakdown, rights that off reserve Canadians enjoy every day.

As I said, we are committed to strengthening democracy in Canada. Yesterday, I had an excellent discussion on Senate reform with members of the Senate legal and constitutional affairs committee. That discussion will continue in this House next week when we debate our bill to limit the terms of senators to eight years from the current maximum of 45, as foreseen in Bill C-19.

[Translation]

We will also debate our bill to close the loophole used by leadership candidates to bypass the personal contribution limit provisions of the election financing laws with large, personal loans from wealthy powerful individuals and ensure we eliminate the influence of big money in the political process.

[English]

With regard to the question about estimates, there are, as the opposition House leader knows, two evenings that must be scheduled for committee of the whole in the House to deal with those estimates. Those days will be scheduled over the next two weeks that we sit so they may be completed before May 31, as contemplated in the Standing Orders.

There have been consultations, Mr. Speaker, and I believe you would find the unanimous consent of the House for the following:

That, notwithstanding any Standing Order or usual practices of the House, on Friday, May 9, starting at noon and ending at the normal hour of daily adjournment, no quorum calls, dilatory motions or requests for unanimous consent shall be received by the Chair.

The Speaker: Does the hon. government House leader have the unanimous consent of the House to propose the motion?

Some hon. members: Agreed.

Some hon. members: No.

• (1510)

Hon. Ralph Goodale: Mr. Speaker, given the noble purpose for which the government House leader offered his motion just now,

which I think is intended to facilitate members of the House who wish to attend the funeral of a former hon. member, which will be taking place tomorrow about noon, I wonder if the House could reconsider the request you just made to give unanimous consent to the government leader to make his proposition.

The Speaker: I will ask again. Is there unanimous consent for the government House leader to put the motion to the House at this time?

Some hon. members: Agreed.

The Speaker: The House heard the terms of the motion. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

(Motion agreed to)

* * *

POINTS OF ORDER

COMMENTS BY MEMBER FOR DON VALLEY EAST

Mr. Rod Bruinooge (Parliamentary Secretary to the Minister of Indian Affairs and Northern Development and Federal Interlocutor for Métis and Non-Status Indians, CPC): Mr. Speaker, yesterday the member for Don Valley East made a hurtful, discriminatory and unparliamentary remark. The member's remarks maliciously stereotyped young people. Allow me to quote *Hansard*, in which it says, "He is young so he will do what is asked of him without too much questioning".

If a member made the same remark about other people or replaced the word "young" with "aboriginal, female or disabled", we would rightly have been furious and demanded that member's resignation. It is not different when one targets the age of a member.

The member then used the term "junior" to describe Canada's youngest parliamentarian. If a similar disparaging remark had been made about a senior, we would have equally have been appalled.

The Canadian charter forbids discrimination on the basis on age. We say to our young people that they can risk their lives defending our democracy abroad and then the member suggests that they should not be allowed to participate here at home.

How can we encourage young Canadians to get involved in the democratic process when certain members insult them for doing so? As a young Canadian, my parliamentary privilege has been affronted.

I ask the member for Don Valley East to do the honourable thing and apologize to young Canadians for her hurtful remarks and withdraw her comments.

Hon. Ralph Goodale (Wascana, Lib.): Mr. Speaker, the hon. member is not in a position to respond at this moment. I am sure she will take the opportunity to do so as soon as she is able.

However, simply for the information of the parliamentary secretary who raised the point, I believe the remarks, or at least a significant portion of them to which he referred, were in fact quoted from the *Hill Times* of this past week, wherein the *Hill Times* attributed those remarks not to a Liberal, but to a senior Conservative.

BILL C-377—CLIMATE CHANGE ACCOUNTABILITY ACT

Mr. Joe Comartin (Windsor—Tecumseh, NDP): Mr. Speaker, my point of order today relates to Bill C-377, which is on the notice paper and which was reported back to the House within the last week, I believe on April 29. It will come forward on Monday for your rulings in selecting what amendments would be in order.

The provision for making that determination is in accordance with the Standing Orders, and specifically with Standing Order 76.1(5). I will only read the first sentence because the rest of it is not particularly germane. It states:

The Speaker shall have power to select or combine amendments or clauses to be proposed at the report stage and may, if he or she thinks fit, call upon any Member who has given notice of an amendment to give such explanation of the subject of the amendment as may enable the Speaker to form a judgment upon it.

Flowing out of that particular Standing Order, the procedure and House affairs committee some period back made a proposal to be brought forward in the form of a resolution. There was a note attached to that, Mr. Speaker, which you made some reference. However, the note, and I will quote the initial sentence of it, which is by way of explanation of how Standing Order 76.1(5) is to be interpreted, states:

The Speaker will not normally select for consideration by the House any motion previously ruled out of order in committee and will normally only select motions which were which were not or could not be presented in committee.

You made further rulings with regard to that, Mr. Speaker, in a ruling that affected, first, myself and then the member for Mississauga South. In response to the report from procedure and House affairs, you made these notes. I want to quote in terms of setting the criteria. First, in terms of what the considerations would be, you said, “past selection practices not affected by this latest directive will continue to apply”. We have a history of how we deal with amendments at report stage. You went on to say:

For example, motions and amendments that were presented in committee will not be selected, nor will motions ruled out of order in committee. Motions defeated in committee will only be selected if the Speaker judges them to be of exceptional significance.

Then you went on and referred members to pages of the *House of Commons Procedure and Practice*.

You further went on, Mr. Speaker, and said:

Second, regarding the new guidelines, I will apply the tests of repetition, frivolity, vexatiousness and unnecessary prolongation of report stage proceedings insofar as it is possible to do so in the particular circumstances...

I want to quickly add that the amendments being proposed by the member for Skeena—Bulkley Valley are not frivolous or vexatious and do not meet that test whatsoever.

In the two decisions you have rendered in this regard, Mr. Speaker, one, as I pointed out, affected myself when I was first here back in November 2001. It was a situation where I was unable, because of conflicts of being at two committees at the same time, to get my amendments put forward. You ruled at that time, acknowledging the difficulty on my part, that I did have difficulty in moving these amendments and the Chair, in those circumstances, would give me the benefit of the doubt and allow the amendments to move forward, and they in fact did.

Points of Order

Then there was a second ruling by yourself, Mr. Speaker, in January 2003, involving a request from the member for Mississauga South for amendments to be selected by you. At that time, you made two points, the second of which I think is more relevant to the circumstances we have today. The first one recognized that our parliamentary system was party driven and that the positions of parties were brought forward to committees through its officially designated member. The Chair also recognized that some members may want to act on their own. You then went on to say, Mr. Speaker:

Consequently, the Chair is of the opinion that certain motions by the hon. member for Mississauga could not be presented during the clause by clause study in committee and should therefore be studied at the report stage.

● (1515)

In combination, those two rationales, Mr. Speaker, were to the point that if motions could not have been presented at the time when we normally would in committee, then you would normally allow them to be selected at report stage.

I argue today that this is exactly what we are confronted with here. In that regard, the history of what has happened, and I will go to the two reports that have been issued from the environment committee, because that is where Bill C-377 was considered, is there was an initial report, the third report about two or three months ago, which indicated that there were significant difficulties in process at that committee, to the extent that it felt compelled to bring the report forward. I would refer you to the report, Mr. Speaker, when you make considerations as to my point of order.

The second report with regard to Bill C-377 and the environment committee was the sixth report from that committee, and there were several points. I refer you, Mr. Speaker, to the third paragraph of the report, indicating that in fact work had been done on Bill C-377 in committee, that certain clauses had been adopted, others were postponed because of, to use the term in the report, “a prolonged debate of over twenty hours on clause 10 which led the Committee to an impasse”. In effect, what was going on, in the terms that we more often use in the House, was a filibuster by the government. Therefore, the report was passed back here from the committee.

I also would refer you, Mr. Speaker, to emphasize the effect of what was going on there and the degree of the impasse, to the fifth paragraph of the report, which states, “Given the impasse, the Committee opted not to consider the remaining clauses and parts of the Bill and adopted the following motion”. Out of consideration of time, I will not read that, but in effect the motion reflected that certain sections were reviewed, some were amended, but there were outstanding amendments that were never considered, and the final paragraph sets out which ones those were.

The motion was adopted by the committee, that the bill be sent back at that stage. Therefore, some have been amended, others have not even been considered, and others had been considered, but with no opportunity for amendments to be made.

The amendments proposed by our member are very clear. They are not frivolous.

Speaker's Ruling

I also want to make one final note. There were minority reports to the sixth report, and in that, the member for Skeena—Bulkley Valley made it very clear to the committee so there was no misunderstanding, and I was there at the committee and also made a similar statement, that we would be moving amendments at the report stage, subject to the determination by the Chair as to whether they should be selected or not. It is not like the committee did not understand that these amendments would come forward and that they would be pursued at report stage.

In summary, I believe it is one of those opportunities. We did not have the ability to move these amendments at committee. It is appropriate that you consider them, Mr. Speaker, and select them at this time.

• (1520)

Hon. Peter Van Loan (Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Mr. Speaker, I would like the opportunity to review the points made by my friend. They have been quite lengthy, thorough and detailed, and it was not until halfway through that I was able to familiarize myself with even the bill he was discussing.

However, in terms of an opportunity to make amendments to the bill, I will draw attention to the fact that the committee, in returning the bill, did so well in advance of the deadline established in the Standing Orders; a motion of the House for consideration of that particular private member's bill.

Therefore, while there may have been a decision by the members of the committee, including the New Democratic member, to return it here in haste, they cannot then rely on that as a reason why they did not take the opportunity to make such amendments at committee. However, I would like to have the opportunity to come back and submit on this further.

The Speaker: I would urge haste on the minister in those circumstances since the bill is up for debate, I am told, on Monday at 11 a.m. Therefore, he will want to exercise due diligence.

[Translation]

CANADIAN ENVIRONMENTAL PROTECTION ACT, 1999—SPEAKER'S RULING

The Speaker: I am now prepared to rule on the point of order raised on Friday, May 2, 2008, by the hon. Leader of the Government in the House of Commons concerning the admissibility of the amendment to the motion for third reading of Bill C-33, An Act to amend the Canadian Environmental Protection Act, 1999, moved by the hon. member for Western Arctic.

[English]

I would like to thank the government House leader for raising this matter, as well as the hon. member for Vancouver East for her intervention.

The hon. government House leader contended that the amendment proposed by the hon. member for Western Arctic was inadmissible because it sought to provide a mandatory instruction to the committee. He was of the opinion that the use of the words “with a view to making sure that” in the amendment constituted a mandatory instruction on how the committee should dispose of the bill.

The hon. member for Vancouver East, for her part, felt that the proposed amendment was clearly permissive. In her opinion, the words “with a view to”, contained in the amendment, support that argument.

As stated in the *House of Commons Procedure and Practice* on pages 672 and 673, regarding amendments to the motion for third reading of a bill:

The purpose of such an amendment may be to enable the committee to add a new clause, to reconsider a specific clause of the bill or to reconsider previous amendments. However, an amendment to recommit a bill should not seek to give a mandatory instruction to a committee.

[Translation]

House of Commons Procedure and Practice also mentions further on page 793, with respect to instructions to committees of the whole, which also applies to standing committees:

Instructions to a committee of the whole dealing with legislation are not mandatory but permissive, that is the committee has the discretion to decide if it will exercise the power given to it by the House to do something which it otherwise would have no authority to do.

The issue before us today is to determine if the amendment proposed by the hon. member for Western Arctic meets the requirements as set out in our rules and practices, and more specifically, if it indeed constitutes a mandatory instruction to the committee.

• (1525)

[English]

There are many precedents of similar amendments to the motion for third reading that have included the words “with a view to” combined with various action verbs akin to “making sure”. For example, amendments moved in the past have used the verbs “to ensure” on November 8, 2001, “to change” on January 31, 2003, “to eliminate” on March 4, 2004, and “to incorporate” on June 22, 2005, and all were ruled admissible. In fact, with time, this has become an established and accepted form for an amendment at third reading that seeks to recommit all or certain clauses of a bill.

In reviewing the texts of the amendment and of Bill C-33, I find that the amendment does not, in my view, infringe on any of the principles that I mentioned earlier and that form the basis of past practices of the House. The amendment asks the committee to reconsider a clause of the bill, taking into consideration certain issues, but it does not specify that any amendment is required or exactly how the committee should modify the bill to attain that objective. In my opinion, the text of the amendment provides the committee ample discretion in how it wishes to reconsider the particular clause in question.

[Translation]

As such, I declare the amendment in order. I thank the hon. Leader of the Government in the House of Commons for bringing this issue to the attention of the House.

GOVERNMENT ORDERS

[English]

BUSINESS OF SUPPLY

OPPOSITION MOTION—THE ECONOMY

The House resumed consideration of the motion.

The Speaker: Before the debate was interrupted, the hon. member for Charlottetown had the floor and there are 10 minutes remaining in the time allotted for his remarks. I therefore call upon the hon. member for Charlottetown.

Hon. Shawn Murphy (Charlottetown, Lib.): Mr. Speaker, when I commenced my comments before question period, I talked about what I consider to be the seriousness of this issue. I talked about the statistics that were released by Statistics Canada last week. I talked about the consequences to this country, our society, the economy and the people who live here if this trend is allowed to continue. I talked about the need to come forward with a national, comprehensive poverty strategy in conjunction with the 10 provinces and 3 territories.

I have listened to the debate here today. Some of the comments do disturb me somewhat when we talk about hard-working Canadians. I want to remind members in the House that many of the people who are in poverty or in the low income cut-off range are hard-working Canadians.

I talked about what I have seen from the government over the last two years and four months, with program cuts that have been right across the board. I talked about the gutting of the early childhood programs that did exist, the cutting of some of the supports that are so needed for low income Canadians, such as public transit, affordable housing, and the cutbacks to the literacy programs.

I also mentioned what I consider to be the destruction of the fiscal framework and the inability of the government to respond to situations that come up on a day to day basis. We have one before us today: the situation in Burma. It is a crisis. I believe there are 22,000 people deceased. It is expected that another 25,000 are missing, presumed to be deceased or badly injured. I believe the announcement by the government was a support package of \$2 million.

Mr. John Williams: Mr. Speaker, I rise on a point of order. I certainly do not want to belittle the tragedy going on in Burma, but the member may want to check his numbers. I think he said that there are 25 million deceased and another 22 million missing. I think the numbers are much smaller than that. As I said, I am not trying to belittle the issue but perhaps he would want to check that.

Hon. Shawn Murphy: Mr. Speaker, the member is quite correct. There are 22,000 deceased and 25,000 missing, I believe. I am talking about numbers in the vicinity of 50,000 people. I apologize for that. I thank the member across for pointing that out to me.

Again, I was making the point that it just shows the inadequacy of the government's response because it really does not have the capacity to deal with these issues when they come up. A lot of economists are saying these days that we are either in a deficit or heading for a deficit similar to what we had in 1993, which was corrected.

Business of Supply

I want to reiterate my support for our leader's announcement of his initiative, what I refer to as the 30-50 plan, to attempt to reduce general poverty rates by 30% and child poverty by 50%. Basically it is a three-pronged approach. It would create the "making work pay" benefit to encourage working independence. It would alter or change the non-refundable child credit into a refundable credit and improve the Canada child tax benefit. It would also, of course, provide for an increase in guaranteed income supplement payments. These are all good initiatives. I certainly support them.

I also support some of the initiatives that are going on in other provinces. I believe the province that is a little ahead of the curve on this particular issue is Quebec. It started seven or eight years ago with, I believe, Bill 112. It has what I consider to be a reasonably well advanced poverty reduction strategy. The province of Newfoundland and Labrador adopted a strategy a little over two years ago. I understand that the province of Ontario is well advanced in its strategy. I do not know exactly what is going on in the other seven provinces. I understand that there is very little going on in some provinces.

Then the debate will be, and I can hear the questions now, what is the role of the federal government? Some will say there is no role for the federal government. Some will say this is of no concern to the Government of Canada. To that I say that there is a role for the federal government. If the government has no role, then that is not my vision. That is not my agenda.

I suggest and I submit to the House that there is a very real role for the federal government. It is a role that the federal government has played for many years. It started with the old age pension, continued with the baby bonus, as it was called then, and continued with the guaranteed income supplement, the child tax benefit, the Canada pension plan and medicare. These programs were started, maintained and enhanced by various governments of different political stripes. So to that I say that there is a role for the federal government.

However, that is not what I am seeing now. I am seeing a withdrawal. I am seeing an ideology that is withdrawing the role of the federal government in the support of Canadians from coast to coast.

I ask myself where this vision, this agenda, comes from. Because even members of the Conservative Party to whom I have talked do not talk like that. They support these programs. I submit that it comes from our Prime Minister. It was his vision before he became Prime Minister. He created this vision of walls in an open letter to the premier of the province of Alberta. The Prime Minister said that he should disengage that province from the Canada Health Act, that he should disengage the people who live in that province from paying federal income taxes, that the province should set up its own police force, and that the premier should establish a wall or a moat or whatever one wants to call it around that province.

