



CANADA

House of Commons Debates

VOLUME 142 • NUMBER 103 • 2nd SESSION • 39th PARLIAMENT

OFFICIAL REPORT
(HANSARD)

Monday, June 2, 2008

—

Speaker: The Honourable Peter Milliken

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HOUSE OF COMMONS

Monday, June 2, 2008

The House met at 11 a.m.

Prayers

PRIVATE MEMBERS' BUSINESS

• (1100)

[*English*]

OLD AGE SECURITY ACT

The House resumed from May 8 consideration of the motion 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.

Mr. Bev Shipley (Lambton—Kent—Middlesex, CPC): Mr. Speaker, it is a pleasure to add my comments on Bill C-490. I appreciate the opportunity to speak about our government's record on seniors' issues, because we actually have a record worth talking about.

That is why we have taken measures to ensure that OAS and GIS continue to meet the needs of seniors. This government was elected to take responsible, measured actions to support Canadians, and we have to look to the future when considering changes like the ones outlined in the bill.

Our government is very much aware of the significance and the importance of a program such as old age security. The program is an integral part of our social safety net. It is important for all Canadians and must be accessible by all Canadians for years to come.

It is also the responsibility of this government to manage these programs so they will continue to exist in the future. This is a responsibility that I think members of the Bloc in some respects have set aside, although maybe as members of the opposition they do not have the same concerns as Canadian taxpayers.

I would like to touch on three areas around OAS and the GIS. First, there is the increase in the monthly GIS payment. The bill proposes to increase the monthly GIS payment by \$110 per month.

I commend the hon. member for Alfred-Pellan for his compassion in wishing to find ways to alleviate poverty among seniors, but the proposals outlined in the bill will not meet those objectives. In fact, quite the opposite may happen. This would bankrupt the program so that it would no longer exist for future generations of Canadian seniors.

Although it has been said in the House on many occasions, it is worth saying again that Canadian seniors have one of the highest standards of living in the world. Their income has more than doubled over the past two decades.

It is also important to remember that Canada now has one of the lowest levels of poverty among seniors of any country in the industrialized world. It has dropped from 21% in 1980 to less than 6% today.

We have lower poverty rates than our G-8 partners. Our social safety net is already the envy of the world. This is something the government will protect for future generations.

Certainly it is not time to stop working to reduce seniors' poverty further, because even one senior living in poverty, as we often say, is one too many. That is why this government acted when we were 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 couple per year.

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 government.

This government heard from thousands of seniors from across the country in the lead-up to budget 2008 and we heard that more and more of them want to remain in the workforce. They want to do it to stay active in their communities, to make a little extra cash to have some fun or to spend it on children, grandchildren or family, or just to do something for themselves.

Seniors' groups also told us that their members would love to continue working, but under the previous Liberal regime they could not do it without having their hard-earned benefits clawed back. There was little incentive or initiative to go out to earn a little extra for the things they wanted or, quite honestly, just to keep active and be involved. That is why this government increased the earned income exemption to \$3,500 from the previous Liberal system, which allowed only \$500 in earnings before benefits were withheld.

• (1105)

This important change will allow GIS recipients to keep more of their hard-earned money without any reduction in their GIS benefits: \$3,000 more before benefits are withheld. I note that the Bloc actually opposed this in the last budget.

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The second issue I want to talk about is the unlimited retroactivity. My colleague across the aisle also proposes that we bring in unlimited retroactive payments of the OAS-GIS for eligible beneficiaries. I would remind the House that currently these benefits are payable retroactive for up to one year from the month of application.

This period of retroactivity is not unusual. In fact, it is consistent with the 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 exemptions to the basic one year limit to ensure seniors are treated fairly. If the person was incapable of applying, was given bad advice, or if the mistake is an administrative error, the government will ensure that people get the benefits they are entitled to.

I would ask the House to consider the long term ramifications of this bill. In fact, this government and this House need to be very concerned regarding the ramifications of this bill. The costs of the retroactivity provisions alone could be in excess of \$6 billion per year. This government cannot and will not take a risk like that with such an important program for seniors.

This government makes 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 benefits.

Our efforts have resulted in an additional 325,000 low income seniors receiving the benefit who were not getting it before. With the GIS increase, as I mentioned before, for 50,000 new eligible seniors, plus the 325,000 who now get benefits under the Conservative government, that is significant.

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 which will ensure that OAS and GIS programs exist well into the future.

Last is the issue of the elimination of the requirement to apply for GIS benefits. The proposal to eliminate the requirement to apply for GIS benefits is unfortunately not workable. Formal application is needed since the information available from Canada Revenue is sometimes insufficient to determine eligibility. For example, not available in income tax returns could be information such as updated marital status and also residency in Canada.

The onus remains on the individual to make the initial application, but with the single lifetime application that this government introduced in Bill C-36, the process has become much easier and friendlier for Canadian seniors.

We can all applaud the stated goal of the bill and certainly the member for Alfred-Pellan for his desire around Bill C-490, but unfortunately it will not meet the goal and will put the future of this necessary program on the line.

For that reason, I cannot support it. I can assure this House, however, that we will continue to work hard and provide a bright future for all Canadian seniors.

• (1110)

Hon. Roy Cullen (Etobicoke North, Lib.): Mr. Speaker, I am pleased to participate in the debate and discussion on Bill C-490.

Bill C-490 provides for an increase in the amount of supplement to be paid monthly to a pensioner and for the payment of a pension and supplement to a person who ceases to have a spouse or common law partner by reason of the spouse's or common law partner's death. It removes a requirement to make an application for a supplement and allows for the retroactive payment of supplements.

I tend to support the idea of removing the requirement to make an application or to at least have some less bureaucratic way of ensuring that seniors are getting the benefits to which they are entitled. Some seniors get distressed in these cases or may not be fully conversant with the law. I know that ignorance of the law is no excuse, but we need to provide all the support and assistance we can to seniors to make sure they receive the pension benefits to which they are entitled.

Perhaps a process could be put in place to facilitate that, but I have a large problem with seniors who have not taken advantage of their benefits because they did not know they had to fill out an application. I see some of those seniors in my office from time to time.

I am not quite sure about the retroactivity provisions that are called for by the bill. That could be a bit difficult, but nonetheless I want to congratulate the member for opening up this discussion, because Canada's seniors have made an enormous contribution to the social, cultural and economic fabric of Canada.

As a result of their efforts, Canada is considered one of the best countries in the world in which to live. Our generation is receiving the benefit of their efforts and generations beyond us will benefit in the future.

In spite of this contribution, many low income and middle income seniors in Canada living on fixed incomes are financially stressed. Old age security payments and the guaranteed income supplement have not kept pace with the living costs seniors are facing today, notwithstanding regular inflation adjustments and increases that our Liberal government put in place through the GIS and, in fairness, that the Conservative government has put in place as well.

I have heard the arguments from the other side, and I think research would tend to show that on balance seniors in Canada do quite well, but it is equivalent to the summation that if we have our heads in the fridge and our feet in the fire, our average temperature is fine.

We still have some low income seniors who are struggling. Certainly in my riding, which we could characterize as a blue collar riding and where the mean family income is below the national average, many seniors who come to me, especially those on fixed incomes, especially women and especially widows, say that they are really having difficulty keeping pace with the costs they are facing.

This is a problem. It caused me to do some research into the question of whether it would be feasible to set up a cost of living index that was particularly unique to the basket of goods and services with which seniors in Canada are faced. I did some independent research and there also is some research already out there.

For example, a 2002 McMaster University study in the "Quantitative Studies in Economics and Population Research Report", showed that in explaining the changes in expenditure patterns after the age of 65, most of the major differences that are observed among age groups are a consequence of declines in income after retirement.

At the national level, the study found that while the all-items CPI did generally track closely to the inflation experienced by seniors, there were some notable variances in food and shelter expenses. These are the two items that are frequently brought up to me by seniors, who say they are spending far too great a percentage of income on food and shelter.

● (1115)

The rule of thumb with respect to shelter is that no more than 30% of a person's income should go toward it. Many seniors in my riding, in fact constituents of all ages, are spending 40% to 50% of their income on shelter.