I want to say clearly that this is not my vision of this country. This country has to be led by a government that has a pan-Canadian vision and speaks for all Canadians from all walks of life, of all income brackets, living in all areas of this country.

Business of Supply

•(1530)

In closing, I am talking about the gap that exists and is growing every day, the gap between upper income Canadians and lower income Canadians. It is increasing. I think it is going to be very troubling to this country. It is an issue that this government should consider very seriously. It is an issue that is not being considered or, I suggest, is being neglected at this time. If this issue is allowed to continue, the consequences will be troubling for the country and the people who live here.

At the end of the day, after the debate and after everything is said on this particular motion today, I do hope that this is an issue that this government will move on. I hope we will see a pan-Canadian strategy that works closely in collaboration with the strategies developed by certain of the provinces, and with other provinces, which I hope will develop similar strategies, so that this issue will be moved on in the days, months and years to come.

•(1535)

Ms. Denise Savoie (Victoria, NDP): Mr. Speaker, I listened very carefully to the hon. member. We have all heard the census figures of recent days showing this widening gap between the rich and the poor. He forgot to mention that the centre is lagging behind. Middle incomes have stagnated.

With the wealth of resources that we have in Canada, how can it be that the middle class is only marginally better off today than it was a generation ago? Why is it that young people entering the labour force today are making less than their parents were a generation ago with more stable jobs? This has not just happened over the past two years.

The answer lies in the detrimental and regressive policies of successive past governments. I wonder if the member would respond to those comments.

Hon. Shawn Murphy: Mr. Speaker, I agree with the comments. I believe the census that came out last week showed that those in the 20% stratum at the top were up 16%, the lower stratum was down in excess of 20%, and the middle stratum I think had moved by 0.1%. This is in constant dollars since 1980. There has been basically no movement for the middle stratum.

The member across makes another point: the generational war. Young people today are not making the same income in constant dollars that people of that age were back in 1980. It goes back to the policies of this government. There has been very little done for people who are trying to pursue a post-secondary education. Also, in regard to the supports, whether they be for housing for low income people or public transit, name it, they are not there. The system is just going to get worse. I believe that if these trends are allowed to continue, the situation will get worse. That is why this issue has to be dealt with sooner rather than later.

Ms. Penny Priddy (Surrey North, NDP): Mr. Speaker, I am sharing my time with the member for Parkdale—High Park.

I rise today to talk about how an unbalanced economic agenda that is heading in the wrong direction is hurting the lives of people in Surrey North. I want to talk about perception and about reality.

As we stand here today, we are in the position of having seen the strongest economy in 40 years, low inflation, low interest rates, low

unemployment in many places, and strong economic growth. The perception would surely be that Canadians are doing well and they should be doing well, but what is the reality? Let me tell the House about the people in the city of Surrey and my riding of Surrey North. The reality is that they see an ever-widening gap between themselves and others—not narrower, wider—in spite of what they are told about the great economic times we are in.

Let the good times roll. Let us look at what concurrent Liberal and Conservative policies have really meant to Surrey North. The times have certainly rolled, but they have rolled back.

What do people need to be safe and healthy and contributing citizens? A job, and an economic policy supporting jobs not just in Alberta but throughout the country.

Let us start with finding a place to live. How does someone who is single and earns minimum wage do that? For someone in the Lower Mainland of British Columbia in Surrey North who earns \$8 an hour and works a full week, the after tax monthly earnings are \$955.20. So that person takes that paycheque and goes out and tries to find a place to live. The average Surrey basement suite or small apartment is \$791 a month. If the person were to rent that, the person would be left with \$144 for food, bus fare, and probably second-hand clothes. Heaven forbid if that person were to have an emergency of any kind.

Currently, Surrey needs 2,000 transitional housing units and 5,000 permanent units of affordable housing. What kind of economic policy would ignore a national housing strategy? People in housing can contribute. People who are living on the streets are not able to be part of anyone's economic housing policy. We are told that having a job is a cure for poverty. In no way is that the case in Surrey North.

Our food bank sees 14,000 people, a large number of whom are from Surrey North and 42% of those people are babies and children. The Prime Minister has said that the number of children living in poverty is probably only a quarter of the number that is quoted. I would like him to go to the food bank with me and tell that to the mother whose little girl said to her "Mommy, I'll try not to eat so much". He should try telling her that those numbers are over-estimated. That is what his economic policies are doing to people. Little children are having to say, "Mommy, don't worry, I won't eat so much".

There are people who work but they have to live in homeless shelters. They are earning minimum wage. They are trying. They are living in homeless shelters because they cannot afford a place to live. They get up in the morning and they go to work. They are using the food banks because they have no place else to eat. What kind of let the good times roll does that look like for the people in Surrey?

Business of Supply

There are middle class residents in Surrey North who sit around the kitchen table and talk about their futures. They may be people in apartments or people in their own homes. They worry about not being able to pay next month's mortgage. Why? Because people are facing job losses and they are being ignored by the government. I am talking about manufacturing jobs.

Everyone forgets that manufacturing jobs are also about the wood industry. In the wood industry, when every single sawmill on the Fraser River closes, people are out of work. In the riding of Surrey North there are many, many, many people who are out of work. There is no retraining. There was nothing in the budget for the pine beetle epidemic. Those manufacturing jobs in the wood industry are completely gone. Untargeted tax cuts certainly are not helping those people at all. They may be helping people in the tar sands, but they are not helping the people in Surrey North who worked in the wood industry.

• (1540)

Those people are also worrying about whether they can send their sons and daughters to post-secondary education. When the NDP amended the 2005 budget to remove \$4.6 billion in tax cuts and put that money toward housing and post-secondary education, the Prime Minister found it to be completely irresponsible. For those middle class people in Surrey North sitting around their kitchen tables, it is absolutely not irresponsible. It was a bit of help, but they still have a very long way to go because of the tuition costs. They know that many of them are not going to be able to send their sons and daughters to post-secondary education.

The government's economic policy also ignores children. Surrey North has a reading standard that is lower than the average in British Columbia. That should not be a surprise. We have a poverty level that is higher than the rest of British Columbia. A child who is not nourished cannot learn. That is not a secret to anyone. There are children who are going to school hungry. It is no wonder our reading standards are below the provincial average.

In conclusion, there may be economic policies that are being celebrated by Conservatives across the country wherever they may live, but in Surrey North there are more people living in poverty than in most other places. We always have had more children living in poverty than the B.C. average. They are children who learn less well than other children because they are poor, because they are not sleeping, because they do not have safe places to live. There are people living on the streets who are very interested in contributing to their community, but it is very hard to be part of an economic policy when people who are working have to live on the street because they cannot afford a place to live.

This is where an unbalanced wrong-headed economic approach takes us. Those people in Surrey North are not seeing the good times roll.

• (1545)

Ms. Peggy Nash (Parkdale—High Park, NDP): Mr. Speaker, I am very pleased to contribute to the debate and speak in favour of the NDP motion.

I want to begin by thanking my colleague from Surrey North for splitting her time with me.

The motion points to an ongoing tragedy and crisis that is occurring in our country. It is something that, quite frankly, is being masked by booms in some parts of the country and terrible poverty, unemployment and devastation in other parts of the country.

I want to draw the attention of members in the House and people who are watching the debate to three very telling reports that came out last week. These reports are compiled. They are not biased. They are put together by our statistics gathering body, Statistics Canada.

Of the three reports last week, the first one tallied the loss of manufacturing jobs. This year so far, Canada has lost 55,000 jobs in the manufacturing sector. This is on top of the hundreds of thousands of manufacturing jobs that have been lost in our country.

These are the value added jobs. These are the jobs that take our raw materials, that take the labour power that we have and it puts them together to add value to create products that we use in our country and export abroad. These are often the better paid jobs. These are the jobs that often have union representation. They have more security. They have benefits for the people who are employed and their families. Often they are jobs with a pension so that when the person retires, there is some security.

These are jobs that in my parents' generation, people joined for life. My father worked for one employer for 44 years. That was the norm in his generation. Today we have a disposable workforce where people are called in temporarily and then they are disposed of, and corporations try to pay as absolutely little as possible and have as little responsibility as possible.

The loss of manufacturing jobs is contributing massively to the poverty that we are facing in our country.

The second study last week confirmed that our economy is slowing. For the first time it confirmed what we have all suspected, that there is a decline. Certainly, when one looks south of the border, there is real concern and, in some quarters, fear that we might be in for a recession.

We are seeing what is happening to the real estate market south of the border. For many families the only savings, the only equity that they have is in their homes. There is a lot of concern across Canada.

There is concern also that our economy is so linked with that of the U.S. Most of the goods that we produce here are exported to the U.S. When we look at the tourism and hospitality industry, much of the influx of tourists is from the U.S. There is real concern about that will mean for our economy.

The real impact of the bad economic news last week was in the third study, which detailed a growing income gap that in a country as wealthy as Canada is nothing short of shameful.

The studies show quite clearly that this is not just over the last couple of years, as some members of the opposition would have us believe. This is over the last 25 years. This is over a period of record growth, surplus budgets, an opportunity when we ought to be expanding and increasing opportunities and benefits for all Canadians.

Business of Supply

The studies show that between 1980 and 2005 median earnings for the top 20% of income earners increased by 16.4%. Median earnings for the bottom one-fifth fell by 20.6%. Those in the middle are working longer and harder, are treading water as fast as they can, but are not getting any further ahead.

● (1550)

When I talk to people in my riding in Parkdale—High Park in Toronto, that is what I hear. When people sit around the kitchen table with pencils and paper to figure out how they are going to pay their bill, they cannot make ends meet. It does not matter whether one is a minimum wage worker who can work full time year round and never get enough money to support oneself and one's family, or whether one is a two income homeowner who is house poor and struggling to make ends meet, and cannot afford the thousands and thousands of dollars that child care is costing because of neglect by the present and previous governments over the last 25 years.

It is especially hitting young people. It is especially hitting children. It is especially hitting newcomers to Canada. It is shocking to see that in 1980, 25 years ago before the study was completed, newcomers were earning about 85¢ on the \$1 compared to other Canadians and that was for men and women, but by 2005 men were only earning 63¢ on the \$1 and women's income had dropped to 56¢ on the \$1. These statistics were for newcomers to Canada.

Really, it is a betrayal of the Canadian dream where newcomers come here to get a middle class life, to get a good job, and they end up driving taxi or delivering pizza in spite of having tremendous credentials. We have the best educated taxi drivers and pizza delivery people in the world.

The government emphasizes its temporary worker program, where people are good enough to come here and temporarily work without knowing they would be paid lower wages, without knowing their full rights, and without getting any representation. They are good enough to work but then they are gone. They cannot bring their families here. They have no commitment to our country. I think that is a real betrayal to the contribution that newcomers have historically made to our country.

This growing gap is best illustrated by the fact that the highest paid CEO today earns in only 13 hours what a full time minimum wage worker would earn in the entire year. That is a spiralling gap, spiralling inequality, and it betrays the kind of country that Canada aspires to be.

While seniors have done relatively well compared to some other groups, mainly because of their pension and savings income, the poorest families are falling farther and farther behind and the number of children living in poverty has remained unchanged throughout the last 25 years. This is in spite of, as I said before, years of growth, surplus budgets, and the opportunity to really advance our country and make a difference.

It is shocking to see families bringing their kids to breakfast clubs and community kitchens in Parkdale—High Park. It breaks one's heart to have kids coming for a free breakfast because they do not have any food at home. It is a real betrayal to our communities that this is happening.

We are struggling in Parkdale—High Park. A food bank recently closed. We are struggling to try to get another one up and running. We do not want to have food banks that people rely on. People need a decent income. They want to go to work. They want to support themselves and their families, and the government is betraying them by not giving them the opportunity to do so.

We have a waiting list for affordable housing of 75,000 people in Toronto. We have seen people who simply cannot afford the rents that they are being charged. When people are thrown out of work, they cannot rely on EI. Only about 20% of unemployed people in Toronto receive EI benefits, as opposed to 80% 20 years ago.

The present government and I dare say previous governments have focused on corporate tax cuts. They have squandered our fiscal capacity instead of investing in people.

I want to conclude by saying it is about time, after 25 years of squandered opportunity, that the government started listening to the hard lessons that people are learning around their kitchen tables and stop listening only to the boardroom tables. We have seen enough inequality. We want to make social progress for all Canadians.

● (1555)

Ms. Jean Crowder (Nanaimo—Cowichan, NDP): Mr. Speaker, I want to thank the member for Parkdale—High Park for her tireless defence of manufacturing jobs in this country and the need for them.

My own riding of Nanaimo—Cowichan and the riding of Vancouver Island North, over the last several months, have been rocked by the number of forestry layoffs. Last fall, in the economic update, the Conservative government talked about the crisis in manufacturing and forestry and then promptly proceeded to ignore it. In the recent budget we know that any real help for manufacturing and forestry was largely absent.

In my riding workers are running out of employment insurance because of an administrative anomaly, which means their unemployment rate is tied to the Lower Mainland where the economy is much healthier than it is on parts of Vancouver Island. After a very short period of time workers are running out of employment insurance benefits and with the economy in the forestry sector being in the state it is, there simply is no work available in their area.

Could the member tell the House what kind of efforts she thinks need to be made in order to ensure we continue to have healthy, vibrant forestry and manufacturing sectors in this country?

Ms. Peggy Nash: Mr. Speaker, first, let me say we know what does not work. We know that across the board tax cuts to corporations with no strings attached, no commitment to jobs, no commitment to investment, and no commitment to this country does not work.

Business of Supply

It lets companies off the hook with no obligations for the money they get from our tax dollars and rewards those who are already extremely popular. The banks seem to be doing very well. It rewards the oil and gas sector. My goodness, it is doing extremely well. We have seen it gouging us at the pumps every day.

That fuels what our currency has become, which is a petrodollar. It fuels the rising Canadian dollar. It is not only caused by the oil and gas sector but that is part of it. It turns its back on the crisis in the manufacturing and forestry sectors.

We do not need to shovel money back to the companies that are already very profitable. We need targeted support and investment for those industries that are in crisis. If a company is saying it is bidding for a new product and wants to get products sourced in Canada, the government can help the company with that. When the forestry industry is in crisis, as it is now, and where we are seeing plants shut down in single plant communities across the country, they need help.

Mr. Mike Lake (Edmonton—Mill Woods—Beaumont, CPC): Mr. Speaker, the hon. member's party often talks about its commitment to working families. I would like to point out some of the things that the government has actually done for working families, important steps like cutting the GST, introducing the working income tax benefit, introducing the universal child care benefit, increasing the basic exemption, and lowering the lowest tax bracket. We have taken all of these important steps.

The NDP voted against these important steps but has introduced several private members' bills, one of which was Bill C-265 that was dealt with in the Standing Committee on Human Resources, Social Development and the Status of Persons with Disabilities. Bill C-265 would have basically cost the average worker in Canada a little more than \$100 per year.

My question to the hon. member is this. How can she justify to working families her opposition to the important steps that we have taken to put more money in their pockets and, as well, how can she justify to those same working families the NDP's proposal to add a little more than \$100 to the EI bill that they pay through their hard work that comes off of their cheques?

• (1600)

Ms. Peggy Nash: Mr. Speaker, I question how saving a couple of cents on a cup of coffee helps someone who cannot afford to pay \$1,000 a month in rent for a substandard apartment in downtown Toronto. That fails to persuade me.

I would ask the member, how can he support his government taking \$55 billion from the moneys that have been paid by working people and employers across this country to the EI fund? How can he justify that when the benefits have been denied for the vast majority of unemployed people across Canada?

Mr. Colin Carrie (Parliamentary Secretary to the Minister of Industry, CPC): Mr. Speaker, I would like to state at the beginning that I will be splitting my time with the member for Beauport—Limoilou. I am pleased to rise in my place today to respond to the motion from the member opposite.

There is no doubt that Canada is facing a number of economic challenges. The U.S. economy, our main market for exports, has experienced a slowdown, especially in the housing sector. World-

wide economic growth has slowed as a result of the turbulence in the international credit markets.

However, we face these challenges from a position of strength, and the facts show that the Canadian economy has more than held its own against the U.S. and other world economies. We need look no further than the spectacular numbers on job growth to see this.

So far this year, under this Conservative government, the Canadian economy has created more than 104,000 new jobs, with more than 14,000 new jobs in the last month alone. Over the past 12 months, 325,000 new jobs have been created. Since we came to government in 2006, more than 771,000 new jobs have been created.

I should also take this opportunity to remind hon. members that as a result of this job growth, we have not seen unemployment this low in Canada for 33 years. Furthermore, these are good-paying jobs for Canadian families from coast to coast.

Despite the radical socialist rhetoric of the NDP, Canadians are better off under this Conservative government than any other time in modern history. Full time jobs account for the vast majority of all new employment in the provinces. Since January, full time employment has risen by over 94,000 people. Just think of the number of families that are now working.

Coming from Oshawa, automotive manufacturing is very important to me, and this government is responding to help. Automotive sales and consumer spending is up, in large part due to the government's fulfilled promise by cutting the GST by two percentage points, something the NDP voted against.

The Canadian economy continues to expand and the finances of Canadian businesses and households are strong. Inflation remains low, stable and predictable, and public debt levels are being reduced to levels that have not been seen in this country's history since the 1950s.

This Conservative government has worked to create the conditions that will let the private sector do what it does best: create jobs and prosperity for Canadians.

Eighteen months ago, the government released "Advantage Canada", our long term economic plan for making Canada a world economic leader.

There has not been a federal government in recent history that has done more to increase the competitiveness of Canada's automotive sector, address the most pertinent issues head on, and attempt to resource Canada's economic advantage in spite of the decline in the U.S. economy.

Canada's auto sector is the single largest manufacturing activity in the country and accounts for almost one-quarter of our merchandise exports. It directly employs over 150,000 workers, including approximately 10,000 workers in my riding of Oshawa.

The Conservative government's approach to the automotive sector is built on four pillars: a positive business climate; an integrated North American auto sector, investment in auto research and development, and the development and implementation of a new automotive innovation fund.

Business of Supply

Our strategic economic plan, “Advantage Canada”, creates this first pillar, a positive business climate, by lowering taxes, cutting red tape, investing in critical infrastructure and fostering the best educated, most skilled and most flexible labour force in the world.

The simple truth that the NDP will never understand is that if Canada is not fiscally competitive, it will not attract new assembly mandates; and if Canada does not attract new mandates, more good-paying automotive jobs will be lost. That is why budget 2008 delivered over \$1.6 billion in fiscal benefits for the automotive sector over the next five years, including over \$1 billion in tax relief by 2013.

The second pillar of the Conservative government's approach aims to preserve and support the deep integration of the North American market for vehicles and parts.

Canada's auto industry is not an island. Since the days of Oshawa's Colonel Sam McLaughlin, we have succeeded because our automotive industry has been integrated with the United States and has enjoyed easy access to the American market. Vehicles that we produce as Canadians are not the vehicles that Canadians necessarily buy. Canada exports about 85% of its production to the U.S. because we are good at assembly.

For years, Liberal majorities refused to address the tyranny of regulatory difference. After years of indifference and inaction by the previous government, I am proud to say that this Conservative government is changing this reality.

● (1605)

We agree with the recommendation of the Canadian Automotive Partnership Council, CAPC, that Canada must move toward harmonizing regulations with our closest trading partners. That is why the government has committed to new national fuel efficiency standards benchmarked against a dominant U.S. standard and to working with the U.S. to ensure compatible safety and environmental regulations, including the just recently announced harmonization of bumper standards.

By addressing these regulatory differences that continually put Canada at a competitive disadvantage, the Canadian government will save auto manufacturers literally millions of dollars each and every year.

Integrating Canada's automotive industry also means addressing major infrastructure projects. As members know, an automotive part can cross the Canada-U.S. border several times before it is actually installed in a vehicle. Delays in just-in-time delivery cost auto manufacturers hundreds of thousands of dollars per hour of delayed delivery.

Our government, led by Prime Minister Harper, understands that the smooth operation of the border is vital—

The Acting Speaker (Mr. Andrew Scheer): I would remind the hon. member not to use proper names but ridings or titles.

Mr. Colin Carrie: Mr. Speaker, the Prime Minister understands that the smooth operation of the border is vital to our integrated industry and to our competitiveness, and we are tackling these issues of growing delays.

Two weeks ago, the Prime Minister raised this very important issue at the North American leaders' summit in New Orleans where he specifically raised concerns about the so-called thickening of the Canada-U.S. border. The Prime Minister talked with his counterparts about taking steps to enhance services and reduce bottlenecks and congestion at major border crossings, such as Detroit-Windsor.

Unlike the previous Liberal government and the radical socialists' plan but no actions of the NDP, our government's rhetoric is actually backed up by action.

This Conservative government has stood up for Canada's auto industry and workers by providing a plan to complete a new bridge, a productive working relationship with the United States and Michigan administrations, and at least \$400 million for the new border crossing.

Mark Nantais, president of the Canadian Motor Vehicle Manufacturers' Association, said:

It is absolutely crucial for the automotive industry to be assured that the border crossings are reliable and predictable in order to accommodate just-in-time delivery on both sides of the border. ...This investment will help support the existing automotive manufacturing in Windsor and across Ontario, and will help make the province more attractive for future jobs and economic growth.

The third pillar of our government's approach speaks to the importance of investing in R and D. Canada carries out world-class research but to remain competitive we need to be a world-class, technology based nation that attracts and retains highly qualified graduate students and is a magnet for world-class automotive experts who will lead these efforts.

The federal government has committed, through its science and technology strategy, to strengthen industry driven R and D partnerships between the private sector and universities, polytechnics and colleges. As an automotive producing nation, we must continue to strengthen such world leading institutions as AUTO21.

Accelerating global competition, evolving consumer preferences and climate change are driving the need for huge investments in state of the art assembly plants, as well as leading edge and green automotive technologies. The future will depend on attracting these investments to build the vehicles of the future.

However, if Canada is to do this, we need to go one step further. This is where the fourth pillar comes in. The U.S. and Mexican governments provide extensive support to attract this kind of new automotive investment. Our government is committing to doing its part.

Business of Supply

Canada's new automotive investment fund, announced in budget 2008, allocates \$250 million over the next five years to lever large scale, private sector R and D innovation. By the way, the NDP voted against that. Specifically, this fund is designed to support large scale, strategic investments in vehicle assembly, powertrain and R and D operations that focus on innovation and environmental technologies. The fund will target areas in which the Canadian auto industry has already secured a world-wide reputation, a reputation that we will build on as we retool for a new, environmentally conscious, fuel efficient age.

We are looking for investments that will align with the new realities of the global auto industry. We will help design and build a 21st century automotive industry, one that will sustain Canadians jobs in an environmentally sound future. We will assess each project on its business case, working in partnership with other levels of government. Investments will comply with our international trade obligations.

Before concluding, I would like to contrast the concrete action taken by our government with that of previous governments.

In 2004, CAPC levelled a scathing critique of the previous Liberal government's inaction in five key areas: large scale investment incentives; infrastructure, like the Windsor-Detroit border crossing; innovation; regulatory harmonization; and human resources.

Furthermore, the previous Liberal government did not take a proactive approach to encourage business to invest in new machinery and equipment that would allow it to be more productive and innovative. Rather, the Liberal government relied on an underappreciated Canadian dollar to sell goods to the U.S. This approach likely led to the closure of three major auto assembly plants between 2003-05 and the loss of approximately 3,700 good paying auto jobs.

In just two years, this Conservative government has addressed most of the challenging automotive issues head on to ensure that Canada remains internationally competitive. In two years we have moved forward on the CAPC recommendations and I am very proud of that.

•(1610)

Hon. John McKay (Scarborough—Guildwood, Lib.): Mr. Speaker, yesterday at the finance committee we had both big labour and big business. It was an interesting conversation with respect to Bill C-50, the budget implementation bill, and the EI issue around setting up a separate EI fund. They pointed out that this particular provision in the budget left something to be desired.

If we want to set up an EI fund distinct and separate from the government, we need to put in about \$15 billion. The reason we need to put in about \$15 billion is because when unemployment times are bad we want to be able to reduce premiums and when employment times are good we want to actually increase premiums. There is this sort of counter-cyclical effect. We would not, in effect, be taxing businesses when they are strained in economic times.

I wonder whether the parliamentary secretary would be interested in amending the budget provision bill so that instead of setting aside a mere \$2 billion, which would do absolutely nothing, the government would put aside \$15 billion so the EI fund would act

in a counter-cyclical manner and would cushion the bad times and help in the good times. It actually was a recommendation that was made by actuaries in Canada.

Mr. Colin Carrie: Mr. Speaker, I would like my hon. colleague to know that the EI chief actuary determined it was \$2 billion.

This government will not take any lectures from the Liberals on the EI fund. If we remember correctly, under their management it basically went into general revenue and was not managed the way it should have been. That is why we are in need of changes. This government wants to look after workers and put the changes forward that need to be put forward.

Ms. Jean Crowder (Nanaimo—Cowichan, NDP): Mr. Speaker, the parliamentary secretary talked about the NDP radical socialist plan. I want to talk about what my radical socialist plan would mean.

It would mean that 100,000 children in B.C. would not be living in poverty. It would mean that first nations children on reserve would have access to the same level of care as the children off reserve have. It would mean that 1,500 homeless people in Victoria would not be living on the street and would have access to affordable, quality housing. It would mean that forestry workers on Vancouver Island would have employment insurance beyond the limited number of weeks that is currently available to them so they would be able to maintain their homes and their families.

How does the government's particular plan address the fact that people are living in poverty, the forestry sector is in crisis in British Columbia and the Auditor General is saying that the Conservative government has simply failed to deal with children and welfare?

•(1615)

Mr. Colin Carrie: Mr. Speaker, I thank the member for her question because it gives me the opportunity to contrast the radical socialist policies of the NDP and the common sense policies of our government.

The NDP's policy for business is basically what it wants to do. We have heard the NDP members say that they want to increase taxes on corporations. In other words, they want to tax them to death, then regulate them to death and then increase taxes on the general population so they can subsidize certain businesses that are NDP friendly.

That is not our plan. We believe the best social program is jobs. Unemployment right now in Canada is at a 33 year low. If the member actually knew what she was talking about, she would realize that Ontario is the number one area in North America for automotive manufacturing. We produced over 2.5 million vehicles last year. As a matter of fact, Canadians only use 8% of the North American production but we produce 17%. We are batting above what we should be doing. If the NDP had its way, automotive companies would be paying higher taxes.

Business of Supply

What that member does not realize is that we are in a globally competitive environment. Automotive companies do not have to invest in Canada. They can invest in the United States and in Asia. Without getting competitive on a global nature, those jobs will leave. Who then will pay for the social programs that the NDP claims it believes in?

Thank goodness Canadians will never see an NDP government.

[Translation]

Mrs. Sylvie Boucher (Parliamentary Secretary to the Prime Minister and for Status of Women, CPC): Mr. Speaker, I am pleased to rise in this House today to respond to the motion by the member for Sault Ste. Marie.

The member is concerned about jobs and the economy. I would remind him that the unemployment rate has not been this low for 30 years. Indeed, 325,000 jobs have been created during the past 12 months.

I also want to point out that family income is increasing steadily. In fact, real family income has increased twice as quickly in the five years between 2000 and 2005 as it did in the previous 20 years. The low income rate dropped from 15.7% in 1996 to 10.5% in 2006. That represents a great achievement.

However, as members of this House have discussed many times, there are industrial sectors where current economic conditions have muddied the waters. It is now recognized that the United States is in a recession. That was caused, in large measure, by the collapse of the residential mortgage market, which, in turn, had major consequences for the forestry sector. In addition, the rise of the Canadian dollar and higher energy prices have dealt a severe blow to the Canadian manufacturing sector.

On numerous occasions in recent months, this House has debated motions concerning the effectiveness of government programs to help communities and older workers affected by these economic conditions. The government has survived these motions.

We have proved many times that this House has confidence in the government's programs. These include the \$1 billion national community development trust and the targeted initiative for older workers, which has proved very effective in assisting workers in need.

But let me remind members of this House of certain facts as we prepare for a vote of confidence on the member's motion.

Let me remind them that agreements under the national community development trust have been signed with all provinces and territories. Provincial and territorial governments will use those funds to provide occupational training, to prepare community transition plans and to carry out infrastructure projects to help diversify the local economy.

May I also remind members that the targeted initiative for older workers has been extended to March 2012, and that the total investment for this initiative has been increased to \$160 million.

I want to remind them that we provided a billion dollars in tax relief to the manufacturing and processing sector in Canada by extending the accelerated capital cost allowance period.

I remind them as well of the new labour market agreements we signed with British Columbia, Ontario, Saskatchewan, New Brunswick and Manitoba. They will make it possible to provide training to people who do not qualify for employment insurance. Further agreements are currently being negotiated with other provinces and territories and will be signed in the coming months. The funding provided under these new agreements amounts to a total of \$3 billion over six years.

Our government is clearly taking action to help the people who work in certain key sectors that are going through difficult times. Contrary to what the hon. member's motion says, the government is reforming employment insurance. We are helping Canadians who have lost their jobs retrain for others. We are helping Canadians who are not eligible for employment insurance.

In response to the motion of the hon. member for Sault Ste. Marie, I hope that we can rise above the kind of debates we have heard over the last few months as the opposition parties attacked the government. The hon. members know all about the national community development trust. They know all about the targeted initiative for older workers. They also know all about the tax relief we have provided for manufacturers and processors, as well as the changes made to employment insurance.

I want to remind them, though, of all that the government is doing to ensure that the next generation of Canadian workers has the skills needed for a knowledge-based economy.

• (1620)

We are taking care of older workers and communities dependent on industries that are experiencing difficulty, while at the same time we are preparing the next generation to meet the challenges of the future.

Our goal is to create the best educated, most skilled and most flexible workforce in the world. We talk about the knowledge advantage, and it is our youngest people who will be the basis of it. We are giving the next generation of Canadians a chance to excel in the knowledge-based economy by investing massively in post-secondary education.

We made some major commitments in the last federal budget to encourage young people to pursue post-secondary studies and invest in lifelong learning. By post-secondary education, we mean college and university as well as learning a trade.

We improved the Canada student loans program. We spoke with students. Their message was very clear: they need immediate, ongoing financial assistance. And we listened to them.

We introduced the new Canada student grant program, which will come into effect in the fall of 2009. The 2008 budget provides for an investment of \$350 million in 2009-10, rising to \$430 million in 2012-13. Students from low- and middle-income families who qualify for student loans will automatically be given a grant. It will cover all years of an undergraduate or college program.

Business of Supply

The grants will be based on family income, and unlike the Canada millennium scholarships, they will help students in technical schools to continue their education, as well as students in colleges and universities. If a student comes from a low-income family, he or she will be given a grant of \$250 per month. If the student comes from a middle-income family, he or she will receive \$100 per month. Students will receive this money for each year they are in school. In the first year alone, we believe we will be able to assist 245,000 students. And let us be clear, these are grants, not loans.

This government will invest over \$123 million in financial aid to students in the next four years, and \$350 million in the Canada student grant program in 2009-10 alone. We will be investing in post-secondary education under the Canada social transfer through transfer payments to the provinces. Transfers will rise to \$3.2 billion and will continue to rise by 3% per year until 2013-14.

We are also helping students and their families to save for their education and pay tuition fees and other expenses, through tax measures totalling \$1.8 billion, which includes registered education savings plans.

This government is investing \$2.7 billion in research and other related activities. This will allow us to prepare a new generation of Canadian workers to take their place at the head of an economy that runs on innovation and knowledge.

To conclude, we know that even with a dynamic economy, some sectors have been hard hit. We have taken measures, by using the tax system, by investing in communities and by introducing a program to help older workers, to meet the needs that are there.

But in the meantime, we are helping a new generation of Canadians to take their place in the new economy, a generation of workers who will have the training, the knowledge and the skills to meet the challenges to come.

It is to this government's credit that it has introduced and administered a broad range of programs and projects to address the present economic situation, while at the same time building the economy of tomorrow.

• (1625)

[English]

Ms. Alexa McDonough (Halifax, NDP): Mr. Speaker, I welcome the opportunity to ask the hon. member a question that concerns me a great deal. I think it would concern her a great deal as well. There is the very dire absence of adequate child care opportunities available to children to get the best possible start in life from such early learning experiences and for parents who are desperate to work in jobs with decent incomes and to raise their families and provide their children with the best possible start in life.

This never comes from the province of Quebec. To its credit, the province of Quebec has done very well. It does not have universal child care available to every family that needs it, but it has a universal program available that can be accessed and that provides the best child care in the country.

As a woman, as a parliamentarian, as someone whom I know to be concerned about family, does the member not recognize the complete failure of the Conservative government, the government

in which she sits, to provide the kind of child care that working families, low income families and modest income families need? This is a serious contribution to the crisis being experienced by so many parents and working families in our country. Why has the federal government abandoned those families because they do not happen to live in the province of Quebec?

[Translation]

Mrs. Sylvie Boucher: Mr. Speaker, as a woman and a single mother, I believe that this government has accomplished many things over the past two years. We have made significant investments to help families and individuals: \$13 billion in benefits for families with children, including the universal child care benefit and the new child tax credit.

We have invested in the most important thing for children: education. On this side of the House we have taken action to establish structures for families and those with low incomes. And all the while, the NDP has voted against these measures. They have done nothing to help the families in this country.

• (1630)

Mr. Gérard Asselin (Manicouagan, BQ): Mr. Speaker, I would like to reply to the member's speech. She said that the current unemployment rate in Canada and Quebec is at its lowest. That is true. Seasonal workers in the fishing, forestry and tourism industries, along with all forestry workers, are now in the spring gap. What I mean by that is that they have not been receiving employment insurance benefits since about the start of April, yet they will not begin work until the start of June or, for most of them, the start of July.