According to the Department of Social Development, the last evaluation of old age security was completed in 1992. As reported by the Auditor General of Canada, the 1992 evaluation report concluded that, in terms of adequacy and earnings replacement, the program was "generally" fulfilling its role within the retirement income system.

However, research conducted by myself concluded that the old age security has consistently lagged behind wages during the period from 1991 to 2003.

The 2004 report of the Prime Minister's task force on active living and dignity for seniors, chaired by my colleague and soon to be member of Parliament again, Tony Ianno, states that:

Generally speaking, Canada has seen a trend where growth in wages has exceeded growth in prices.

Old age security recipients' benefits fall behind the rate of growth seen by the working age population.

A Library of Parliament research report prepared in February 2006, at my request, noted that no effort has been made to establish a consumer price index targeting seniors. Further, independent comparative analyses that I have completed have concluded that cost pressures on seniors have risen at a much higher rate than current old age security inflation adjustments.

While I laud the member for putting forward this private member's bill, it would appear that it probably will not have the support of the government, primarily for reasons of cost, which is not the right criteria necessarily, unless it would bankrupt the government and put the old age security into a non-sustainable position.

Creating a cost of living index specific to seniors would not be that difficult to implement. It would weigh the cost of products and

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services to which seniors are exposed and it would be updated annually. It would be that cost of living index that would be used to increase the old age security and the GIS annually, rather than this generalized cost of living index, which represents the population as a whole, the basket of goods and services to which Canadians generally are exposed, but does not really reflect the basket of goods and services that our seniors are faced with, seniors who built this country and deserve our respect and our support.

I recall meeting a senior widow in my riding and her family who are the salt of the earth. Her husband had worked in construction for 50 years and, regrettably, passed on. She lives in their small bungalow and raised a family of three. They are all doing well and contributing to society. She was struggling severely. What a tragedy for that woman, who lost her a husband and raised a family, all of whom had contributed and are contributing so much to Canada, was being pressured to move from her small, modest home to something not really appropriate.

While the bill before us is a step in the right direction, and I appreciate its intent, we could do something more significant and more achievable for seniors by creating a cost of living index that would reflect the cost of the goods and services that they face. The index would then be used to increase the old age security and the GIS annually, instead of this generalized cost of living index.

● (1120)

Ms. Chris Charlton (Hamilton Mountain, NDP): Mr. Speaker, I am delighted to participate in debate on Bill C-490, An Act to amend the Old Age Security Act (application for supplement, retroactive payments and other amendments), on behalf of the NDP caucus and as the critic for seniors and pensions.

I fully support this bill. In many ways, it is the companion piece to my own bill, Bill C-336. Whereas my bill seeks to enhance the ability of pensioners to access their CPP benefits retroactively, the bill before us today deals specifically with the guaranteed income supplement. Both are fundamentally about fairness for seniors and both are long overdue in their adoption.

The bill before the House today simply seeks to accomplish four things. First, it would no longer require seniors to apply for the guaranteed income supplement. This is an absolutely essential piece. By the government's own admission, there are currently 135,000 seniors in Canada who are eligible for but not receiving the GIS. Why? Because even if they were aware of the program, the application process is unduly complex and many seniors lack the language or literacy skills to avail themselves of the benefit.

What has the government done about that? Instead of pursuing aggressive outreach to inform seniors of their entitlements, the Conservative government has redesignated positions at Service Canada so that experts, whose only role it once was to assist seniors to find their way through the maze of CPP, OAS and GIS, have now been replaced with generalists to deal with everything from boat licences to employment insurance. In-depth counselling for seniors no longer exists.

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If we are not prepared to help seniors access the benefits to which they are legitimately entitled, then why do we not make it as easy as possible? Bill C-490 would accomplish that goal by taking away the requirement to fill out an application in order to receive the benefit. It makes perfect sense.

The Department of Human Resources and Social Development, which administers the GIS, is allowed to exchange information with the Canada Revenue Agency. The CRA collects the tax returns of seniors and therefore the government already has the information that it needs to determine whether a senior is eligible for the guaranteed income supplement.

In case anyone still believes that this kind of information exchange may violate a senior's privacy, I would remind members in this House that Canada's 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".

The GIS, of course, falls under the Old Age Security Act.

The government suggests that the application process is nonetheless necessary because there may be seniors who do not wish to receive the guaranteed income supplement. I cannot imagine that any such person exists in Canada.

The guaranteed income supplement is a means tested program that goes only to the neediest seniors. It was brought in as a measure to attempt to deal with poverty in the older adult population. Does the government really believe that seniors who have worked hard all their lives, who have played by the rules but are now finding it harder and harder to make ends meet, would turn down such desperately needed financial assistance? It is nonsense.

However, even if such a person did exist, I am sure it would be easier for the government to deal with the handful of applications from those who wished to discontinue their benefits than to deal with the tens of thousands of new applications that currently need to be filed every year. The government's argument here simply does not cut it.

What about those 135,000 Canadians who still are not receiving their benefit? The government says, and I quote from the parliamentary secretary's intervention earlier in this debate:

We make every effort to ensure that eligible low income seniors receive the benefits to which they are entitled just as soon as possible. ...we work with community and seniors' organizations to reach the vulnerable seniors....

I have the great privilege to work with one of those organizations in my home town of Hamilton. It is the Seniors and Poverty Working Group, which dedicates itself to assisting and empowering the most vulnerable seniors in our community. On shoestring budgets, the dedicated volunteers and professional members of our group do phenomenal work with and on behalf of seniors. In fact, they have taken a leadership role in exploring ways to ensure that seniors are made aware of their financial entitlements.

The group organized a series of public meetings and train the trainer sessions that had a profoundly positive impact both on

individual seniors and on community capacity building through the collaborate community based nature of the process. The aim was to ensure that every senior who is entitled to the GIS would be made aware and assisted with their applications.

●(1125)

The Seniors and Poverty Working Group believes that to do anything less is to perpetuate the systemic neglect. However, that is the point, we are talking about systemic neglect. Our system of government has the ability to correct that neglect simply by doing away with the application process.

Community groups should never need to use their scarce resources to backfill gaping holes in the government's implementation of its own program. They simply are not funded or resourced for that. The fact that they are doing it anyway speaks volumes about their profound commitment to the right of every senior to retire with dignity and respect.

When community groups actually find people who were not aware of their entitlements, they cannot even help them to claim their full entitlement. The GIS can only be received retroactively for a period of 11 months. A system designed like that is clearly not a system designed to lift seniors out of poverty. What a disgrace.

If seniors owed the government money, the Canada Revenue Agency sure would not limit itself to 11 months of retroactivity. It would hound seniors until it had every last cent owing to it. So it should be for seniors, and the bill before us today would achieve that laudable goal. It would allow for full retroactivity for unpaid pension amounts.

Right now in Canada, almost one-quarter of a million seniors live in poverty. Even the ones collecting the GIS are still not receiving income that is high enough to lift them up to the poverty line. That is hardly a retirement with dignity and respect.

That is why the third component of Bill C-490 seeks to raise the GIS by \$110 per month. The Conservatives say that such an increase, combined with full retroactivity, would simply cost too much. They put the figure in the billions of dollars.

Let me get this straight. The government can find \$2 billion to continue subsidizing the big banks and polluters but it cannot find the money for the neediest seniors in our country? This is not about a program costing too much. This is all about a government that cares more about its wealthy friends than it cares about the people who built our country.

Conservative MPs should be ashamed of themselves. If they got their heads out of the tar sands long enough to actually notice what is happening in communities across our country, they would realize that by denying seniors an adequate standard of living, they are also denying them hope.

Let me quote, as others have done, from the National Council of Welfare, which stated:

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.

What message are we sending to seniors when we are refusing to lift them up to the poverty line? This is not good public policy. It is not even good fiscal management. It is simply mean-spirited. The government's objection to the final part of Bill C-490 makes that abundantly clear. It proposes that a surviving spouse be entitled to receive his or her deceased spouse's pension payment for six months. It hardly seems unreasonable to allow people time to mourn their loved ones.

Many will have to make decisions about whether they can continue to live in their homes and keep up their bills. To give them a little time for those decisions after the devastating loss of a spouse is simply the compassionate thing to do. The six month extension of the deceased spouse's GIS simply shows a bit of humanity to seniors.