People do not have any more employment insurance benefits because they have exhausted the number of weeks covered by this government for employment insurance. They had been receiving employment insurance since September, the end of the season, and now they are not receiving anything. That is what is called the spring gap. Quite often these people find themselves on welfare.

The Bloc Québécois introduced Bill C-269, An Act to amend the Employment Insurance Act (improvement of the employment insurance system), but the Conservatives voted against it. We also introduced a bill that would create an independent fund, but the Conservatives were also opposed to that.

Mrs. Sylvie Boucher: Mr. Speaker, our government has done a lot for these people, in this House. We invested \$9 billion in programs for Canadians with disabilities. The Bloc Québécois has done nothing. We have invested \$30 million in income support for seniors. The Bloc Québécois has done nothing and never will. We have invested \$550 million through the working income tax benefit. Once again, the Bloc Québécois has done nothing.

[English]

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 Burnaby—Douglas, Homelessness; the hon. member for Scarborough—Guildwood, The Economy.

Resuming debate, the hon. member for Nanaimo—Cowichan.

Business of Supply

Ms. Jean Crowder (Nanaimo—Cowichan, NDP): Mr. Speaker, I will be splitting my time with the member for Halifax.

I am pleased to rise today to speak to the motion presented by the member for Sault Ste. Marie. I know other members have talked about it, but I want to talk specifically about what this motion says. It states:

That the House recognize the harmful effects on working and middle-income Canadians of the growing income gap fostered by this government's unbalanced economic agenda, including its failure to reform employment insurance to ensure that people who lose their jobs during economic downturns are protected and trained, and therefore the House has lost confidence in this government.

I simply do not have time to talk about the number of impacts, whether it is the fact that between 1980 and 2005, according to Statistics Canada, median earnings of individuals working full time on a full year basis fell 11.3% in British Columbia, or that First Call has said that British Columbia holds the dubious record of having the worst child poverty rate in the country for five consecutive years, from 2002 to 2006, and that record translates into over 100,000 children living in poverty.

Victoria is the capital of British Columbia and everybody talks about the beauty of the city, which is all true, but it also has one of the highest rates of children living in poverty, at 26.6%. In addition, at least 1,500 people are homeless and on the streets of Victoria, and that is a shame in the capital city of British Columbia.

We also have the sad legacy that has been left by the current government and the previous Liberal government on the forestry sector in British Columbia. In a recent news article, in one of the local papers from Friday, April 4, it says:

Valley forest industry workers, already shell-shocked by the bankruptcy of Munns Lumber, and waiting for news on hard-pressed Ted LeRoy Trucking, woke Wednesday to discover that Vancouver Island industry stalwart, Madill Equipment of Nanaimo is also shutting its doors.

Then, related stories talk about a cascading effect on Vancouver Island, whether it is Campbell River, where Elk Falls and TimberWest has closed down a couple of its operations, or these following headlines: "Workers prepare for the worst at Harmac", *Nanaimo News Bulletin*; "Crofton pulp mill faces summer of uncertainty", *Ladysmith Chronicle*; "Ladysmith mill closes indefinitely", *Ladysmith Chronicle*; "Black Tuesday for mill workers", *Cowichan News Leader and Pictorial*; or the latest, on May 5, "Nanaimo mill on 48-hour life support".

For a government that argues our country is just doing fine, tell that to the forestry workers on Vancouver Island. Tell that to the forestry workers, many of whom had filed for their employment insurance claims a number of months ago and are now running out of employment insurance.

I have spoken about this in the House before. We have forestry workers who, after a very few short weeks, are out of employment insurance. Our market is tied to the Vancouver Lower Mainland unemployment rate, and that unemployment rate simply does not reflect what is happening on Vancouver Island. Therefore, we have workers who have paid into the employment insurance fund year after year and they will be unable to collect their full entitlement because of this anomaly.

I encourage the government to take a look at what it can truly do for forestry workers on Vancouver Island, whether it is in Campbell River, Nanaimo or Duncan, and talk to those working families about what it is going to mean to them as their income runs out.

I also want to talk about aboriginals, because I am also the aboriginal critic for the NDP. I want to turn just for one moment to the United Nations Declaration on the Rights of Indigenous People. Article 21(1) states:

Indigenous peoples have the right, without discrimination, to the improvement of their economic and social conditions, including...in the areas of education, employment, vocational training and retraining, housing, sanitation, health and social security.

What we have seen consistently from the government, with its unbalanced economic agenda and its neglect of the working and middle class families, is a continuing neglect of first nations, Métis and Inuit in our country.

• (1635)

In the last budget we saw no commitment to defining the federal responsibility for post-secondary education, which leaves institutions such as the First Nations Technical Institute lurching from crisis to crisis.

We have seen no end to the 2% cap on social spending. I will address that a little further on when I talk about the recent Auditor General's report.

We have seen no dollars to implement Jordan's principle, which was passed unanimously in the House in December. It would mean that we would put children first and stop the quibbling that says children go without while provincial and federal governments argue about who should pay.

There was an opportunity in the budget to put some real meat on aboriginal policy in this country, but once again the government failed to do that.

If we want to talk about statistics, sadly, we are not talking just about numbers but about people's lives. In the 2007 report card on child and family poverty in Canada, we saw that 41% of aboriginal children under 14 were living in poverty nationally in 2001. That rose to 51% in Manitoba and 52% in Saskatchewan.

These are children under the age of 14. This means that these children do not have access to adequate housing. They do not have access to clean water. They do not have access to schools. The member for Timmins—James Bay has been leading the fight on trying to get a school in Attawapiskat. A generation of children is going through substandard schools in that community and many other communities in this country.

We are also talking about the fact that one in four first nations children live in poverty in this country. We live in a country that prides itself on human rights, compassion, dignity and integrity, and yet we say it is okay in this country for children to go hungry at night.

More than one-third of first nations households with children are in houses that are overcrowded. The high school completion rate among first nations youth is half the Canadian rate. We know that poverty plays a significant factor in children completing high school.

Business of Supply

Let us talk about income. Again, this is from the Canadian Centre for Policy Alternatives, which did a detailed analysis in its alternative federal budget. In the year 2000 the median income of aboriginal women was \$12,300 and the median income for aboriginal men was \$15,500. I want someone to tell me how to support a family on those kinds of numbers. It simply cannot be done.

On May 6 the Auditor General presented a report: "First Nations Child and Family Services Program". It was a scathing indictment of both the current government's record and the previous government's record.

Whether we are talking about the fact that aboriginal children are eight times more likely in Canada to end up in care, or the fact that provincial governments fund foster children in care at one rate and the federal government at a substantially different rate, that difference has led to the Assembly of First Nations filing a human rights complaint because of the 22% differential in the funding provided for first nations children who are in care.

I want to quote from section 4.72 of this report. This is an important factor. What we often hear from first nations on reserve is that they simply do not have enough money for housing. They do not have enough money to deal with clean drinking water. They do not have enough money to pay their teachers a decent salary. They do not have enough money to take a look at medical care. This report says that money is diverted "from programs such as community infrastructure and housing to other programs such as child welfare", because they simply do not have enough money to look after their children in their communities.

We know the answers are there. Whether it is putting money into the employment insurance fund so all workers have adequate access, whether it is removing the 2% cap that the Liberals have put in place and the Conservatives have continued for funding for aboriginals, or whether it is just looking at what is reasonable in terms of housing and access to education, we have the answers, but we simply do not have the political will from the government to move forward on some of these critical issues.

• (1640)

Mr. Mike Lake (Edmonton—Mill Woods—Beaumont, CPC): Mr. Speaker, I want to start by saying something that I often say in the human resources committee when we are talking about these important issues. We all want the same end result. I think all of us in the House want to see decreased levels of poverty in Canada. It is just that from one party to another we differ in our views on how to get there, quite significantly sometimes.

We have taken some measures, as I said earlier, to cut the GST, to introduce the working income tax benefit and to introduce the universal child care benefit. We have increased the basic exemption and lowered the lowest tax bracket. These are all measures that the NDP has voted against. I would like to ask NDP members why they voted against them, but I am not going to do that. Actually, I am just happy that they voted.

I have a question for the member. She has been in the House for much of today and has heard members of the Liberal Party in debate. I would like to ask her, based on what she has heard today, whether

she feels her Liberal colleagues are going to vote on this confidence motion and, if so, which way they might go.

Ms. Jean Crowder: Mr. Speaker, I am not going to presume what the Liberal Party is going to do. Whether those members are going to stand and vote or sit in their seats, I think that is up to them and their conscience.

When we are dealing with the kinds of issues that I have talked about today, such as unemployed forestry workers, aboriginal children living in poverty, the lack of education for aboriginal children on reserve and the lack of adequate housing, if people choose to vote for a government that is not addressing those problems, that is between it and its electorate.

However, in terms of this member talking about the fact that we voted against the budget, if we could cherry-pick from the budget and just vote on the parts of the budget that we thought were of benefit to Canadians, that would be one matter. Unfortunately, we were presented with a whole package.

What that did not allow us to do was talk about the fact that we are not addressing some of those very serious economic issues facing Canadians and, in particular, British Columbia and Vancouver Island. We were not allowed to say that we do not support measures which do not address this economic disparity that is happening. So unfortunately we had to vote against the budget because it did not deal with some of those other critical issues.

• (1645)

Mrs. Lynne Yelich (Parliamentary Secretary to the Minister of Human Resources and Social Development, CPC): Mr. Speaker, I am pleased to set the record straight. Earlier this afternoon, the member for Acadie—Bathurst commented that I had referred to the Saskatchewan Party as the Conservative Party. What I was talking about was philosophies. In Saskatchewan, there are two philosophies. There is the philosophy of a Conservative-like-minded government like ours that is doing a lot for an economy, which means we like to create wealth, unlike the NDP members and their philosophy. They like to divide wealth.

I just wanted to make it clear that I was not suggesting we are ruled by a Conservative Party, just by a like-minded, conservative-thinking party that does indeed believe in creating wealth. Therefore, we are now having population growth because all of those people who left Saskatchewan because of the poor economic environment and the declining population are coming home because of strong economics and some of our economic platform. I just wanted to make that comment.

I did want to also mention that I do not think the NDP recognizes this. In his remarks this afternoon, I think the member talked about how nothing was done for students. I think we did a lot for students with our—

The Acting Speaker (Mr. Andrew Scheer): I hate to cut off the hon. member, but I do have to allow the hon. member for Nanaimo—Cowichan a chance to respond.

Business of Supply

Ms. Jean Crowder: Mr. Speaker, I am not clear what the question was in regard to my particular speech, but I do want to point out to the member that when she talks about the growth in the population of Saskatchewan, part of that growth can be attributed to first nations and, of course, the children living in poverty in Saskatchewan. Fifty-two per cent of first nations children under the age of 14 in Saskatchewan live in poverty.

We talked about education, for example, and that is a really valuable tool to raise people out of poverty and to provide them with the training and education they need to meet the skills shortages in our current labour market. I think most people would welcome an opportunity to have that happen.

Ms. Alexa McDonough (Halifax, NDP): Mr. Speaker, I very much welcome the opportunity this afternoon to speak briefly on the non-confidence motion introduced by the New Democratic Party on our opposition day.

Let me make very clear, referring to our motion, the basis for our lost confidence in this government, which we are concentrating on today. There are many different reasons for our lack of confidence, but today our debate is focused on “the harmful effects on working and middle-income Canadians of the growing income gap fostered by this government’s unbalanced economic agenda”, which is very punishing for a great many families in this country today.

I want to take a moment to refer to some statistics that apply to Canada as a nation before I focus a little more on my own riding of Halifax and the province of Nova Scotia, from which I am privileged to come.

We have heard that the facts and figures we are sharing with people are some kind of high-blown socialist rhetoric, but I want to try to ground those hysterical Conservative members by referring to the most recent report from Statistics Canada, based on the 2006 census, which is hardly high-blown social democratic rhetoric. I want to refer to three particular facts. There are many others. They all add up to the same picture, which is the damage that has been done by a succession of Liberal and Conservative governments over, I am inclined to say, the last 50 years.

However, what the 2006 census report makes clear in the detailed analysis is that it is actually over 30 years of flawed, unbalanced economic policies that have created what is a growing prosperity gap in this country. It is not only punishing for a great many people, but it is dangerous for a society to have that much division and that much marginalization.

Let me refer to three brief facts.

First, the earnings of average Canadians have stagnated over the last 25 years.

Second, in 2005 a person with a full time job earned a median pre-tax salary of \$41,000 and a bit. When adjusted for inflation, that is only about a buck a week more than what the average worker took home in 1980. We are talking about what they took home 28 years ago.

Third, while middle class workers experienced no real growth in earnings, those at the top end got a lot richer, with a 16.4% increase

in the 25 year period between 1980 and 2005, and those at the bottom got much poorer, with a 20.6% decline.

I do not know how there can be such denial, both of the statistics themselves and of what the impact of those statistics is on the real lives of real people in the real communities that all of us collectively represent in this country.

I am very proud of the fact that my party has consistently put forward the alternative policies and the alternative solutions. I was very pleased when the member for Toronto—Danforth, who succeeded me as leader, put forward to our membership in this country and to the Canadian people the fact that the role of opposition is an important one in democracy, but an important part of opposition is proposition, that is, to put forward the solutions.

That is why, led by the anti-poverty critic in our caucus, we have worked consistently on a detailed, comprehensive anti-poverty strategy. We are proposing what kinds of policies are needed to reverse the damage that has been done as a result of unbalanced economic policies for over 30 years now in this country, most often under the Liberals but also under the Conservatives. Certainly under today’s Conservatives, the damage is deepening every day.

• (1650)

I want to turn to my riding of Halifax for a moment. People will say that Halifax is thriving and that Halifax is a very prosperous place today, and that is absolutely true. I am very privileged to represent that riding. It is not true that my community has gone to hell in a hand-basket because it is represented by a New Democrat. I have been proud to represent this riding now in the House of Commons for 13 and a half years.

The prosperity in Halifax is astounding. In case anyone thinks that is because of Conservative or Liberal provincial members who come along and mop up behind whatever influence I might have on my own community in representing it, let me say that there are five provincial seats within my federal boundary and all five of them are represented by New Democrats. It does not seem to follow directly that as a result of social democratic thinking, things fall apart.

Let me also say that in opposition federally and provincially, we have consistently beseeched both levels of government—and I can only speak for the 29 years I have been in public life, so that is what I will do—the Conservatives and Liberals in office to understand that many of the economic policies they pursue create a growing gap. They create greater disparities all of the time between the wealthiest among us and the rest of Canadians. In particular, they are very punishing to the poor.

In Nova Scotia today, 34,000 children are living in poverty. Nearly four out of every ten Nova Scotians have difficulty reading, understanding and using printed materials, and have difficulty with numeracy. What does that have to do with poverty, some people may ask. It has a lot to do with poverty, and that in itself is a whole separate subject.

Business of Supply

There are 7,200 children per month who are forced to rely on food banks in Nova Scotia. Some will say that it is good that charity is there to mop up the damage from flawed economic policies. However, not only is the charitable model not the appropriate one in a modern prosperous community or a modern prosperous country, but it is time for us to recognize that the whole community, the whole country benefits when we operate on the justice model and operate on the basis that we have the means, we have the know-how, we have the resources, we have the knowledge that we need to make sure that we do not have more and more people being left behind in our society. It is shameful that this is happening in the midst of the plenty that exists in this country today.

I am very pleased that in seven days' time, on May 15, I will be hosting a public forum, a public dialogue in my own riding to bring various people in the community together to talk about this growing gap and what the solutions are that can be brought to bear.

We know that the labour movement has a contribution. It is making a big contribution in trying to address this problem, having launched on International Women's Day a comprehensive strategy to end poverty once and for all, to advance equality once and for all.

The president of the Canadian Association of Social Workers, who is participating in that forum, has been giving tremendous leadership around issues of equality and diversity. Others in the community will contribute their ideas.

Despite the prosperity in my city of Halifax, there have been enormous job losses in Nova Scotia. We do not hear as much about them because we do not have as many jobs to begin with, so when the jobs are lost, they are not as numerous. However, we have the same concerns that have been raised again and again by members of my caucus from Ontario, from the west, from British Columbia. In comparable terms based on our population, the number of job losses is very serious: 120 jobs lost in one community, 280 in another, 50 in another, 300 in another, 150 in another and 580 in another. Those are very large numbers of job losses. It is time that we began to address those problems with serious solutions.

• (1655)

Ms. Jean Crowder (Nanaimo—Cowichan, NDP): Mr. Speaker, in part what the member for Halifax has talked about is that we often hear the rhetoric that thousands of jobs have been created. The reality is that in many of our communities we simply are not seeing those jobs.

What we are seeing is that many times when jobs are created, they are often low wage, part time, seasonal jobs. Many people are actually having to work two and three jobs simply to keep food on the table for their family.