However, the government is not often accused of being compassionate. Instead of accepting the proposals of Bill C-490 and taking pride in having done right by seniors, its approach to dealing with the GIS is telling seniors to get a job.

In their last budget, the Conservatives announced that seniors could now work and earn up to \$3,500 before their GIS would be clawed back. Nothing defines the differences between the Conservatives and the NDP more clearly. The Conservatives want seniors to retire in the uniform of a Wal-Mart greeter. New Democrats want seniors to retire in dignity and respect.

I cannot wait for the votes to be counted on this bill. For every member of the House, the question will be, "Which side are you on?" I know NDP members will be voting in favour of the bill but this is a private member's bill where all of us can cast our votes free of party discipline. Conservative MPs will be able to vote their conscience. I cannot wait to see which side they are really on.

•(1130)

[Translation]

Mr. Yves Lessard (Chambly—Borduas, BQ): Mr. Speaker, this is a very important debate. I would like to begin by saying that I think this bill to amend the Old Age Security Act, specifically the guaranteed income supplement, deserves not only to be debated here in supreme good faith, but also to be adopted unanimously.

Before diving into the debate, I want to thank two members of the House for their work. First, I would like to thank my colleague from Alfred-Pellan, the sponsor of the bill, which he has spoken for with great enthusiasm and conviction. I would also like to highlight the extraordinary work of our colleague from Repentigny, who is right here with me this morning.

This bill started out with broad consultations conducted by my colleague from Repentigny. As such, this bill is a response to the real difficulties facing seniors and to their desire to escape the situation in which the Canadian government has placed them. The Canadian government is indeed responsible because it is in charge of redistributing revenue to share the wealth and ensuring that social programs help society's most vulnerable.

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I also want to thank organizations in my riding that are dedicated to the wellbeing of seniors, such as the seniors' clubs in Richelieu, Otterburn Park, Saint-Jean-Baptiste-de-Rouville—which has two—Marieville, Maria-Goretti, McMasterville, Saint-Mathias and Belleil, of course, as well as the Saint-Basile-le-Grand club, La Gerbe Dorée, the Amis de la Vallée-du-Richelieu and the Bassin de Chambly seniors' foundation.

Organizations in my riding all agree. I am using my riding as an example because this applies to all other ridings. Seniors' organizations and the community groups that exist to help them all agree that this injustice cannot go on.

Just this morning, the Trois-Rivières *Le Nouvelliste* reported that the Trois-Rivières branch of FADOQ, the Quebec seniors' association, is asking all parliamentarians to con, excuse me, consent—though seniors have been, quite literally, conned—to give their unanimous consent to this bill.

This morning, my two colleagues and I went to the Prime Minister's office. I had to leave a little early to rush over here to give this speech—my colleagues have just returned. We went to his office to present 1,000 more postcards from seniors who are calling for the guaranteed income supplement, under the changes made by Bill C-490. These 1,000 postcards are in addition to the 10,000 others sent to the Prime Minister's office by the Bloc in February, by the member for Repentigny, the member for Alfred-Pellan and myself. In total, that makes 11,000 postcards that have been delivered directly to the Prime Minister's office, in addition to all the others sent through the mail.

Furthermore, this morning we gave the Prime Minister a few hundred resolutions from organizations that represent tens of thousands of seniors in Quebec, concerning positions, recommendations and motions adopted by these organizations. Why has this become such a movement? Because there is a serious injustice.

•(1135)

Rarely does a bill mobilize so many and affect so many. This goes beyond just seniors, since when seniors experience difficulties, others around them often suffer as well.

As I was saying, I could not stay the whole time, but my two colleagues were welcomed in English. French, the second official language, is being ignored, just as the rights of seniors are being ignored. My colleagues opposite voted against a Bloc motion to ensure official languages are respected in Quebec for workers under federal jurisdiction. It is not surprising that these workers' rights are being ignored; our rights are being ignored right here in Parliament.

I shared that little aside because it shows the contempt that exists towards rights that have been recognized by laws or regulations. These rights are not respected by this government, and were not by the previous one either.

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I will briefly go over the content of the bill, because I would like to have time to talk about the positions of the two main federal parties.

First, this bill seeks to correct a huge injustice: the poorest seniors in our society have been deprived of their basic right to receive an income supplement when they do not have sufficient income to live decently. I am talking about a bare minimum.

Many seniors live in isolation. Sometimes, they have no choice, because they cannot read or they live in remote areas or they lack the means to communicate or they have not been informed of their rights.

In 2002, there were 83,000 such seniors in Quebec and some 200,000 in Canada. In 2003-04, the Bloc was able to reach quite a number of people, but today, 42,000 people in Quebec and 123,000 in Canada are still not receiving the guaranteed income supplement. These are not insignificant numbers. However, the supplement could at least be paid to people who file income tax returns. All the government would have to do is use the returns to have the guaranteed income supplement paid automatically to these people.

By not doing so, the government has been able to liberate—not to use a more forceful and accurate word—\$3.3 billion from these people's pockets to date. This is extremely serious. We are talking about the poorest members of our society.

Bill C-490 corrects this injustice, but also adds \$110 a month to the guaranteed income supplement. This is not much, but it can at least bring a person's income up to a decent level that allows him or her to live.

The bill also provides that when one spouse dies, the surviving spouse can receive the deceased person's benefit for six months, while the surviving spouse puts his or her affairs in order.

The bill also provides that the guaranteed income supplement be paid automatically, as I said earlier. I believe this is essential.

One of our main roles here is to ensure the well-being of the most vulnerable people in our society. We are seeing members letting party politics get in the way and opposing seniors' rights. When we steal from seniors—this is their money—we are committing a serious crime that affects their pocketbooks. Yet, there seems to be no problem investing in military equipment, oil companies or nuclear power.

I see that I have only one minute left. I would like to conclude with this. In 2005, Bill C-301 was unanimously passed at second reading. We asked that Bill C-301 be fast-tracked in the same way that the bill about veterans' income had been. It was the Liberal Party that stood in the way.

• (1140)

Given that the Liberals are singing the same tune today as they were in 2005, I would ask them to be consistent until the end and vote as we will. I also ask the Conservative party, which is saying that the country will be driven to bankruptcy with—

The Acting Speaker (Mr. Royal Galipeau): I regret that I must interrupt the hon. member.

The hon. member for Edmonton—Sherwood Park.

[English]

Mr. Ken Epp (Edmonton—Sherwood Park, CPC): Mr. Speaker, it is my delight to enter into the debate on Bill C-490, which proposes some amendments to the Old Age Security Act.

I have thought long and hard about income for seniors after they are no longer gainfully employed. One of the questions I have always asked is, should a retiree's income be totally as a result of savings and investments the individual has made over his or her lifetime, or should it be totally paid for by the taxpayers in a current regime and money that is collected by taxation is transferred to the seniors of the day, or should it be some combination thereof?

I am quite convinced, in having studied this over the years, that we need to have a combination. We have to have a regime in which, through tax measures and other government initiatives, people are encouraged to save a certain amount for their own retirement income.

I used to teach math and finance at the Northern Alberta Institute of Technology, but I also taught exponentials. Those were the wonderful days when we went from slide rules to calculators and we could do these fancy computations. I remember one time challenging my students, who were then in their late teens or early twenties, that they should consider putting money away at that age for their retirement. I gave them a problem to solve. I will shorten the situation here, but at that time, a pack of cigarettes cost about five bucks and I told them to put away the equivalent of the cost of a pack of cigarettes a day over their lifetime, from age 20, when presumably a person would be starting his or her employed service, to age 65, when the person retired. At that time interest rates were really high, around 18% for mortgages and a little less for savings accounts. I said that properly invested, they could get 10% on the investment.

The students computed this. First, we had the mathematical problem and in a class of 40 students, I heard about 20 different answers after they had computed the formula. So, we first reconciled the number, and the number in the end was \$1.3 million. I asked them if they knew what they had computed. I gave them the formula, and then I told them the story of the \$5 per day over 45 years. It totalled \$1.3 million just for saving the equivalent of the cost of a pack of cigarettes a day. Many of the students whom I meet and who remember me say, "You never smoked, did you?" I say, "No". Then they say, "So how are you doing? Where is your \$1.3 million?" I say, "I gave it to my wife."

It is an interesting question, how we should look after the needs of seniors.

Private Members' Business

It is totally fair to say that under this government the financial position of seniors is much better than it has ever been. As my colleague previously mentioned, over the last 10 or so years, the income of seniors in this country has actually more than doubled. The OAS and the GIS, the Canada pension plan, and of course, the ability to put money away into RRSPs during one's early life and shield it from taxation until it is withdrawn are all wonderful measures that enable people to look after themselves to the degree that they can when they reach retirement age.

Of course, there is also a segment of our population which cannot or do not do this. We live in probably the best country in the whole world for people who either have not had the ability to save for their own future or have just been careless in not doing it. We have in Canada in our wonderful taxation system and our social programs the ability to provide at least a minimal income for people who have not done this.

• (1145)

I remember that my grandfather, who brought his family to this country in 1923, always put away a little. They were a poor family. There were 10 kids in the family. They worked very hard on the farm. Sometimes their crops were poor. They worked with animals and they had huge gardens to feed themselves.

But my grandfather always put a certain amount of money away and I remember my dad saying, talking about his dad, "My dad wasn't all that smart". I asked, "How's that?" He said, "He always saved his money instead of spending it on meeting the needs of his family. He looked ahead and he planned for saving. Then when he finally did retire, lo and behold, he was ineligible for some of the social programs of the day because he had too much income. If only he would have done, as all the other equally poor neighbours in Saskatchewan did where we grew up, and like all of the other neighbours did and spent the money that the family needed. Some of them even went on vacation with their extra money, they did not save it. When they retired, they had such a low retirement income that they were eligible for the supplement".

Therefore, I think that is another issue that needs to be addressed. I do not think that we should punish people who plan for their own retirement.

Nevertheless, I must speak a little about Bill C-490. This is a bill which takes certain measures to increase the amount of income that seniors would be eligible for and other measures. I would like to speak briefly about a few of those things.

First, it must be recognized that our government has taken some substantial measures to improve the lot of seniors. Not only have we increased the amount of pension, both the Old Age Security and the GIS that people are eligible for, we have followed the same formula as was done by governments previous to ours and in some cases we have enhanced it.

There is one which is not often mentioned when we talk about people's financial well-being. In this country, everybody, seniors and those still in the workforce alike, have seen huge decreases in the amount of their taxation. They have more disposable income, seniors included, especially because of the fact that the rates of taxation have gone down and the thresholds have gone down.

I think members will remember very well in the fall of 2007 when in our economic statement the finance minister announced that he was increasing the basic amount by \$1,000 from \$8,600 to \$9,600. That means another \$1,000 that everybody, including seniors, can earn before they pay any tax at all. If the income of a senior is based simply on some investment income or on some income from pensions and so on, and if that amount is relatively small, percentage wise that is a huge decrease in tax payable and similarly then, a considerable increase in the amount of money that is available at their disposal.

The economic statement went on to predict and to announce, and our government will do this, on January 1, 2009, just a scant seven months away or thereabouts, that the basic exemption is going to go up again to \$10,100. When we increase that amount, that is a very significant percentage increase in disposable income for seniors.

Of course, we have not even talked about the reduction of the GST from 7%, to 6%, to 5%, which again, not only seniors but everybody who is earning wages and earning income, has the ability to pay.

Therefore, I think of Bill C-490 and I see that the measures in it are certainly well intentioned, but I believe that we must as a government look at the big picture. The idea of retroactivity for seniors who did not apply is a fine idea, if we want to do that to make people feel good, but as a government we also have to be fiscally responsible and the cost of that is estimated to be close to \$6 billion, which could throw a serious wrench into our economic works.

In conclusion, we cannot support this bill because of that and other measures that are included in it. One thing that our government has done with respect to notice is if in the income tax system we recognize that individuals, when they file their income tax, if they are eligible, we send them a notice so they can apply and receive what they are entitled to.

• (1150)

The Acting Speaker (Mr. Royal Galipeau): Resuming debate.

[*Translation*]

There being no one rising, I will now cede the floor to the hon. member for Alfred-Pellan, who has five minutes for rebuttal.

Mr. Robert Carrier (Alfred-Pellan, BQ): Mr. Speaker, in the short time I have left, I would like to set the record straight regarding certain arguments I heard during the two hours of debate on the bill I introduced on December 5, 2007, Bill C-490 concerning the Old Age Security Act and specifically the guaranteed income supplement.

The Parliamentary Secretary to the Minister of Human Resources and Social Development lavishly congratulated her government for increasing the GIS by \$18 a month in 2006 and 2007. I would remind her, once again, that people who receive it are still \$110 below the low-income cutoff. That is what is important in this bill.

According to the parliamentary secretary, the increase of \$110 for GIS recipients would not go to the seniors who need it most. What a ridiculous argument. It seems that no other response could be found.

Government Orders

How can a government be so insensitive and deliberately force our seniors to continue living in poverty? If she were to meet with seniors, they would tell her just how difficult things are for them and that they do not understand how the government can let them live in such conditions.

With respect to the full retroactivity called for by the bill, the parliamentary secretary referred to the very high cost involved, which could go up to \$6 billion. I would like her to provide the details of that estimate, because the Bloc Québécois, which has a much better reputation when it comes to predicting budgetary surpluses, estimates the cost at \$3.1 billion.

I think it is shameful that the parliamentary secretary should use such an argument against disadvantaged people who have had their money taken from them. Yet her government recently spent \$17 billion on military equipment, plans another \$96 billion in military spending and offers hundreds of millions of dollars in gifts to rich oil companies by granting them accelerated capital cost allowance for the oil sands. Even worse, the government had a surplus of \$11.6 billion for the fiscal year ending March 31, 2008. It therefore could have allocated the money needed to implement this bill, as the Bloc Québécois was calling for.

During the debate on Bill C-301 on full retroactivity, in October 2005, my former colleague from Saint-Maurice—Champlain alluded to the work the committee had done on the GIS in 2001, when it was said that 270,000 people, including 68,000 Quebecers, were not receiving the GIS. The government was being criticized for not paying them their due after they registered. On what grounds did the government appropriate that money?

I read with interest the speeches that were made at the time and still apply to the current bill. I could restate the same arguments the hon. Conservative member for Niagara West—Glanbrook did, but I will quote just a few passages. “Amending the Old Age Security Act to ensure that eligible pensioners receive their monthly guaranteed income supplement is, quite simply, an issue of fairness,” he said, and later, “We have a duty to help—not neglect—the seniors who helped build this country.”

I remind the House that all the Conservative members voted in favour of that bill, including the current Parliamentary Secretary to the Minister of Human Resources and Social Development, as well as the Conservative member for Leeds—Grenville, who has spoken out against the current bill. It should be noted that all political parties voted unanimously in favour the bill at second reading.

I am calling on all hon. members to support the bill before us today. As it did in 2005, this matter concerns us all, regardless of the political party we belong to. Any MP who pays attention to the public is well aware of the difficult situation many seniors find themselves in. The government, which provides help and support when the need arises on the international stage, must not neglect its own seniors.

No one can reasonably oppose the principle of this bill. I therefore invite all my colleagues to support it during the vote at second reading. The Standing Committee on Human Resources, Social Development and the Status of Persons with Disabilities will then

have the opportunity to further investigate the four themes of the bill and make any necessary refinements.

● (1155)

[English]

The Acting Speaker (Mr. Royal Galipeau): 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 nays have it.

And five or more members having risen:

The Acting Speaker (Mr. Royal Galipeau): Pursuant to Standing Order 93, the division stands deferred until Wednesday, June 4, 2008, immediately before the time provided for private member's business.

● (1200)

SUSPENSION OF SITTING

The Acting Speaker (Mr. Royal Galipeau): The House is suspended to the call of the Chair. I serve notice that I will recall the House in about three minutes.

(The sitting of the House was suspended at 11:59 a.m.)

SITTING RESUMED

(The House resumed at 12:02 p.m.)