Then we take a look at the Employment Insurance Act and the changes to that act that unfolded in 1995-96. Over the last many years there is a decreasing number of people who are actually eligible. Women in particular have been very hard hit. Fewer and fewer women now qualify for EI, because many of the women who pay into the employment insurance fund are in part time, seasonal and contract employment.

I wonder if the member could comment on the kinds of changes she thinks are important to make to the employment insurance fund

so that workers from coast to coast to coast actually are entitled to the benefits when they have paid into that fund.

Ms. Alexa McDonough: Mr. Speaker, there is no mystery about how much damage was done by the massive changes that were introduced by the Employment Insurance Act in 1995-96. There is no mystery about whether the damage was real because the province of Nova Scotia went from never having elected a New Democrat in the history of that province on the Nova Scotia mainland, to actually electing four New Democrats in the metro area in Halifax alone and two more in Cape Breton. Why? It is not because we all suddenly appeared with all the answers. More than any other single thing it was because of the damage that was done to the lives of people because of the massive changes to employment insurance. They were hitting people, affecting people and people were demanding that there be repairs done.

The Liberals never brought about the improvements that were needed after getting that loud message in 1997. Now 11 years later the changes still have not been made. The numbers of hours required to qualify are still excessively high for people in various seasonal industries, for example.

As if it is not an indignity enough to pay and pay into the employment insurance fund, the effect of that on the lives of people, the effect for parents of young children is that they are forced into living in dire poverty.

The other effect which is very real for Atlantic Canadians and for people from the north, is that it is a forced outmigration program when we do not have an adequate stabilizing unemployment insurance system. We are losing a lot of our workers to other parts of Canada because that is the only way they can feed their families. Of course that causes a further erosion of the economic base of our community.

• (1700)

Mr. Tony Martin (Sault Ste. Marie, NDP): Mr. Speaker, I want to commend the member on her speech this afternoon and her understanding of this issue, particularly as it affects those whom she represents and speaks for here in the House.

On my travels over the last two years I was in Halifax and met with people and listened to them about income security. One of the faces of poverty that I heard about very clearly and directly was women and poverty, the number of women affected by poverty and living in poverty. Perhaps the member would like to elaborate on that in terms of the agenda of the government and the massive tax cuts that we are seeing mostly accruing to big corporations.

Ms. Alexa McDonough: Mr. Speaker, I welcome the question by the hon. member for Sault Ste. Marie. It allows me the opportunity to say what tremendous leadership he has provided persistently, consistently and stubbornly on the issue of a serious comprehensive anti-poverty strategy in this country. The member has criss-crossed this country from one end to the other, north, south, east, west, to invite people to come together and talk about solutions. We now are going to finally have an all-party committee that begins to go to work on this—

The Acting Speaker (Mr. Andrew Scheer): Resuming debate. The hon. member for Compton—Stanstead.

Business of Supply

[Translation]

Ms. France Bonsant (Compton—Stanstead, BQ): Mr. Speaker, I am very pleased to speak today to the NDP opposition motion. As members certainly know, the subjects mentioned in this motion have always been very important to the Bloc Québécois. I am referring to the problems related to employment insurance, poverty and training. We cannot sit by and say nothing about the Conservative government's obvious incompetence in these areas.

I would like to start with the issue of employment insurance, and more specifically, the people who depend on this plan. As its name suggests, employment insurance is supposed to be an insurance that enables contributors to receive an income when they lose their job. That sounds good. The problem is that the plan has been completely distorted and diverted from its original goal.

For example, the claimant-contributor ratio went from nearly 80% in 1990 to 46.1% today. This means that less than half of those who contribute to employment insurance qualify to receive benefits. Did this Conservative government do anything for the unemployed or for these people who are losing their jobs? Absolutely not.

At the weekly meetings of the Standing Committee on Human Resources, Social Development and the Status of Persons with Disabilities, on which I sit, I have even heard Conservatives say that people who lose their jobs in Quebec or elsewhere can simply move to Alberta. I understand the principle of labour mobility, but it is not as simple as that. People cannot be uprooted that easily.

I would like to remind the members opposite that with Bills C-269 and C-357, we in the Bloc Québécois came up with real solutions to help people who lose their jobs. The first bill proposed to improve the employment insurance system, while the second called for the creation of the independent employment insurance fund. The government chose to reject these bills out of hand. What did it do instead? It proposed in the most recent budget to create a crown corporation, the employment insurance financing board.

We have asked questions about this board, and our understanding is that the board's only role will be to adjust the employment insurance contribution rate. The minister himself has confirmed the board's minimal role. This morning, at the Standing Committee on Human Resources, Social Development and the Status of Persons with Disabilities, one witness mentioned that a 15¢ decrease in contributions would mean approximately \$30 more for workers at the end of the year. What a nice gift. This is not exactly what you would call a big help.

The crux of the problem remains. The government has made no provision to improve the employment insurance system and ensure that people who lose their jobs have some income while they are going through a rough time. The Conservative government should have acted. If they do not want to help the unemployed, the Conservatives deserve to be unemployed themselves.

Industries are still in crisis in Quebec. Lumber producers and manufacturers have been affected, even in the ridings represented by Conservative members. Yet the government has not lifted a finger, preferring to help Alberta and cozy up to its friends to the south, the Americans, Mr. Bush's friends.

The manufacturing crisis has had a devastating effect on the Eastern Townships, and it is not over yet. This week, we found out that one of our region's finest, Shermag, has placed itself under the protection of the Companies' Creditors Arrangement Act. Shermag was hit hard by Asian competition and the rising dollar. Between 2005 and 2007, the company closed three plants in my riding, one in Scotstown, one in Cookshire-Eaton and one in Dudswell, which cost our small communities hundreds of jobs.

I mentioned Shermag, but I could just as easily have talked about other Quebec plants and factories that have closed. I do not want to go on and on about the manufacturing crisis, because that is not the purpose of today's motion. I want to get to the point, which is the human side of things.

• (1705)

In 2003, there were about 42,000 industrial jobs in the Eastern Townships. Now there are only about 25,000 left. The manufacturing crisis cost us 17,000 good jobs in a region with a population of 300,000. Those jobs paid at least \$20 or \$22 per hour. Quebec workers—should they even qualify—are too proud to sit at home, happily taking advantage of the employment insurance program. Workers in the Eastern Townships rolled up their sleeves and found other jobs—jobs that most often paid less than half of what they had been earning before.

This has been a huge loss for these people and for the economy of the Eastern Townships. In four years, we lost 35% of our industrial jobs. This is a real catastrophe. Workers who lose their jobs have to deal with an employment insurance program that does not insure them. Whether they want to or not, they have to take whatever job they can get, even if it is a part-time job for low pay.

It is easy to see what I am getting at. When people's wages drop by \$5, \$10 or \$15 per hour, buying power goes down and poverty goes up. Yet, with its laissez-faire ideology, this government has made it clear that it is not really interested in helping people who really need help.

To refresh our memories, I could mention that the Conservatives cut the women's program. They also slashed programs for minorities and they are still refusing to refund money owed to seniors for the guaranteed income supplement. On the other hand, however, they did not hesitate to give tax credits of almost \$1 billion a year to the oil companies and corporations, which, as we all know in this House, are "living in the most appalling misery and destitution."

This week, we learned that the individual purchasing power of Quebecers has increased by \$53 in 25 years. That is another proof of the inaction of governments, both Conservative and Liberal, we must insist. Fifty-three dollars amounts to one dollar a week this year, but in this case it was spread over 25 years.

From the same set of statistics, we learned that the salaries of low income workers decreased by 20% during the same period. Meanwhile, the incomes of the richest people increased by 16%, and the number of rich people also grew. Moreover, despite the efforts made over 25 years, it appears that poverty has not been reduced.

Here are some examples of the sad state of affairs. Nearly 900,000 Canadian children still live in low income families. We always say that the reason children are poor is because their parents are poor. The number of mothers in single-parent families who are trying to make ends meet is just as high as ever. Indeed, there is no shortage of examples and all communities are affected.

Before concluding, I would like to sum up the situation. It is very clear to me that the government has done nothing to save jobs in Quebec, to help our workers who are in trouble, to improve the employment insurance plan or to combat poverty. The results are negative. The gap between rich and poor is growing wider. Disposable income is stagnating. In other words, we are going nowhere and this government has no vision to offer; it has no plans or ideas to submit. It has only an outdated, backward, regressive and rigid ideology.

The Bloc has given the government an opportunity to act: to reform employment insurance, to help the most needy, to ensure that our industries remain open, and that our workers maintain their dignity and their income. The Conservatives have chosen to fold their arms and do nothing. They had the chance to govern on behalf of workers but they did not act on it.

I must say that I have never had a great deal of confidence in this government, but today it has really lost the confidence of this House. I am convinced it will also lose the confidence of the voters.

• (1710)

[English]

The Acting Speaker (Mr. Royal Galipeau): Questions and comments. The hon. member for Peterborough should know that there are less than two minutes that will include both the question and the answer.

Mr. Dean Del Mastro (Peterborough, CPC): Mr. Speaker, I listened intently to the member's statement. It is funny because one would never know from listening to her that Quebec is actually doing quite well. While there is some sectoral weakness, the fastest group of new employees in Quebec are the older workers that the government has sought to help, and the year over year employment income increases are 4.5%. People are doing better. They are finding more jobs. There is a global decline, but we are outperforming every international economy with which we compete. I wonder why the member would possibly support this motion. It is clearly unfounded.

[Translation]

Ms. France Bonsant: Mr. Speaker, perhaps the hon. member across the floor should emerge from his bubble and take off his rose coloured glasses.

When I drive around my riding, I see farmers losing revenue, businesses in single industry communities closing their doors and people losing their houses. Some of my constituents call me at home to tell me they do not have the money to pay for their heating. They are wondering what to do, whether or not to heat their houses. They are even forced to choose between eating or dying, since they cannot pay for both food and medicine.

The member can say all he wants that he created 300,000 jobs. He can create a million jobs if he wants. But if he worked one day a

week for \$8.50 an hour, he would soon realize that such a wage does not amount to much at the end of the week.

[English]

The Acting Speaker (Mr. Royal Galipeau): It being 5:15 p.m., it is my duty to interrupt the proceedings and put forthwith every question necessary to dispose of the business of supply.

[Translation]

The question is on the motion. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Royal Galipeau): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Royal Galipeau): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Royal Galipeau): In my opinion the yeas have it.

And five or more members having risen:

• (1715)

[English]

The Acting Speaker (Mr. Royal Galipeau): This vote is consequently deferred until the end of government orders on Monday.

Mr. Bruce Stanton: Mr. Speaker, I rise on a point of order. I wonder if there might be unanimous consent of the House to see the clock at 5:30 p.m.

The Acting Speaker (Mr. Royal Galipeau): Is it agreed?

Some hon. members: Agreed.

The Acting Speaker (Mr. Royal Galipeau): The House will now proceed to the consideration of private members' business as listed on today's order paper.

PRIVATE MEMBERS' BUSINESS

[Translation]

OLD AGE SECURITY ACT

Mr. Robert Carrier (Alfred-Pellan, BQ) moved that Bill C-490, An Act to amend the Old Age Security Act (application for supplement, retroactive payments and other amendments), be read the second time and referred to a committee.

Private Members' Business

He said: Mr. Speaker, it is an honour for me to speak today at second reading of Bill C-490, An Act to amend the Old Age Security Act (application for supplement, retroactive payments and other amendments), and more specifically, concerning the guaranteed income supplement.

This bill, which I introduced on December 5, 2007, proposes the four following themes: automatic registration for the guaranteed income supplement; full retroactivity for unpaid pension amounts; increase in the monthly payment of the guaranteed income supplement; and payment of the pension and supplement to a person whose spouse or common-law partner has died.

This is the first time since the voters in Alfred-Pellan elected me in 2004 and in 2006 as a member of Parliament that I have had the privilege of introducing a bill, a bill to allow our seniors to improve their living conditions.

My colleague from Repentigny went on tour during the summer and fall of 2007 to investigate the situation of seniors. His encounters with seniors and seniors' groups and associations throughout Quebec shed light on how impoverished seniors have become over the past decade or so.

Although pensions and the guaranteed income supplement have increased in line with the consumer price index, this does not reflect the real situation for pensioners and recipients of the supplement. The cost of living for seniors tends to be affected more by the cost of drugs, health care services and housing.

For years the Bloc Québécois has been criticizing the irregularities in the federal guaranteed income supplement program, which provides supplementary income to low income seniors. The Canadian government's mismanagement was such that in 2001, more than 800,000 seniors in Quebec were still not receiving the supplement to which they were entitled and which they truly needed. A poll conducted in 2001 showed that only 15% of seniors who were using food banks were receiving the guaranteed income supplement, even though almost all of them were entitled to receive it.

For several years, the Bloc Québécois has carried out an extensive operation to track down some 42,000 of these people in Quebec. In 2007, quite recently, about 135,000 people were shortchanged by the guaranteed income supplement, 40,000 of them in Quebec alone. Many seniors are not receiving the guaranteed income supplement because they must submit a written application each year.

After meeting with ten or so seniors' associations in my riding, I realized that it is not easy for most seniors to fill out the application form. The Minister of Human Resources and Social Development does not seem to realize that this program is geared towards seniors, who have difficulties reading the small print on the form and who cannot always answer the questions because they do not understand what the letters CPP, QPP or RRIF mean.

The government's recent announcement that seniors would only have to fill out an initial application to receive the guaranteed income supplement shows that it does not understand the situation facing seniors or their needs. The 135,000 people who do not receive the guaranteed income supplement are the ones who do not know it exists or are not able to understand and properly fill out the application form.

The government has an obligation to track down all the seniors who have been forgotten over the years by the machinery of government. It must create a system that enrolls them automatically, since it is now allowed to exchange information with the Canada Revenue Agency.

● (1720)

The Privacy Commissioner told the Standing Committee on Human Resources, Social Development and the Status of Persons with Disabilities that “—Section 241 of the Income Tax Act specifically authorizes CCRA to disclose taxpayer information for the purposes of administering the Old Age Security Act”.

More ridiculous still is the fact that the 42,000 people that the Bloc Québécois tracked down in Quebec who are entitled to the guaranteed income supplement will receive a maximum of 11 months' retroactive payments from the federal government. As far as I know, when a taxpayer owes taxes after an audit of returns from previous years, the government is not limited to 11 months' retroactivity. The government demands every retroactive penny owing. This is a striking example of the federal government's abuse of its power over the poor.

I visited a housing cooperative in my riding, and I remember an elderly lady who told me, “You know, seniors are afraid to speak up”. I truly believe that the federal government is taking advantage of seniors' fear of speaking up. Yet, before the 2005 election, when the Conservatives were in opposition, they supported the Bloc Québécois' Bill C-301. We must also remember that all of the Conservative members in the House voted in favour of that bill. Now that they are in government, the Conservatives have an opportunity to prove that they were sincere back then by supporting my bill now and seeing to it that it receives a royal recommendation.

The government can be sure that it will have the support of Quebec, which it recognized as a nation. Indeed, Quebec's National Assembly unanimously adopted a motion in support of seniors who have not received the guaranteed income supplement that low-income people are entitled to.

Private Members' Business

Income is one of the most important health determinants and the basis of an individual's ability to access appropriate housing and transportation required to maintain independence. Housing, transportation and food account for more than two thirds of the expenses of senior households. According to the National Council of Welfare, "poverty is not just a lack of income; it can also be a synonym for social exclusion. When people cannot meet their basic needs, they cannot afford even simple activities, such as inviting family or friends to dinner occasionally or buying gifts for a child or grandchild. Poverty leads to isolation and social exclusion, which in turn lead to other problems, such as poor health, depression and dysfunction. Poverty can quickly deprive individuals of their dignity, confidence and hope."

The guaranteed income supplement for low-income pensioners does not even bring them up to the low income cutoff, formerly known as the poverty line. What message do we want to send to our seniors? That they are poor and that we are willing to help them, provided they remain poor.

The guaranteed income supplement must be increased by \$110 a month to bring recipients up to the low income cutoff.

Seniors' associations have also asked that where couples are receiving the guaranteed income supplement, the surviving spouse be entitled to receive the deceased spouse's benefit for six months.

• (1725)

Currently, the surviving spouse receives a benefit as a single person, beginning in the month following his or her spouse's death, which heavily penalizes the survivor.

My bill therefore provides that, from now on, the spouse or common-law partner of a deceased recipient can continue to receive the deceased person's benefits for six months following his or her death.

Jean Cocteau said, "The older I get, the more I realize that what does not fade is dreams." Since December, I have explained my bill to hundreds of seniors in my riding. I can confirm that they are very happy we are looking after them. They appreciate that we are helping them and want to give them better lives. I finally understand that our seniors have only one dream: to be able to live in dignity.

I am certain that my colleagues in all parties recognize that we all have a duty to the people whom we have to thank for what we are today and who are now waiting for our recognition. On their behalf, I thank my colleagues.