GOVERNMENT ORDERS

[English]

BUDGET IMPLEMENTATION ACT, 2008

The House resumed from May 30 consideration of Bill C-50, An Act to implement certain provisions of the budget tabled in Parliament on February 26, 2008 and to enact provisions to preserve the fiscal plan set out in that budget, as reported (without amendment) from the committee, and of the motions in Group No. 1.

Hon. Andrew Telegdi (Kitchener—Waterloo, Lib.): Mr. Speaker, I am pleased to engage in the debate on Bill C-50. I will look particularly at the issue as it pertains to Part 6, which deals with changes to the Immigration Refugee Protection Act.

Government Orders

I will preface that by saying immigration has been the lifeblood, continues to be the lifeblood and will be the lifeblood of our country. We know in the next five years 100% of our net labour growth will be met by new immigrants. This is where we will have to look for growth. It is important for us to be cognizant of the demographic challenge we face as a nation.

I will go back a bit in the historical perspective, because there are a lot of things that are wrong with the bill.

First, the very fact that such huge, major changes to the Immigration Act are in a budget implementation bill is totally wrong. We heard in the House and across the country that it was not the way to deal with the legislation, to the extent the finance committee referred that section of the bill to the citizenship and immigration committee.

The committee unanimously passed a motion saying that part 6 pertaining to immigration should be struck from the bill because the changes contemplated would be major and would really determine, in a very real sense, the future of our country, the future population make-up of the country.

I said I wanted to go back and talk a bit about history. I remember when we changed the Immigration Act back in 2001. The changes proposed and ultimately adopted were ones that the citizenship and immigration committee itself opposed at the time. The reason we did that was we ended up with a very elitist point system. It essentially meant that many of the people the economy actually needed would not get into the country because of our immigration policies in terms of people applying to our country as economic class immigrants.

I want to underline that those changes were driven by the bureaucracy. I suppose it made their jobs easier, but it did not address the needs of our immigration system. One of the real disconcerting things about that, and as I said the bill was driven by the bureaucracy, was that we developed an elitist point system, which focused on education and abilities to speak the language.

By education. I mean university degrees or the ability to speak French or English. Those were the primary drivers of that point system. Under that point system, people like Frank Stronach of Magna International would never have come to Canada. Frank Hasenfratz, chairman of Linamar, who employs well over 10,000 people, would never have come to Canada. John A. Macdonald, the first prime minister of the our country would not have come to Canada, nor would Tommy Douglas. Wayne Gretzky's ancestors would not have come to Canada. Mike Lazaridis, the gentleman who invented the BlackBerry, which all members of the House like to use, would not have come to Canada because the system was too elitist.

When the committee tried to deal with the issues, when we tried to deal with the backlog, when we tried to deal with applying the new point system to ensure did not apply to people already in the queue, we were misinformed by the bureaucracy. This should be a real concern. It was not until the *Dragan v. Canada* case in the Federal Court, which dealt specifically with the issue, did we find that only was the committee misled by the bureaucracy, but governor in council was misled as well.

● (1205)

There is a basic problem with the way we make decisions around immigration issues. I have been on the citizenship and immigration committee since 1998, and during that time there have been seven immigration ministers. With seven ministers, the committee really did not have an opportunity to learn the file. The decision was, for the most part, and this has been my experience, driven by the bureaucracy.

The proposal in the legislation is not being driven by the present minister because she is a brand new minister. Her record of achievement includes being the first minister in a decade to miss our immigration targets of 240,000 to 265,000 people. She is also the minister who has created a record backlog in the refugee determination system. She is also the minister who denied the reality of lost Canadians, saying there were hundreds of people involved. Then we found out there were actually hundreds of thousands of lost Canadians, which necessitated the legislation. It is under the present minister that the backlog has grown by huge numbers. There was not a large backlog under the previous government.

The bill would remove certainty from people wishing to come to Canada. It would change dramatically the rules of those who play by the rules and qualify for entry. Instead of saying a visa would be issued to these folks, the legislation would say that a visa may be issued to them.

There are problems in our Immigration Act, but they are all fixable. The way we are proceeding, under a budget implementation act, without the scrutiny it should receive, we will not make the right decision any more now than we did in 2001. We are making the wrong decision now and it will totally destroy some of the good things in our immigration system like transparency and objectivity. Our system underlines a premise that has been copied by Australia, New Zealand and England. The United States is looking at it now.

We have to develop a points system that would mesh with what our economy needs. Under the proposed legislation, carpenters, or electricians or labourers, who we need, would not get in the country. These jobs are available all across Canada.

I travelled with the citizenship and immigration committee three times across Canada in the last five years. One thing that has become clear is the fact that there is a real disconnect between what the economy needs and what individuals we allow to come in under the points system.

It would be impossible for me to outline all the changes that I think should be made. I agree with most of the witnesses who appeared at committee. We can make changes that are transparent. We can make changes that will deal with the needs of the economy. We can do this with certainty.

Government Orders

The system we are devising would make us dependent on thousands of temporary foreign workers, yet the people at the lower end of the skill set would be unable to bring their families with them. This is reminiscent of the time when the Chinese were brought into our country to help build the railway in the late 1800s. When the railway was finished, we tried to get rid of them. We do not want to go down that path again.

We need an immigration system that is realistic. We need an immigration system that not only reflects family reunification, but also reflects what our economy needs. We can also make better use of humanitarian clauses as they relate to refugees.

● (1210)

Hon. Jim Abbott (Parliamentary Secretary for Canadian Heritage, CPC): Mr. Speaker, I have a very high regard for the Liberal member. I know he is an honourable person. When I ask the following question, I hope he treats it as a very direct question from me.

I do not agree with a lot of what he said, and that is fine. This place is about that. It is a place of debate.

What I do not understand is if his colleagues in the rest of his party are of the same mind as himself, what we can expect in terms of a vote from his party? There is all this talk about voting strategically and all these things, and that is fine. However, this place should have something to do with principles.

I know the gentleman is a man of principle, as I like to think of myself as being. Could we anticipate that all the concerns he has expressed and those expressed by other members of his party will be reflected in the way they vote tonight?

Hon. Andrew Telegdi: Mr. Speaker, the member says that he does not agree with what I said, but what I said was pretty well true as the message relates to the immigration system. I am sure if my colleague across the way heard all I said and if we could be involved in a dialogue, I am sure he would agree with me.

I voted along with my colleagues on the citizenship and immigration committee against Bill C-50. I voted for the report. I expect I will do that again.

My positioning in the House, where I stand and sit, is exactly because I have voted the way I said I would on particular issues.

If some of my colleagues engage in strategic voting, then I guess the determination has been made by my party that they do not want to trigger an election on this issue because they think there is a more appropriate issue on which to trigger an election. I am really mindful and concerned of the political games that the government has been playing with this issue.

As soon as Bill C-50 came down, and I have said it publicly and in the press, I said that the government was looking to do a little immigrant bashing. The Conservatives saw what happened in the province of Quebec in the last provincial election. They saw the position advanced by the ADQ. They also saw the reaction to the reasonable accommodation debate in the province of Quebec. I believe the government made a conscious decision not to deal with legislation on immigration, but to take advantage of those feelings, hoping that it might win it a few more seats.

● (1215)

Mr. Peter Julian (Burnaby—New Westminster, NDP): Mr. Speaker, I appreciate that the hon. member has been punished by his Liberal leader for taking principled stands in the House of Commons. In no way should members of the Liberal Party be allowing Bill C-50 to go through. The Liberal Party should be standing with the NDP, as is the Bloc, to block the legislation. It is a question of immigration fairness.

Given that the Liberal Party has said it is opposed to Bill C-50, will the member press his leader to have Liberals in the House vote and stop this bill? If the Liberal Party votes against it, the bill is stopped.

Hon. Andrew Telegdi: Mr. Speaker, I have made representations of those kinds. Whether they succeed or do not succeed will be obvious when we vote on the bill.

Also, the Liberal Party does not have the same kind of luxury as the New Democratic Party or the Bloc have in not being the official opposition. If we vote against the legislation, we know there will be an election and that is a determination for the leader to make.

Mr. Peter Julian (Burnaby—New Westminster, NDP): Mr. Speaker, perhaps no other area is indicative of the kind of incompetence we have seen over the last 20 years as the immigration area.

Essentially, under the former Liberal government and under the current Conservative government, we have seen chronic underfunding in immigration, which has led to huge backlogs developing.

The immigration system is a lot like the health care system. If we underfund it, if beds are not in place and if we do not have doctors and nurses staffing a hospital, then an adequate degree of health care cannot be provided.

That is exactly what we have seen from this chronic obsession with corporate tax cuts that has developed, particularly over the last 15 years.

The Conservatives and Liberals have been falling over each other trying to see who can give the biggest corporate tax cut to the most profitable companies in Canada without any exchange of jobs or any positive economic repercussions, which I will come back to in a moment. We have seen underfunding in immigration that has led to a crisis in the immigration sector.

The member for Kitchener—Waterloo said that this was a recent development, that the hundreds of thousands of people in the backlog in the system is a result of recent Conservative policies.

The Conservatives have mismanaged and botched this file enormously but to be fair to them, 700,000 of the over 900,000 people who are now in backlog in the system come from the former Liberal government. That chronic mismanagement, that underfunding, that inability to adequately staff consular offices and embassies around the world so we can adequately deal with the immigration work the government must be dealing with, started under the Liberals. We have seen mismanagement from the former Liberal government and mismanagement from the current Conservative government, and that has led to this backlog of nearly one million individuals.

Government Orders

What is the solution? The NDP has been saying very clearly what the solution needs to be. We need to invest in the immigration system so that it functions, in the same way we need to invest in the health care system. The government has to stop this appalling obsession with bigger and bigger corporate tax cuts, which has led over the last 20 years to two-thirds of Canadians earning less now than they were in 1989.

That strategy, that one note band that we have seen under the Liberals and the Conservatives, clearly has not functioned. We need to reinvest so that we have a federal government and government institutions that are functioning effectively. Instead of doing that, we have the Conservatives trying to rewrite the rule book. They realize the backlog is too long so under Bill C-50 in the immigration provision they give the minister dictatorial powers to simply delete names from a list.

Does that make any sense whatsoever? If the backlog is a problem, we give the minister power to delete names. That is essentially what the Conservatives are offering.

They have another strategy. They want to turn the immigration system from encouraging family reunification and encouraging building communities. In my community in Burnaby—New Westminster, the bulk of the community has come from immigration over time and those families who have reunited here in Canada have helped to build and underpin the growth of our communities.

Instead of doing that, the Conservatives have decided that they want to import temporary foreign workers at lower wages and not subject to health and safety standards, essentially indentured servants. They will be brought in by companies but if they quit or are fired because of appalling working conditions, they will be sent home.

That is not how Canada was built. I had hoped that we had learned the lessons of the 19th century and the appalling racism that existed then but, no. We see the Conservatives trying to re-enact the kind of indentured servitude that we saw in the past.

The NDP is opposing this legislation because it simply does not make sense. The Conservatives lack managerial capacity. It is obvious from the fact that the Minister of International Trade now holds four ministerial portfolios because there is nobody, outside of himself, who is considered by the Prime Minister to actually have the ministerial competence to handle a ministry.

• (1220)

The Conservatives, obviously, are unable to effectively manage government institutions. We see the net result of that in the government's great strategy. The brain trusts, the rocket scientists in the PMO have solved the problem. They want to give the minister the power to delete names from the list and then we no longer have a waiting list.

We can extend this to other areas as well, such as health care. Why do we not just delete sick patients from the list and then all of a sudden the Canadian population would be much healthier? The Conservative approach to management boggles the mind. When we say "effective Conservative management", that is an oxymoron.

We have a bad bill. We have a bill that does not deal with the backlog and the chronic underfunding in the Department of Citizenship and Immigration. It simply gives the minister power to delete names and bring in temporary foreign workers. The NDP rises in the House and says that it will fight this bill on behalf of new Canadians from coast to coast to coast because it is bad policy and it is bad for Canada.

The folks who actually caused the immigration backlog, or most of it, the 700,000 names that were on the backlog list until January 2006 under the Liberal watch, they say that they opposed to the bill but that they will let it go through. Some members will speak against it, and some principled members, like the member from Kitchener, will actually vote against it, but the leader of the Liberal Party will let this bill go through. It is absolutely appalling.

If the Liberals recognize that this is a completely wrong-headed approach to dealing with the crisis of underfunding in the immigration department, then they should have the courage of their convictions to stand in the House of Commons and vote against this bill. They should follow the lead of the NDP and the member for Toronto—Danforth and say that this is bad for Canada and that they will vote against it.

We know that will not happen because we have seen, over the past year, time and time again, the Liberal leader prop up and support the Conservative government on all issues, not just on immigration and on the budget, but on the security and prosperity partnership and a wide range of issues. On the war in Afghanistan, we saw the Liberals as simply an appendage of the Conservative government. That is just not good enough.

Members of Parliament are elected to stand in the House and vote. Members of Parliament are elected to take principled stands when we know a bill is bad for Canada and that it will harm this country and the approach we have had on immigration which has helped to build better communities across this country from coast to coast to coast. When we know a bill is bad it is our job to stand in the House and oppose it. The leader of the Liberal Party, however, will not oppose any Conservative policy that has a confidence vote attached to it. The Conservatives essentially have free rein.

In the few moments I have remaining, I would like to deal with some of the myths and misconceptions that the Conservatives have put out about Bill C-50. One of the things the Conservatives have said is that they have welcomed more people to Canada. That is not true. In fact, the landed immigrant status numbers have gone down.

However, what has happened is an explosion of temporary foreign workers, indentured servants, who are being brought into Canada on a temporary basis if they are on good behaviour with their companies. As we have seen in many cases, people are working 70 or 80 hour weeks with no overtime and are often being paid below minimum wage. They are not subject to health and safety standards. If they speak out about being paid minimum wage or below minimum wage they could get shipped back home. It is simply not true that the numbers have increased.

Government Orders

Bill C-50 contains nothing to deal with the fundamental mismanagement that we saw under the Liberal Party and now under the Conservative Party. It contains nothing to deal with the fundamental truth that neither of those parties are very good managers. It is for those reasons that the NDP will rise in the House and oppose the bill.

• (1225)

Hon. Andrew Telegdi (Kitchener—Waterloo, Lib.): Mr. Speaker, in terms of dealing with the numbers, an important concept for us to understand is that we let in about 250,000 immigrants a year. About 300,000 to 400,000 people wishing to come to Canada make application. As long as we have a mismatch between the number of people wishing to come here and the number of people we actually let in, we will have a growing backlog.

Last year the government said that it brought in 430,000 newcomers to Canada. If all those people coming into Canada were immigrants that would have helped to deal with the backlog. However, the problem was that about 190,000 of them were people with temporary status, about two-thirds of them were temporary foreign workers and one-third of them were foreign students. Had we applied the whole 430,000 to deal with the backlog, we would have made a dent. Instead, we have bumped up the numbers by close to 100,000 people in terms of the backlog itself, even though we brought in an extra 190,000 people.

I agree with my colleague across the way. This is really dangerous. Will Canada become a country of temporary foreign workers or will we bring in people who will make an investment and help us build a country? Will we be bringing in temporary foreign workers, the ones on the lower end who are in a virtually indentured situation, a servitude situation where if they step out of line they will get booted out of the country, or will we bring in people who have many skills? For those lower skilled workers, however, the government is proposing to give them temporary permits so they cannot apply for landed status. Does my colleague have a comment on that?

• (1230)

Mr. Peter Julian: Mr. Speaker, yes, I do. The bill should be called "Bill C-50, the indentured servant act" because I think that portrays the Conservative Party's intention behind this bill. It wants to bring in indentured servants, to turn the clock back to the 19th century, obviously considered halcyon days for the Conservative Party.

It is more than just underfunding at embassies and consulates around the world. There are other problems that we do not have time to go into. We are talking about chronic underfunding in English language programs to actually allow that transition for landed immigrants or refugees when they come to Canada to actually get into the job market and make their contribution.