[*English*]

Mrs. Lynne Yelich (Parliamentary Secretary to the Minister of Human Resources and Social Development, CPC): Mr. Speaker, I am pleased to contribute to the debate on Bill C-490 in which the hon. member for Alfred-Pellan proposes certain amendments to the Old Age Security Act.

Since taking office, our government has acted decisively on its commitment to protect the security of Canadian seniors. This government cares deeply about the many contributions that today's seniors have made and continue to make to our society. These seniors raised families, they helped to build up our national economy and they made vital contributions to our health, safety, education and

culture. Furthermore, many Canadian seniors are veterans who risked their lives to preserve our freedom.

For these reasons and many more, our government will continue to do its utmost to ensure that Canadian seniors are treated with dignity. We will ensure that they receive the full respect they deserve.

All Canadians can be proud that the guaranteed income supplement, or the GIS, has played an important role in reducing the incidence of poverty among seniors. As my colleague pointed out a few minutes ago, the poverty rate among seniors has declined dramatically over the past 25 years. The average income for seniors in that time has doubled.

Bill C-490 proposes that the monthly GIS payment be increased by \$110 to reduce poverty among low income seniors. In fact, Canada already has one of the lowest levels of poverty among seniors of any country in the industrialized world. This makes us the envy of many other nations, including Sweden, the United States and the United Kingdom.

Furthermore, when this government was elected, we raised the GIS by 3.5% and we did it again in January 2007. This amounts to an additional \$36 per month for single seniors and \$58 per month for couples. These increases will raise the total GIS benefit by more than \$2.7 billion over the next five years. It will benefit more than 1.6 million GIS recipients, including more than 50,000 seniors who were not eligible for the program under the previous Liberal government.

By proposing a \$110 per month increase for all GIS recipients, Bill C-490 would not be focusing on seniors who are most in need, and this is not the responsible thing to do.

In addition, the bill proposes unlimited retroactivity for the GIS. The cost of such a measure would be enormous. It would be as high as \$6 billion. We are confident that the current one year retroactivity provision of old age security and GIS benefits reasonably accommodates delays or oversights for applying for the benefits. I also want to clarify that these benefits have been designed to help low income seniors meet their current needs. They are not there to address past needs.

We make every effort to ensure that eligible low income seniors receive the benefits to which they are entitled just as soon as possible. This includes sending out GIS applications to low income seniors identified through the tax system as not currently receiving the supplement. This measure has put GIS benefits in the hands of an additional 325,000 low income seniors. As well, we work with community and seniors' organizations to reach the vulnerable seniors who are not on the tax roles.

Furthermore, as a result of Bill C-36, seniors now only have to apply once for the GIS. They will then automatically receive the benefit in any year they are eligible, as long as they file a tax return.

Private Members' Business

All these measures reduce the likelihood of eligible seniors missing out on GIS benefits to which they are entitled as well as the need for retroactive payments.

I would also like to respond to the proposal in Bill C-490 that a surviving spouse be allowed to receive his or her deceased spouse's pension payment for six months. Such a measure would raise a major equity issue. Newly widowed persons would temporarily receive higher benefits than other single seniors living on single incomes.

• (1730)

Finally, Bill C-490 proposes that the requirement for seniors to apply for GIS benefits be eliminated altogether. We require a formal application because the information available from the Canada Revenue Agency is not always sufficient to determine a person's eligibility. As well, some Canadian seniors choose not to receive the GIS for personal reasons. That is a decision that we must respect.

We also recognize and respect the choice of many of today's seniors to continue working. To assist low income seniors who choose to work, budget 2008 proposes to invest \$60 million per year to increase the GIS earnings exemption. This important measure would exempt fully the first \$3,500 of earnings and the average earnings of working seniors who receive the GIS. Low income seniors who want to remain in the workforce would, therefore, be able to keep more of their GIS benefits. Nearly 100,000 low income seniors will benefit.

The budget also proposes to extend the targeted initiative for older workers until 2012. It would add \$90 million to the federal-provincial employment program for unemployed older workers in vulnerable communities to help them stay active in the workforce.

Budget 2008 made crucial investments on behalf of seniors by addressing the problem of elder abuse in all its ugly forms. Over three years, our government will invest \$13 million to help seniors and others recognize the signs and symptoms of elder abuse and to provide information on available support.

I believe our government's creation last year of the position of Secretary of State for Seniors speaks directly to our promise to ensure the continued well-being of all Canadians aged 65 and up. We also established the National Seniors Council to advise us on seniors' issues of national importance. It will help to ensure that our policies, programs and services meet the evolving needs of Canada's aging population.

In February 2008, after its consultations on elder abuse, the council began a Canada-wide series of round tables. They were designed to better understand the challenges of seniors living on low incomes, particularly senior women. My remarks clearly show that our government takes the needs of Canadian seniors very seriously.

Since taking office, we have responded to those needs decisively. This includes the monthly increases to the GIS in 2006-07, as I have mentioned before. Our policies and programs are working and they are working in a very concrete and concerted way to support Canadian seniors' well-being and financial security.

The proposals contained in Bill C-490, on the other hand, would require enormous financial investments that would not be targeted to those most in need.

For those crucial reasons, and they are crucial, our government cannot support Bill C-490.

• (1735)

Mr. John Maloney (Welland, Lib.): Mr. Speaker, once among the poorest members of society, Canada's seniors now have access to a public pension plan and supplementary benefits for those most in need, but it is not all peaches and cream.

The critical issue for many marginal income seniors is that it is still not enough to keep them above the poverty line.

A succession of Liberal governments over the years were instrumental in providing support for Canadian seniors. Liberal governments were responsible for establishing a social safety net for our seniors.

In 1952, the Old Age Security Act established a universal old age security pension at 65 years of age. In 1966, the Canada pension and Quebec pension plans created a pension scheme where working Canadians contributed to a government pension plan to be drawn on upon reaching the retirement age of 65, while some time later amending the scheme to provide for an early retirement at age 60 subject to reduced benefits.

In 1967, the guaranteed income supplement for very low income seniors was instituted to top up our old age security benefits. In 1998, a restructured Canada pension plan was instituted to ensure its sustainability.

Government action to financially secure the public pension system meant that Canada was the only country in the G-7 with a fully balanced public pension plan system assessed by actuarial experts to have long term sustainability.

The Canada pension plan and the old age security are indexed quarterly based on the consumer price index which allows for modest increases in accordance with a comparable increase of the consumer price index. In reality, however, the value of such increases for an individual is literally small change.

In 2005, the guaranteed income supplement benefits for low income seniors was increased by \$2.7 billion over two years. This was the first non-cost of living increase since 1984. As a result, the maximum GI supplement was increased to more than \$400 per year for a single senior and by almost \$700 for a couple.

Successive governments have tried to assist our needy seniors in other ways as well. For instance, Liberal budget 2005 doubled to \$10,000 the maximum amount of medical and disability related expenses that caregivers could claim on behalf of their dependants, and further, approximately 240,000 seniors were removed from the tax rolls in 2005 when the basic personal exemption was raised to \$10,000.

Private Members' Business

Under the Conservatives, the government signed into law Bill C-36, An Act to amend the Canada Pension Plan and the Old Age Security Act, which made it easier for the long term contributors to the Canada pension plan to qualify for disability benefits and simplified the application process for the GIS.

In budget 2006, an estimated 85,000 pensioners no longer had to pay income tax as the maximum eligible amount for the pension income rose from \$1,000 to \$2,000 starting in the 2006 tax year. At the same time, other measures, such as the refundable medical expenses supplement, rose from \$760 to \$1,000.

Under budget 2007, the Conservatives increased the age limit to 71 from 69 for RRSPs and registered pensions and also permitted pension income splitting for eligible pensioners. The age credit was increased by \$1,000, which meant approximately \$150 in tax relief for low and modest income seniors. It also permitted phased in retirement, which allowed an employer to simultaneously pay a partial pension to an employee and provide further pension benefits accruals to the employee.

In budget 2008, the current guaranteed income supplement earned income exemption was raised to \$3,500 from its maximum level of \$500.

Those measure confirmed the concern that our successive governments and all political parties have for our aging citizens and also was a recognition of the financial difficulties many seniors face.

All that being said, however, today in Canada 242,000 seniors still live in poverty, a situation that should be an embarrassment to all members in the House. Behind these numbers and behind these statistics lies a huge human tragedy.

Men and women who made this country what it is today, men and women who built this country all too often sit down to a dinner of tea and toast or go hungry. Many live in substandard housing because they do not have the financial resources to lift themselves out of hovels. Others do not have the financial resources to repair old family residences that have fallen into disrepair, which leads to further disrepair as conditions continue to deteriorate.

In carrying out our responsibilities as members of Parliament, we interact on a frequent basis with our constituents, many of them seniors. I would venture to say that all members of the House have been approached by seniors at one time or another who inquire whether the government could increase their pension benefits a reasonable amount because they just cannot make ends meet anymore.

• (1740)

Seniors' household expenses are rising, including the municipal taxes for those who own their own homes or lease payments for those who rent, energy costs, food costs, even the basic loaf of bread has increased appreciably as the cost of grain and rice have skyrocketed. For those who can afford an aging car, the cost of gas has gone out of sight, while public transportation tickets also escalate. What is worse, our economic predictors suggest that these galloping costs will only continue to increase.

Many of our seniors are faced with such rising costs in their attempt to eke out a meagre existence that far exceeds their pension incomes. The reality is that rising housing costs and living expenses are pushing more seniors back into the workforce. Some have returned to work doing anything that frail bodies will allow until these same frail bodies simply give out.

A Statistics Canada report last year showed that more than two million Canadians aged 55 to 64 were employed or looking for work in 2006, up from one million in 1976. The callous will say that they should have better prepared for their retirement.

What about their employment pensions? Many stay at home parents never had a chance to pay into the Canada pension plan or make modest contributions from part time income. Many of today's seniors never had an employment pension. After 30 or 40 years of service, they walked out the door with their lunch pail. Some may have had pensions but they were not indexed and now, after many years, these pensions bear no relation whatsoever to what it costs to live. Some paid into employee pension plans but these companies have gone bankrupt leaving severely underfunded pension plans or nothing at all.

What are these poor seniors to do? Some will be forced to avail themselves of food banks. Some are taken in by family, if they have one. Some will turn their furnace thermostats down just enough to keep their water pipes from freezing. Sure, they throw on more clothes to keep warm or huddle under a blanket to try to stay healthy, but it is not enough. Some seniors develop colds, respiratory problems or flu, which leads to increased health care costs.

I recall an elderly lady calling my office in tears saying that she could not afford to pay her monthly charges on a heating contract and was seeking our assistance to get out of the contract. I attended her residence on a December day to find a lady in her nineties bundled in sweaters, with the heat turned down, living in a few rooms of her residence with the other parts of the house closed off.

I recall speaking with the president of a seniors club who briefed me on the financial plight of some members. I asked if he could provide me with an anonymous record of some of these seniors' income and expense summaries and was shocked, no, appalled, on how little money they had to cover their expenses. It was not enough to do so. He pleaded with me for our government to do something.

He also told me of a situation where a senior who suffered from incontinence was known to wash out paper diapers because that person could not afford to use these products regularly when needed. These are the actions of an individual in desperate straits.

Private Members' Business

Bill C-490 would help to respond to the pleas of the president of the seniors club, albeit in a small way. The bill would remove the necessity for an individual, who would otherwise qualify for a supplement, to make an application and would place the responsibility on the minister to provide guaranteed income supplement when income levels indicate a qualification point. The bill would also allow for retroactive payments of supplements. Many times low income seniors are not aware that they may be entitled to benefits and do not apply. Others forget to reapply for supplements. This provision would address this deficiency.

Another situation where a senior couple had retired on their combined CPP and OAS incomes, the death of one of these individuals and the loss of a deceased's pension income can present a severe financial crisis for the survivor at a time when he or she is also trying to cope with the loss of a loved one. The bill would provide interim relief for a transition period of six months for the surviving spouse or common law partner to receive the pension that would have been payable to the deceased spouse or common law partner. This is a humanitarian approach that would not incur huge sums for the Canadian taxpayer but substantial human benefits to a low income senior. The suggested increase of \$110 a month would barely raise the threshold to the poverty line.

Bill C-490 is an attempt to address an unfair situation that we as parliamentarians face in our constituency offices on a regular basis. We were elected as advocates for our constituents. The bill is an example of a fulfillment of this responsibility. The bill should be supported by all members of the House.

• (1745)

Mr. Tony Martin (Sault Ste. Marie, NDP): Mr. Speaker, I appreciate the opportunity to say a few words about this very important initiative targeted at our seniors across the country. I think, right off the bat, it really is a no-brainer. It is something we should have done a long time ago.

I know that it has been brought forward on a number of occasions. Members of this House from different parties have brought forward similar bills before the House only to be defeated by the government of the day. That was at one point the Liberals and now we have the Conservatives. Although it is good today to hear from the Liberal member who just spoke, from the wonderful Welland area of Ontario, saying that he thinks this bill should be supported. I definitely think so as well.

One of the things that we as members of Parliament run into, when we go back to our constituencies on weekends from this place, are seniors who come to our office to share with us how difficult it is for them to gather the few pennies that they have and make ends meet. It is a tough problem to have to deal with because there really is not much out there by way of support above and beyond the very modest amounts of money that seniors in this country receive through the CPP, OAS and GIS.

I suspect that as we move forward in the economy that we are now looking at, and we are talking about it in some great detail here today, that there will be fewer private pensions available for people because that is just not what corporations are interested in doing these days, never mind indexing those pensions.

When looking at the CPP, GIS and OAS, we should do everything that we can to make absolutely certain that anyone who is entitled to a pension under the Canada pension plan actually gets it. I remember the first time I was presented with this by a senior. Richard Shillington has championed this cause for a number of years. He has done the math and understands this better than anyone I know. He has spent some significant time trying to educate me about it. He tells me that there are over an estimated 130,000 individuals in Canada who still are not applying for and getting their GIS.

That does not make any sense. We pay into Canada pension during our working life and would expect that it would be automatic once we reach 60 or 65. We would assume that we would get that and everything we are entitled to, that we would not have to fill out an extra form to qualify further for the supplement that is entitled to the really low income seniors.

I believe that in Quebec it is automatic and that once people apply for Canada pension, if they qualify for the extra GIS, it comes and they do not have to continue to reapply. I want to commend the government for actually making that small change just recently where people do not have to reapply every year for this benefit.

However, the fact that we have to apply in the first place means that there are literally hundreds of thousands of seniors out there who do not get it because they do not know it is available to them or they do not know enough to apply. We as parliamentarians and people who have been given responsibility for leadership in this place should be doing everything possible to make sure in the first place that people who qualify are entitled and get what is coming to them.

I want to move on to another piece of the bill which is the retroactivity of the GIS when people do not get it in the first place. I was astounded when I was first told that if seniors discovered later in life that they were entitled to this benefit that in some instances, the CPP itself but the GIS particularly, they could apply to receive retroactivity, but they could only get retroactive money for 11 months even though they may have qualified for 5, 10 or even 15 years in some instances. That is all they would get.

So here we have folks who, if they had applied, would have been getting this money, money that they were entitled to, but because they had not applied and because of the rules that we have in place governing this fund, they do not get a lump sum to reflect that which they in my view are owed.

• (1750)

I think that is criminal and I stack that up against somebody who is found to owe the government money over a number of years and all of a sudden it is discovered. There is no limit to the retroactivity there. Every penny plus interest is collected in that instance, and if one does not pay it, one could end up doing time. Why the government thinks it can get away with continuing to perpetrate this behaviour on seniors, on the people who actually built this country, at a time when they need it most, when they are most at risk of falling into poverty, is beyond me.

Private Members' Business

Therefore, I certainly would be in support, aggressively in support, of making sure that any money that is owed is given retroactively to the time when the person first qualified for it and was entitled, and that there be interest on top of that so that they are made whole, so that they are not left in a position where they in fact are now less well off as they would be if they had been getting this in the first place over those years. This only makes sense.

Having a provision to also provide some small support to a widow or a widower once their partner or spouse passes on is also a very good idea. Anybody who has been through a funeral with a family member, a parent or a spouse, will know that that whole experience is very expensive and getting more expensive with every day that goes by. A little bit of money, based on what was owed a spouse through the CPP and the GIS so that the spouse might find himself or herself in a position of not falling into poverty even further because of losing a spouse, makes a lot of sense to me as well.

I am trying to understand why the government would not see this as a no-brainer, why the government would not be automatically inclined to say, "Okay, let us do this because it makes sense. It is the right thing to do". In my view it is the legal thing to do because people are owed this money. Why would the government not do that? Why would the previous Liberal government choose not to do it and why would now the Conservative government not see this as within the program? I am thinking that it is probably because it thinks it is going to be too expensive.

We again had that conversation here today about the priorities and choices that we make as government. We have seen, over the last two years, the government make a decision to spend literally \$200 billion in a tax relief package that is going to go primarily to big corporations, financial institutions and the oil industry.

What would be wrong with taking a small percentage of that and making sure that our seniors are looked after out in our communities across the country? Those seniors would take every penny of that and spend it in the communities in which they live, on food, on clothing, on paying their rent. It would stimulate the economy of those communities.

It is not like we are putting money into a big black hole someplace. This would be an investment, an investment in our seniors, an investment in the communities in which they live, an investment in the lives of all of us as we watch these people who built this country trying to do better than they are at the moment.

Certainly, we commit our caucus to being behind this bill and voting for it, and we encourage the Conservatives to support the Liberals and the Bloc in doing the same.

• (1755)

[*Translation*]

Mr. Raymond Gravel (Repentigny, BQ): Mr. Speaker, I am very pleased to rise to speak to this bill. I am going to follow the lead of my hon. colleague from Alfred-Pellan who introduced this bill, which I seconded.

I have been a member in this House for a year and a half, and I am the critic for the seniors file. I try to be attentive to their requests, their desires and their needs. Incidentally, I would like to thank my

Liberal colleague and my NDP colleague. I listened carefully to their speeches and they really touched on the points in our bill.

For instance, I must say I am a little shocked by what the parliamentary secretary, the hon. member for Blackstrap, said earlier in her speech. I had the impression that I was listening to a tape recording of what she said last December, when the bill was introduced.

I would like to come back to what she said earlier, because I find it completely absurd. I cannot believe she is repeating this six months later. She talked about increasing the guaranteed income supplement by \$110 a month and she wondered how we could be sure that this money would go to those who need it most. I would point out to her that the guaranteed income supplement is intended for the poorest seniors, not the wealthy ones. If the guaranteed income supplement is increased, it will naturally be the poorest who will receive it. Thus, the reason given is not a valid reason to vote against this bill.

She then said that full retroactivity of the guaranteed income supplement would cost \$6 billion. We do not have the same figures on this side of the House. In fact, our calculations found the total to be half that amount. We all know that the government has accumulated a surplus of over \$10 billion. It would be worthwhile to allocate a portion of that to our seniors, who are growing in numbers and becoming poorer and poorer. We have seen this over the past 10 years.

Perhaps we could draw a parallel with the military spending the government has adopted. It is scandalous to see how much money has been invested in the military, when hardly anything is being invested for our seniors.

I will give a few examples of the military spending. On June 6, 2006, the former Minister of National Defence announced the purchase of 16 heavy helicopters to the tune of \$4.7 billion; 4 C-17 strategic lift aircraft for \$3.4 billion; 17 C-130J tactical lift aircraft for \$4.9 billion; 2,300 transport trucks for \$1.2 billion; 3 supply vessels for \$2.9 billion, for a grand total of \$17.1 billion, and they are not ashamed of that. That amount went to the military alone, to make war in Afghanistan. How nice.

I am scandalized. I may be a fish out of water here in Parliament, but it seems to me that we should be scandalized to see so much money being invested in the military when the government cannot even give a bit of money to seniors who need it because their incomes are below the poverty line.

Earlier, the parliamentary secretary spoke of the compassionate care benefit. She said that this would be unfair because widowed persons would receive more than single seniors. She did not understand that compassionate care benefits are paid for only six months; it is not a permanent benefit. The purpose of the benefit is to give seniors in mourning time to deal with the loss of a certain part of their income after their spouse has died.

It does not take a genius to realize this is a temporary measure to allow people to go through mourning, especially seniors who are still living in their homes. If a person loses their spouse, they wonder whether they will keep their home, or how they will maintain and keep the family home. These questions come up. The compassionate care benefit simply shows a bit of humanity toward our seniors.

Private Members' Business

At the end of her speech, I heard her say that the Conservative government has been very generous to seniors. It showed extraordinary generosity by increasing the guaranteed income supplement twice in two years. It was increased by \$18 in 2006 and by another \$18 in 2007, which means \$36 for two years. That is indescribable generosity. I cannot believe that such speeches would not get a reaction from our seniors.

We have the support of numerous seniors and seniors' associations.

• (1800)

This morning at a press conference, we presented a stack of support letters that were sent by AQDR, AREQ, FADOQ and numerous seniors' groups from our parishes and communities. In my opinion, our seniors are able to see that if the government does not support this bill, it is totally off the mark.

I would ask the Conservatives to support this bill at second reading. We will evaluate the cost when it goes to committee—I have a bit of experience in that—and we can vote at third reading. The government can vote against it if it so chooses, but it would seem to me to be a good idea to vote in favour for now so that we can at least analyze the Bloc Québécois request to increase the guaranteed income supplement and analyze the other aspects of the bill, such as automatic registration.

It would not be terribly difficult to automatically register people who need the supplement. What is needed is an increase in the amount of the guaranteed income supplement, full retroactivity and a compassionate measure for people who have lost a loved one. I ask all the members in this House to vote for this bill. It will be studied in committee, and members will still have an opportunity to vote against the bill at third reading, but at least this will give everyone a chance to understand the bill and listen to seniors.

This weekend, we will celebrate Mothers Day. The members of the Bloc Québécois are going to meet with seniors in drop-in centres and even at church if need be to tell them about this bill. In my opinion, this is necessary. When I toured Quebec, many seniors asked us to pay attention to their needs, because they are really living in poverty, and often these are people who do not ask for anything. I believe it is our role to defend these people. They built Quebec and Canada as well, because there are people like this across Canada. These people deserve more than what the Conservatives want to give them today.

In conclusion, because the member for Alfred-Pellan alluded to this earlier, I would simply like to go over what I said in the House when this bill was introduced. I spoke about the National Council of Welfare's definition of poverty. Poverty is not just about having or not having money. It is more than that. An increased suicide rate among seniors is linked to increased poverty among seniors. The National Council of Welfare also said that poverty is not just a lack of income; it can also be a synonym for social exclusion.

When people cannot meet their basic needs, they cannot afford even simple activities. Single parents or persons with a family member who is sick or disabled often suffer from poverty of time as well, and have too few hours during the day to earn income, take care of others, obtain an education, have some social interaction or

even get the sleep they need. This form of social exclusion and isolation can lead to other problems, such as poor health, depression and dysfunction—and I would add that it can even lead to suicide. Poverty can quickly deprive individuals of their dignity, confidence and hope.

I think that our bill is realistic. It is a matter of dignity, justice, entitlement and rights for our seniors.

• (1805)

[English]

Mr. Gord Brown (Leeds—Grenville, CPC): Mr. Speaker, it is a pleasure to join in the discussion on Bill C-490, concerning the cornerstone of Canada's retirement income system, the Old Age Security Act. I appreciate the opportunity to rise to speak about the government's record on seniors' issues because we have a record worth talking about.

Unlike the Bloc Québécois members who can only sit in the House and complain, the government has taken real action to support Canadian seniors. We recognize the contributions seniors have made and continue to make to our nation. That is why we have taken measures to ensure that the OAS and the GIS continue to meet the needs of seniors. Unlike the Bloc, we must concern ourselves with the consequences of our actions. We do not have the room for hypocrisy that members opposite have, knowing they will never form the government and never need to worry about the future of a program as important as old age security.

OAS is one of the most important programs in our social safety net. It is important for all Canadians, those who are seniors now and the Canadians who will be seniors in the future. It is the responsibility of the government to manage these programs so they will continue to exist in the future.

Bill C-490 proposes to increase the monthly GIS payment by \$110 per month. I commend the hon. member for trying to find ways to alleviate poverty among seniors. I believe, however, this proposal would not achieve the results the hon. member desires. It would instead have the opposite effect. It would bankrupt the program.

We have spoken about this important issue in the House several times. I point out for my colleague that income for Canadian seniors has risen dramatically over the past 25 years. According to Statistics Canada, the income of Canadian seniors has more than doubled over the past 25 years and the rate of poverty among seniors has been cut from 21% in 1980 to less than 6% today. Canada now has one of the lowest levels of poverty among seniors in any country in the industrialized world.

Certainly it is not time to stop working to reduce poverty further because even one senior living in poverty is one too many. That is why the government acted when we elected to increase the GIS by 7%. We did this again in January 2007. These measures are providing all single recipients of the GIS with an additional \$430 per year and \$700 more per year for a couple.

Private Members' Business

These increases will raise the total GIS benefit by more than \$2.7 billion over the next five years and benefit more than 1.6 million GIS recipients, including more than 50,000 seniors who were not eligible for the program under the previous Liberal governments.

The government heard from thousands of seniors across the country in the lead up to budget 2008. We heard that more and more of them wanted to remain in the workforce. They want to continue working, but under the previous Liberal regime they could not do it without having their hard earned benefits clawed back. That is why the government proposed in budget 2008 an increase in the earned income exemption to \$3,500, up from the previous Liberal system that only allowed \$500 in earnings before benefits were withheld.

My colleague across the aisle also proposes that we bring in unlimited retroactive payments of the OAS/GIS for eligible beneficiaries. I remind the House that currently these benefits are payable retroactively for up to a year from the month of application. This period of retroactivity is consistent with retroactivity provisions of most other international jurisdictions.

Moreover, it is important to keep in mind that these benefits have been designed to help low income seniors meet their current needs, not to compensate them for past needs. Yet, the government does make exceptions to the basic one year limit to ensure that seniors are treated fairly. If the person is incapable of applying, or is given bad advice or if the mistake is an administrative error of the government, we will ensure that people get the benefits that they are entitled to.

I would ask the House to consider the financial implications of adopting the proposed measure. It is estimated that there would be an initial lump sum payout to clients amounting to \$300 million for each additional year of retroactivity. And where would it stop? A new five year limit could entail a payout of \$1.5 billion, a 10 year limit would be more than \$3 billion and unlimited retroactivity could be as high as \$6 billion in initial lump sum payments.

The government takes significant efforts to ensure that eligible low income seniors receive the benefits to which they are entitled. GIS applications are sent to low income seniors who do not receive OAS and GIS. Our efforts have resulted in an additional 325,000 low income seniors receiving the benefits that they were not getting before.

● (1810)

Through Bill C-36, we have also enabled seniors to make a one-time application for the GIS and receive it whenever they become eligible, as long as they file a tax return.

These are reasonable actions that will ensure the OAS and GIS programs exist well into the future.

Speaking of the survivor's pension payment, the bill also proposes to pay six months of the deceased person's pension to the survivor. While we are all sympathetic to those who lose their life partners, it would be patently unfair to other single seniors living on single incomes. The GIS already makes adjustments for changes in family status because low income seniors may become eligible for the GIS or an increase in that supplement owing to their now single income status.

We should also remember that the Canada pension plan and the Quebec pension plan contain survivor benefit provisions.

Finally, the proposal to eliminate the requirement to apply for GIS benefits is, unfortunately, not workable. Formal application is needed since the information available from the Canada Revenue Agency is sometimes insufficient to determine eligibility. As well, some persons choose not to receive the GIS for personal reasons and it is incumbent upon us to respect their wishes.

The onus remains on the individual to make the initial application, but with the single lifetime application, most of the necessary information can be captured at the time the client first contacts Service Canada prior to their 65th birthday.

We can applaud the sentiments behind Bill C-490, but for the reasons I have outlined, we cannot support it. I can assure the House, however, that the Government of Canada will continue to ensure that its policies, programs and services meet the evolving needs of Canada's senior population.

[*Translation*]

The Acting Speaker (Mr. Royal Galipeau): The hon. member for Laval has three minutes today, and she will have seven more minutes when we resume this debate.

Ms. Nicole Demers (Laval, BQ): Mr. Speaker, I am very pleased to rise in this House to discuss the bill introduced by my colleague from Alfred-Pellan.

I listened carefully to what previous speakers had to say. I think it is deplorable that, now that the Conservatives are finally in government, they are deviating from the stance they took two years ago when they were in opposition and insisted that eligible individuals receive the guaranteed income supplement with full retroactivity.

Why is it that, when people move from one side of Parliament to the other, their perspective undergoes a corresponding shift? Is this some kind of disease that affects parties as soon as they come to power, making them change their stance on issues? Suddenly, they no longer have the same convictions, the same desire to give seniors their due. Is that kind of attitude normal?

This government has broken its promises to women, to veterans and to seniors. Now it is once again breaking its promise to seniors. That is a real shame.

Every year, seniors give about \$60 billion back to the system in the form of volunteer work. What we are talking about here is a mere \$3 billion in retroactive payments. This is serious. Seniors volunteer 5 billion hours of their time. They would have to wake up, band together, and go on strike for a day for this Parliament to realize how much work they do. Unless they do that, the government will never understand how important it is to give them their due.

My time is up, so I will conclude my speech another time.

Adjournment Proceedings

•(1815)

The Acting Speaker (Mr. Royal Galipeau): The time provided for the consideration of private members' business has now expired, and the order is dropped to the bottom of the order of precedence on the order paper.

When we return to the study of Bill C-490, the hon. member for Laval will have seven minutes remaining.

ADJOURNMENT PROCEEDINGS

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

[*English*]

HOMELESSNESS

Mr. Bill Siksay (Burnaby—Douglas, NDP): Mr. Speaker, a few weeks back I asked a question of the Minister of Human Resources and Social Development regarding homelessness and affordable housing in Canada.

Report after report in community after community across Canada has called on the federal government to deal with the affordable housing and homelessness crisis in Canada.

Just since I became the NDP's housing critic last fall, the stack of reports issued on that topic is almost a foot high. It includes reports from northern Canada, from Nunavut, Yukon and the Northwest Territories, from most major cities, from many non-governmental organizations and also from the United Nations Special Rapporteur on Adequate Housing. All recognize that the housing situation in Canada is in serious crisis. Some call it a national shame and all recognize, I should probably say demand, that the federal government must be involved in the solution.

The only commitment from the Conservative government in the last budget was for five pilot projects on homelessness that might be related to mental illness and the work of the new Mental Health Commission. I do not deny for a second that there is value in these projects, but the reality is that more pilot projects and studies will not solve the crisis of homelessness or of the availability of affordable housing in Canada.

The government and the minister talk about having spent more money on housing than any other government. That claim is only possible because the NDP leveraged a commitment of \$1.6 billion from the last Liberal government. New Democrats got the Liberals to abandon yet another huge tax cut to big profitable corporations, big polluters and the wealthy and instead to invest in housing, post-secondary education, public transit, the environment and international aid.

We will remember the Liberals then lost the election and the Conservatives put that money into their housing trust. They in fact got to appropriate the money that the NDP fought for.

The Minister of Human Resources and Social Development, in his answer to my question, contended that the NDP had voted against the \$1.4 billion on housing. He is absolutely wrong in that claim. Members of the NDP are the ones who fought for and obtained that

funding for Canadians who need homes, an education, who want to see action on the environment and meet our foreign aid commitments. We are the ones who fought for more money to fight homelessness and to build affordable housing in Canada.

The increase in spending on housing that the government claims cannot be attributed to action on the part of the Conservative government. It has taken no significant initiative of its own in this regard.

We need a national housing program that actually builds homes in Canada and for Canadians. The NDP is committed to a 10 year national housing program to build 200,000 new affordable and social housing units, to renovate 100,000 existing units and to provide 40,000 new rent subsidies. We would reinstate the co-op housing program which has been hugely successful and is recognized around the world for building communities of people of mixed incomes, very successful communities that have been a huge boon to many cities and towns across Canada.

New Democrats would also introduce a housing bill of rights based on the private member's bill from the member for London—Fanshawe, originated by the member for Vancouver East, that would enshrine the right to housing in law according to the obligations that Canada has made in international agreements that have been signed and to legislate the process for developing and implementing a national housing program.

Those are some of the steps that New Democrats—

•(1820)

The Acting Speaker (Mr. Royal Galipeau): It is with regret that I must interrupt the hon. member. The floor now belongs to the hon. Parliamentary Secretary to the Minister of Human Resources and Social Development.

Mrs. Lynne Yelich (Parliamentary Secretary to the Minister of Human Resources and Social Development, CPC): Mr. Speaker, this government has a record of action and a record of investment. The NDP only has a record of voting against our investments.

This government strongly believes that a safe and stable home is an important first step on the path out of poverty. This is why we have invested more than \$2.7 billion each and every year to create affordable housing units and to combat the issue of homelessness. Annual funding for these important issues has never been higher, but my NDP friends voted against it.

In budget 2006 this government invested \$1.4 billion in three affordable housing trusts. These trusts will invest \$800 million to create affordable housing units across the country; \$300 million to the northern housing trust to help people living in the north; and \$300 million to address the urgent needs of affordable housing for aboriginals living off reserve. The NDP opposed all of these important investments.

Adjournment Proceedings

The NDP members opposed helping solve the problems on reserve, in the north and in our cities. They opposed real solutions to the problems created by 13 years of Liberal inaction. They voted against this investment.

The government invested more than \$1.7 billion each and every year to support more than 620,000 existing affordable housing units. The NDP opposed and voted against that investment as well.

The government believes that local problems can only be solved with local solutions. That is why we started the homelessness partnering strategy. This new plan will help the federal government work with our provincial and territorial partners as well as municipalities and community leaders to find solutions that will make a real difference on the ground.