We have chronic underfunding in British Columbia. It has been disadvantaged by both the former Liberal government and the current Conservative government in terms of per capita immigration funding. Other provinces get much more support for immigration than British Columbia gets. We feel this acutely in the area of Burnaby—New Westminster where a lot of new Canadians, about half of all refugees into British Columbia, come. There is not sufficient funding for ESL nor for that transition.

We need a reinvestment in our immigration system and we did not see that from the former Liberals nor have we seen it from the current Conservatives.

Hon. Jim Abbott (Parliamentary Secretary for Canadian Heritage, CPC): Mr. Speaker, I cannot let the member get away with calling this the indentured servant thing. That is just a pile of hooey.

What we have at this particular point is the opportunity for people to come to Canada and work with employers in Canada. All of their protection is in place. For the member to be characterizing it the way he is, is deeply regrettable. The employers of Canada need these workers and the workers want to come to Canada. I wish the member would—

The Acting Speaker (Mr. Royal Galipeau): The hon. member for Burnaby—New Westminster has 30 seconds for his response.

Mr. Peter Julian: Mr. Speaker, I think the facts prove that the Conservative pretensions around this bill are hooey. We have seen a rapid rise in temporary foreign workers. The hon. parliamentary secretary knows full well that they are not subject to Canadian health and safety regulations nor are they subject to any of the provisions that exist under the Labour Code, which is why we have had controversy—

The Acting Speaker (Mr. Royal Galipeau): Resuming debate. The hon. member for Don Valley East.

Ms. Yasmin Ratansi (Don Valley East, Lib.): Mr. Speaker, I am pleased to rise today to speak on the budget implementation bill, Bill C-50.

In the normal course of parliamentary debate, a budget discussion would ordinarily reflect a thorough examination of the government's fiscal policies and the state of the nation's finances. However, for some strange reason, the Conservatives have chosen to depart from our parliamentary tradition, and it is strange that they have decided to sneak in a major shift in immigration policy through the back door.

Our parliamentary tradition calls upon the government to introduce legislation according to departmental responsibilities, which is to say that a transportation bill would be proposed by the Minister of Transport or a defence bill would be proposed by the Minister of National Defence. Again, under normal circumstances, a proposed act is then debated separately for the simple reason that respective parliamentary committees, such as, for example, the Standing Committee on Transport, Infrastructure and Communities, or the Standing Committee on National Defence, would have the opportunity to review the proposed legislation according to its area of responsibility.

This is how a parliamentary democracy works. It is really quite straightforward.

My question, then, is this: on what grounds is the government justified in lumping an immigration bill in with the budget implementation act? If the Minister of Citizenship and Immigration is so convinced that her proposal is of vital importance to the country, why is she so afraid to introduce a separate bill and face the scrutiny where it is supposed to be faced? Why does the government insist upon making this a confidence motion?

Government Orders

Canadians know that Canada has been and continues to be the first choice for immigrants all across the world. I am an immigrant myself. The consequences of living in countries where the political environment is not conducive, or where citizens are expelled just because of their creed or colour, is a very devastating experience. Hence, we are fortunate to live in country like Canada, which is a pluralistic society that respects diversity. It respects the diversity of its citizens. It does not just tolerate it but respects it.

Therefore, why is the government trying in an underhanded manner to force an election by any means possible?

Canadians are not gullible. Just a few months ago, the Prime Minister attempted to force an election through Canada's participation in an the NATO mission in Afghanistan. When the Canadian public told the Prime Minister to stop playing politics with the lives of our men and women serving in the Canadian armed forces, he beat a hasty retreat back to the dark confines of the PMO in order to devise yet another scheme to force an election.

My constituents have told me and Canadians have repeatedly told us that they do not have a burning desire for an election. We have been elected as members of Parliament so that we can work on behalf of our constituents, not so we can run in series of continuous elections like some hamster on a treadmill. My colleagues in the Liberal caucus are committed to make this Parliament work, so let us take a closer look at the immigration proposal we now have before us.

Bill C-50 proposes a series of amendments to the Immigration and Refugee Protection Act that, quite frankly, are regressive. Successive Liberal governments had developed a system that would allow immigrant applications to proceed on their own merits in a fair and unbiased process. Everyone knows that for a small country like ours to grow it needs people, so there were certain criteria set up, and we know that we have had a diverse population come in and settle in Canada.

As the system evolved, the ministers relinquished their direct involvement in individual files in order to reduce any backlog, thereby making the process more efficient. Why does this minister want to go back? Why does she want the power to choose which people she wants to come in? Under the bill, the Conservatives are seeking to abandon all sense of transparency and objectivity in the selection process and simply empower the minister with absolute discretion and the ability to cherry-pick applications at will.

• (1235)

A Montreal-based immigration lawyer recently put it this way:

—the [current] selection of immigrants is based purely on objective criteria... everyone who chooses to submit an application to come live in Canada is entitled to be considered fairly. Under the new [immigration act], the Minister of Immigration... would have the discretion to determine not only which applications will be processed quickly and which ones will be held at the visa office until a later date, but also that some applications will be returned without any consideration at all. These are the ones that we should be most concerned about.

In other words, the Conservatives are attempting to toss out objectivity and fairness under the guise of expediency. Yes, there is a current backlog, but not because of the process. Rather, it is because the Conservatives have not made immigration a priority and have held back on new resources for the immigration department.

This bill represents a major change in the way we choose who is to become a Canadian citizen, yet the Conservatives feel it is okay to sneak it into a budget bill and somehow bamboozle the Canadian public. It is not going to work, because we will have to ensure that the House and all members of Parliament give it thoughtful consideration and that we debate it in a manner which is dignified and upholds our constituents and our people, who wish us to do a good job in debating this bill.

It seems that the Conservative members of this House are fixated on forcing an election rather than acting as a responsible government. When an election eventually occurs, I am sure that Canadians will remember this, because the Liberal government, under its Liberal policies, had invested a lot in immigration. If I remember where Vegreville came from, it was not under the Conservative government.

That we need efficiency in the system nobody denies, but we need to ensure that the process is transparent, fair and equitable and that the minister does not use her power of instruction to determine who would come in and who would not.

• (1240)

Ms. Penny Priddy (Surrey North, NDP): Mr. Speaker, could the hon. member who has just spoken speak to the effect on families who have been waiting for a very long time for an expected reunification with their loved ones?

Ms. Yasmin Ratansi: Mr. Speaker, as does the hon. member for Surrey North, I have a lot of people who question me about how they can have their parents, their siblings or their spouses come to Canada.

The immigration process has different lines and different ways for the application process. The government has decided that it wants temporary workers before it wants family reunification. I do not think that is fair to the people who want family reunification.

We are a country where immigrants helped us build this nation. By the year 2011, statistics show, our labour force will come from immigration. However, we need those immigrants to come in, settle down and be consistent so that we can sustain our economy. Therefore, I think it is important that this bill be looked at thoroughly, without a haphazard method, without forcing an election and without trying to sneak it in under a budget bill.

Ms. Penny Priddy (Surrey North, NDP): Mr. Speaker, I rise today to speak to part 6 of Bill C-50 and the changes that are intended ostensibly for the Immigration and Refugee Protection Act. Really, however, these are changes that will make a difference in a negative way, I believe, in the lives of people in Canada and in the lives of people who will be encouraged to come to Canada but of course not stay.

This country was built on immigration. If Canada were not a country that believed in immigration, then I do not know who would be sitting here today. I do not believe that in this House today we have anyone whose family did not at some time immigrate to this country from another mother country, not 10 or 20 years ago but 100 or 150 years ago. The history of the very building of this country, from literally the first building built, has been one of people who have immigrated here.

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The need for immigration also has been shown over the years. That is only becoming clearer as people have fewer children or choose to not have children. We need immigrants. We need new people coming to Canada in order to have this country be sustainable.

Very often in the current debate and in the debate that I have seen over the last few years, some of this gets driven by fear. So much of what we do and what happens, not just in our country but around the world, is based on fear. People talk about immigrants taking the jobs or immigrants getting ahead of them, as opposed to what immigrants have done for our country. Quite frankly, what immigrants have done for our country is actually to build it.

Before I move on to some specifics, for me this also speaks to an issue of how we manage things in government. I confess to being a first term federal member of Parliament, but I have served in a number of governments and am familiar with management strategies.