We have invested almost \$270 million in this new plan and it is beginning to show some real results. So far, more than 600 projects have been funded across the country through this plan. Unfortunately, the NDP voted against this investment. They voted against a plan that is showing real results and getting people off the streets and on the path to self-sufficiency.

My colleague from Burnaby says he wants to see a national strategy to combat homelessness and build affordable housing units, but he and his party have systematically voted against every single initiative this government has implemented. They have voted against \$2.7 billion.

I suggest that my colleague put his vote where his mouth is.

Mr. Bill Siksay: Mr. Speaker, it is interesting that the parliamentary secretary could not even give her statement with a straight face. She knows that she is stretching some of the truth in this situation.

The reality is, as I said, the government has made no new initiatives of its own. Rather than criticizing the NDP and misrepresenting our voting record, the Conservatives should be thanking us for having fought the Liberals to ensure that there was money that they are now able to spend on housing. That is the only way they have any money for housing.

There are three existing programs on housing. There is the existing program on affordable housing. There is the residential rehabilitation assistance program. There is the homelessness initiative. All of these programs will expire in 10 months and yet the Conservative government has refused to commit to their renewal.

When will the government commit to their renewal? Do we have to go through the same terrible fight that we did the last time the homelessness initiative was up for renewal?

Mrs. Lynne Yelich: Mr. Speaker, I take this issue very seriously. It was just the humour that a member across the floor expressed. It was very disrespectful with respect to this important issue.

Let me say again that the government believes that a safe and stable home is an important first step on the path out of poverty. That is why the government took swift and decisive action. When we formed government we made real investments to create affordable housing spaces and help people get off the streets.

All told, this government is investing \$2.7 billion each and every year to create and support affordable housing spaces and to help people get off the streets and into a home. In fact, no government in Canadian history has invested more.

Just because the NDP does not like our plan does not mean we do not have one. We do have a plan, and after more than a decade of inaction, we are beginning to see results. That is what was laughable. It was the action that the Liberals claim they had taken when in fact it was inaction.

The Liberals have allowed the budget to pass so we will continue—

• (1825)

The Acting Speaker (Mr. Royal Galipeau): It is with regret that I must interrupt the hon. parliamentary secretary.

The member for Scarborough—Guildwood has the floor.

THE ECONOMY

Hon. John McKay (Scarborough—Guildwood, Lib.): Mr. Speaker, a few months ago I asked a question of the finance minister and was answered by the parliamentary secretary. My question pertained to income trusts and the losses that CPP had incurred by investing in income trusts. Of course we all know the story about income trusts because the government reversed itself and devalued \$35 billion out of the market, the consequence of which was the CPP lost a significant sum of money and therefore, we all lost a significant sum of money.

In response, the parliamentary secretary put forward this rather rosy picture of the status of our economy. Since then the Governor of the Bank of Canada has released a not quite so rosy picture of the state of our economy. This has significant implications for us all.

Clearly Ontario and Quebec are suffering from the worst of this. The manufacturing sector has been significantly impacted and we cannot continue to expect that the oil in Alberta and Saskatchewan will carry the rest of us over this economic downturn. Even the financial sector based basically in Toronto has been impacted by this near recession at this point.

Why is this of significance? Why is the parliamentary secretary and his rather rosy and optimistic views on the economy so poorly timed and poorly placed?

Every 1% of GDP reduction is basically \$3.3 billion off the estimates of government revenue. Because the government has been spending like crazy and reducing revenues on the other side with foolishly implemented tax relief, it has brought itself down to a squeeze. The Conservatives have eliminated the \$3 billion contingency fund, which they promised not to do in their platform, but they have already eliminated it. What their projections were on their rosiness was a \$2.3 billion projected surplus when in fact a 1% meltdown on GDP will put the them into deficit. We may actually be in deficit; we just have not found out from the Minister of Finance yet.

Why is this of any great significance? Like really, who cares about a deficit. It really is something of a significant financial accomplishment to go from a \$13 billion surplus to near zero deficit in less than two years.

Adjournment Proceedings

Derek Holt at Scotia Capital said, “There is a material risk that we do not slip back into the deficit scenario”. Don Drummond said, “It wouldn't take too much to put them back into deficit”. The Dominion Bond Rating Service said, “It's likely that the government would run its first budgetary deficit in over a decade”.

This is what is called Conservative management of the economy. Here are three eminently respected people who are quoted frequently by the government and they are saying that we are at, or near, or in a deficit situation. Yet the government says that things are wonderful, we are all happy, employment is up and all of that sort of stuff. As I say, how did the Conservatives get here?

John Williamson, who is hardly a friend of the Liberal Party of Canada and has been a very vigorous advocate of tax relief, has said, “They've increased their spending 14.8% in two short years. Under the Minister of Finance the size of the federal government has grown by an astounding 14.8%—

The Acting Speaker (Mr. Royal Galipeau): The hon. Parliamentary Secretary to the Minister of Finance has the floor to respond.

Mr. Ted Menzies (Parliamentary Secretary to the Minister of Finance, CPC): Mr. Speaker, I thank my hon. friend across the way for giving me the opportunity to continue to answer the question that I tried so diligently a few weeks ago to answer.

This gives me the opportunity to speak to the Conservative government's strong economic record, a timely debate considering today's NDP opposition motion, which the Liberal Party will not support, which again expresses the Liberals' resounding support for the government's economic agenda. It is no surprise, though, as the Conservative government has taken decisive action over the last two years to ensure Canada has strong economic fundamentals.

For example, this year alone the government plans to reduce the debt by \$10 billion. Combined with the debt paid down over the last two years, this amounts to over \$37 billion in debt reduction since 2005-06.

At the same time, we have been able to implement a variety of measures, both broad based and targeted, geared toward rewarding work, encouraging productivity and creating the conditions for our businesses to invest, compete and succeed in order to strengthen the economy for years ahead.

The October 2007 economic statement took decisive and timely action to boost confidence and investment through \$60 billion tax reductions for individuals, families and business. When combined with the previous tax relief introduced by this government, total tax relief approaches \$200 billion.

Tax reductions improve business competitiveness and increase investment. We are giving Canada the lowest statutory corporate rate in the G-7 by the year 2012 and will achieve the lowest overall tax rate in new business investment in the G-7 by 2011.

Even the Liberal leader, who does not get much in terms of economic policy, recognizes the importance of efforts like what we have done to lower corporate taxes. He said:

I am convinced that a further reduction in the corporate tax rate cut is the right thing to do.

...a lower corporate tax rate is a powerful weapon...to generate more investment, higher living standards and better jobs.

There is more good news. In budget 2008, we announced a landmark tax-free savings account that will provide Canadians a way to save that is both easy to understand and that places no restrictions on what they can save for.

Those and the many other economic policies this government has put in place have resulted in Canada being one of the strongest G-7 economies. The numbers speak for themselves. The unemployment rate is near the lowest rate in over three decades. Over three-quarters of a million net new jobs have been created since we took office in 2006. Employment is up in every region, mostly in high paying sectors. In fact, 80% of the new jobs created are full time.

Despite the rhetoric, the Liberals know that it is the Conservative government's economic agenda that is best for Canada. I thank the member for Scarborough—Guildwood and the entire Liberal Party for continuing to express their support in this government's economic plan.

● (1830)

Hon. John McKay: Mr. Speaker, it is quite amusing to listen to the parliamentary secretary. He is just dying to have a bullet put in the chamber and put the government out of its misery.

He argues that this is competent management of the nation's finances even though a majority of economists in Canada have criticized the loss of \$12 billion in GST revenues. Christopher Ragan, an economist at McGill University, called this “stupid, stupid, stupid”, and, frankly, he is right.

Taking \$13 billion and running it down to zero in less than two years is plain stupid. To increase spending by 14.8% in two years is plain stupid. To trash Ontario's economy just when Ontario is on the ropes is stupid. He should listen to the 62% of Canadians who believe that the federal government is hurting its own economy.

You, Mr. Speaker, a member from Ontario, should be worried about that. I appreciate that the member from Alberta may not be worried about it but we from Ontario are.

Mr. Ted Menzies: Mr. Speaker, the Liberals may say that they disagree with our economic agenda but when it comes time to act they continue to support the Conservative government time and time again.

If the member is going to be critical of anyone, it should be his leader. The current tax-and-spend Liberal leader has threatened all of the Conservative government's hard work by introducing a massive gasoline tax. Taxes on gas is exactly what Canadians do not want to see, nor do they want to see taxes on their heating fuels. He is threatening to raise the GST, take back the universal child care benefit and more. The Liberals want to take money out of the wallets of hard-working Canadians and send it back to Ottawa. We strongly disagree and we will not let that happen.

Adjournment Proceedings

•(1835)

The Acting Speaker (Mr. Royal Galipeau): 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 6:35 p.m.)

CONTENTS

Thursday, May 8, 2008

ROUTINE PROCEEDINGS

Interparliamentary Delegations

Mr. Tilson 5585

Employment Insurance Act

Mr. Brown (Leeds—Grenville) 5585

Bill C-542. Introduction and first reading 5585

(Motions deemed adopted, bill read the first time and printed) 5585

Petitions

Darfur

Mr. Bagnell 5585

Mr. Dhaliwal 5585

Property Crime Legislation

Mr. Warawa 5586

Animal Cruelty Legislation

Mr. Comartin 5586

Questions on the Order Paper

Mr. Lukiwski 5586

Points of Order

Royal Recommendation—Bill C-490—Speaker's Ruling

The Speaker 5586

GOVERNMENT ORDERS

Business of Supply

Opposition Motion—The Economy

Mr. Martin (Sault Ste. Marie) 5587

Motion 5587

Mr. Wallace 5588

Mr. Crête 5588

Mr. Savage 5589

Mr. Siksay 5589

Mr. Martin (Esquimalt—Juan de Fuca) 5591

Mr. Del Mastro 5591

Mr. Menzies 5591

Mr. Martin (Esquimalt—Juan de Fuca) 5594

Mr. Martin (Sault Ste. Marie) 5595

Mr. Crête 5595

Mr. Savage 5595

Mr. Marston 5597

Mrs. Yelich 5597

Mr. McCallum (Markham—Unionville) 5598

Mr. Martin (Sault Ste. Marie) 5599

Mr. Brown (Leeds—Grenville) 5599

Mr. Lessard 5600

Mrs. Yelich 5602

Mr. Marston 5602

Mr. Julian 5603

Mr. Julian 5603

Mr. Del Mastro 5605

Mr. Crête 5605

Mr. Masse 5605

Mr. Cullen (Etobicoke North) 5607

Mr. Del Mastro 5607

Points of Order

Oral Questions

Ms. Oda 5608

Business of Supply

Opposition Motion — The Economy

Motion 5608

Mr. Gourde 5608

Mr. Marston 5609

Mr. Martin (Esquimalt—Juan de Fuca) 5609

Mrs. Yelich 5610

Mr. Godin 5611

Mr. Del Mastro 5611

Mrs. Mathysen 5612

Mrs. Yelich 5613

Mr. Marston 5614

Mr. Godin 5614

Mr. Del Mastro 5615

Mr. Szabo 5616

Mr. Murphy (Charlottetown) 5616

STATEMENTS BY MEMBERS

World Red Cross Day

Mr. Sorenson 5617

World Lupus Day

Mr. Murphy (Charlottetown) 5617

Official Languages

Mr. Nadeau 5618

Charles Caccia

Mr. Blaikie 5618

Victory in Europe Day

Mr. Storseth 5618

Mother's Day

Mr. Steckle 5618

The Environment

Mr. Goodyear 5619

Regional Award Ceremony for Women

Ms. Picard 5619

Budget 2008

Mr. Del Mastro 5619

Charles P. Allen High School

Mr. Regan 5619

Bloc Québécois

Mr. Petit 5619

2010 Winter Olympics

Ms. Fry 5620

Unborn Victims of Crime Act	
Ms. Demers	5620
Pharmaceutical Industry	
Ms. Nash	5620
World Red Cross and Red Crescent Day	
Mr. Rota	5620
Leader of the Liberal Party of Canada	
Mr. Tweed	5621

ORAL QUESTIONS

National Security	
Mr. Ignatieff	5621
Mr. Bernier	5621
Mr. Ignatieff	5621
Mr. Van Loan	5621
Mr. Ignatieff	5621
Mr. Van Loan	5621
Mr. Coderre	5621
Mr. Van Loan	5621
Mr. Coderre	5622
Mr. Van Loan	5622
Mr. Duceppe	5622
Mr. Cannon	5622
Mr. Duceppe	5622
Mr. Cannon	5622
Mr. Guimond	5622
Mr. Cannon	5622
Mr. Duceppe	5622
Mr. Cannon	5622
Economic Situation of Families	
Mr. Layton	5622
Mr. Van Loan	5623
Mr. Layton	5623
Mr. Van Loan	5623
National Security	
Mr. Dosanjh	5623
Mr. Van Loan	5623
Mr. Dosanjh	5623
Mr. Van Loan	5623
Mr. Goodale	5623
Mr. Van Loan	5623
Mr. Goodale	5623
Mr. Van Loan	5624
400th Anniversary of Quebec City	
Mr. Paquette	5624
Mr. Cannon	5624
Mr. Paquette	5624
Mr. Cannon	5624
The Environment	
Mr. Bigras	5624
Mr. Baird	5624
Mr. Bigras	5624
Mr. Baird	5624

Burma	
Mr. Martin (Esquimalt—Juan de Fuca)	5624
Ms. Oda	5625
Mr. Martin (Esquimalt—Juan de Fuca)	5625
Mr. Bernier	5625
Vancouver Olympic Games	
Mr. Simard	5625
Mr. Emerson	5625
Mr. Simard	5625
Mr. Emerson	5625
Burma	
Mr. Allison	5625
Mr. Bernier	5625
Ms. McDonough	5625
Mr. Bernier	5626
Ms. McDonough	5626
Ms. Oda	5626
Government Accountability	
Ms. Keeper	5626
Mr. Van Loan	5626
Ms. Keeper	5626
Mr. Van Loan	5626
Municipal Affairs	
Ms. Brown (Oakville)	5626
Mr. Van Loan	5626
Ms. Brown (Oakville)	5626
Mr. Van Loan	5627
Omar Khadr	
Mrs. Barbot	5627
Mr. Bernier	5627
Mrs. Barbot	5627
Mr. Bernier	5627
Ferry Service	
Mr. Thibault (West Nova)	5627
Mr. MacKay	5627
Fisheries and Oceans	
Mr. Manning	5627
Mr. Hearn	5627
Government Accountability	
Mr. Angus	5627
Mr. Van Loan	5628
Mr. Angus	5628
Mr. Van Loan	5628
Ferry Service	
Mr. Zed	5628
Mr. MacKay	5628
Trent-Severn Waterway	
Mr. Stanton	5628
Mr. Baird	5628
Aboriginal Affairs	
Mrs. Mathysen	5628
Mr. Strahl	5628

Pierre Elliott Trudeau Airport	
Mr. Scarpaleggia	5629
Mr. Cannon	5629
Competition Act	
Mr. Gaudet	5629
Mr. Prentice	5629
Presence in Gallery	
The Speaker	5629
Business of the House	
Mr. Goodale	5629
Mr. Van Loan	5629
Motion	5630
(Motion agreed to)	5630
Points of Order	
Comments by Member for Don Valley East	
Mr. Bruinooge	5630
Mr. Goodale	5630
Bill C-377—Climate Change Accountability Act	
Mr. Comartin	5631
Mr. Van Loan	5632
Canadian Environmental Protection Act, 1999— Speaker's Ruling	
The Speaker	5632

GOVERNMENT ORDERS

Business of Supply	
Opposition Motion—The Economy	
Motion	5633
Mr. Murphy (Charlottetown)	5633
Ms. Savoie	5634
Ms. Priddy	5634
Ms. Nash	5635
Ms. Crowder	5636
Mr. Lake	5637

Mr. Carrie	5637
Mr. McKay	5639
Ms. Crowder	5639
Mrs. Boucher	5640
Ms. McDonough	5641
Mr. Asselin	5641
Ms. Crowder	5642
Mr. Lake	5643
Mrs. Yelich	5643
Ms. McDonough	5644
Ms. Crowder	5645
Mr. Martin (Sault Ste. Marie)	5645
Ms. Bonsant	5646
Mr. Del Mastro	5647
Division deferred	5647

PRIVATE MEMBERS' BUSINESS

Old Age Security Act	
Mr. Carrier	5647
Bill C-490, Second reading	5648
Mrs. Yelich	5649
Mr. Maloney	5650
Mr. Martin (Sault Ste. Marie)	5652
Mr. Gravel	5653
Mr. Brown (Leeds—Grenville)	5654
Ms. Demers	5655

ADJOURNMENT PROCEEDINGS

Homelessness	
Mr. Siksay	5656
Mrs. Yelich	5656
The Economy	
Mr. McKay	5657
Mr. Menzies	5658

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