The management strategy when we have a long list is to simply decide that we will not serve some of the people on the list, that we will delete them, and it is not a management strategy that I would consider to be either particularly fair or particularly proactive. I ask my colleagues, where does this go next? Do we take a surgical wait list and decide that it is too long, that if a person's name starts with a B, for example, he or she is suddenly not on that list? Is that a management strategy?

There is a management strategy that we often see in government, not just in this government but we do it see here as well, in regard to government putting forth a policy that it thinks many Canadians are going to be unhappy with. This will be familiar to all people who have served in governments. The government will put it out late on Friday afternoon or on the last day of the sitting or try to include it in a much broader bill, where hopefully it will not get the same profile that it would as a stand-alone bill.

As has already been stated, this should have been brought forward as a stand-alone, as a change to the Immigration and Refugee Protection Act. If this is a new management strategy, and if old ones of course are used as well, I do not consider it to be very positive management.

• (1245)

We cannot now in this country even manage the professional immigrants who have come and who we have encouraged to come. They cannot practice their professions in Canada. There have been some small steps taken, but there are many physicians, engineers and accountants who are here and cannot get work in their trained professions. They are doing other work. All work is valuable work, but they are not working in the areas in which we so desperately encourage them and in which we so desperately need them.

This part of Bill C-50 went to the immigration committee. The committee looked at it and recommended that it not be included at all. I think the committee's unanimous advice, certainly that of the majority, was not to include this.

There is this interesting thing that happens in government with committees. They do a lot of work, they even pass a report, but there

is no obligation after having done all this work for a government to actually act upon it.

In my experience in the community in which I come from, where probably 40% of people certainly are recently from other places other than Canada, it is that they have been waiting for two, three or four years and they are part of that group of 925,000 people waiting for their family members to join them. Sometimes it is grown sons and daughters who have all kinds of skills that they can bring to Canada.

I have seen families that have actually bought a new home that has a room in readiness for the person that they are so certain will at some time get to the top of the list and be allowed to come here. For many of these people, it has been at least five years of hopeful waiting, of counting on having parents, children, whoever that is here. Then they are told, "I am sorry, but those are some of the names that we took off the list. Better luck another time". It is not fair to change the rules in midstream.

Again in my community, I know that the immigrant community is part of a huge economic driver in Surrey. It makes Surrey a very successful city. We are treating temporary workers as a product. We use them for three months and then dispose of them.

We can talk about how they will be safe and looked after, but there is no history to prove that. We have had workers come before, and we have seen that very recently in Vancouver, they do not make minimum wage. Sometimes they do. They do not get overtime. There is no guarantee of work and safety for them. I think people know that.

We have never had people come and say to them, "You don't have the right if you like being here to come back, to apply to stay here". That is an abuse of wages. That is an abuse of people by putting them in unsafe working conditions. I thought we were long past having to put canaries down in mines. If these people dare to complain, then they are gone. They take it because that is the only money they will have.

I have been very pleased with what I have heard from the Liberal members. I am sure that as we vote on this, they will all be standing up to oppose it. I will be looking forward to seeing that because I judge people by their actions. All I have heard in the newspapers, in forums and in the House, is how bad Bill C-50 is. Naturally, I know that I can look forward tonight to all those members standing up and opposing the bill.

• (1250)

Ms. Olivia Chow (Trinity—Spadina, NDP): Mr. Speaker, the hon. member has a large number of south Asians in her community.

Throughout the last few months, as the immigration part of Bill C-50 has been debated, a large number of people from the community have phoned talk shows like Radio India and asked, how can the minister be above the law? Under the proposed legislation, the Minister of Citizenship and Immigration would be able to make decisions on what kinds of immigrants she and her department would like to have come in to the country without going through Parliament.

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Many immigrant groups have said that one of the reasons they came to Canada was because of democracy and because Canada believes in the rule of law. They have said that elected representatives in the House of Commons should be making the decisions and those decisions should be given weight and value.

They are also alarmed by the fact that if the bill were to pass, the Minister of Citizenship and Immigration would, behind closed doors and without any consultation, make the decisions. Her decisions would then be published in the *Canada Gazette*.

How many of the member's constituents, especially from the south Asian community, read the *Canada Gazette*? Does she think they will know what kinds of changes would occur and what kinds of instructions the minister would give if the bill were to pass?

Ms. Penny Priddy: Mr. Speaker, I do not think they are going to read the *Canada Gazette* unless we ensure that everybody has a copy, and naturally we will.

It is not only south Asians who are being vocal about this issue but also people from the Philippines and so on. They are very interested in what is happening and they have been very vocal about it. The member is right, they have been very vocal on talk shows. The last rally was about 24 hours ago. These people came here because they could not do that in the country they came from. They embrace the fact that Canada is a democratic country where things like what they are seeing should not happen.

These people are also very frightened because they do not know who would be eliminated from the list. It could be a friend, a family member, or just someone they know. Believe me, these people have long memories and they will be watching this very carefully.

• (1255)

Ms. Olivia Chow (Trinity—Spadina, NDP): Mr. Speaker, we have before us deceptive, damaging and dangerous changes to the Immigration and Refugee Protection Act sneaked through the budget implementation bill by the Conservative government and supported by their new friends, the Liberal Party of Canada. The bill is a direct attack on immigrant communities and a real threat to the future of Canada.

The NDP is very proud to stand up in partnership with immigrant communities across Canada. We will not roll over. We will not run away from voting. We will not run away from standing up for the immigrant communities. We will not be kept silent and we will speak out against the bill.

There were hearings through the immigration and citizenship committee and the finance committee. We have noticed that there was a resounding no to the Conservative immigration changes, and they were from the Canadian Bar Association, Canadian Arab Federation, Chinese Canadian National Council, Canadian Ethno-cultural Council, Portuguese communities, Asian communities, Hispanic and many other communities. They were all saying no to the Conservative immigration changes.

In a country like ours, where all citizens, except first nations communities, are immigrants, we should be celebrating and embracing our diversity rather than curtailing it.

The infrastructure that created Canada was built by immigrants. The railroad that connected our vast landscape, bringing the east and west coasts together, was constructed, one spike at a time, by immigrants. The bridges, tunnels, roads, schools and buildings that make up our cityscapes, our landscapes, were built by the blood, sweat and tears of immigrants who came here for a better future.

One would imagine that today, in 2008, Canada would be moving toward a more inclusive and open immigration policy that welcomes the skills, innovation and contributions of immigrants rather than a policy that reeks up the dark days of the Chinese Exclusion Act and the Continuous Passage Act, which were designed to keep out immigrant groups.

Canada has made many mistakes in the past, oftentimes because of discriminatory policies based on race, religion or nationality.

In 1939 we refused to allow the ocean liner *S.S. St. Louis* to dock on our shore, forcing 900 Jewish refugees to return to Germany, and many of the passengers did not survive. During World War II, Canada only accepted 5,000 Jewish refugees, one of the worst records among all refugee-receiving countries.

Let us also not forget that from 1941 to 1945 Canada interned, displaced, dispossessed, and detained 23,000 Japanese Canadians, over half of which were Canadian born. Has the Conservative government not learned anything from the mistakes of our past?

The bill before us is deceptive. Why? It has nothing to do with the tremendous backlog of 925,000 people that are on the wait list. The bill will come into effect after the backlog, and would not have any impact on shortening the wait list for these applicants. That is why it is deceptive, given the minister keeps talking about the backlog.

Mr. Hassan Yussuff, secretary-treasurer of the Canadian Labour Congress, stated:

We think embedding the reform in the budget bill is wrong. There has been a failure to conduct meaningful and inclusive consultations prior to the development of the initiative. Arbitrary powers granted to the minister fail the transparency and accountability test this government has promised.

If we allow these sweeping changes to go through, we will be drawing an irreversible line in the sand. From the moment these dangerous amendments are passed, our immigration system will be radically altered and it will be irreversible. Do not let any other party say that perhaps afterward it can be fixed. By that time, it will be too late.

• (1300)

Why is this change damaging? The Conservative vision of Canada is about treating immigrants as economic units, as foreign workers. There will be winners and losers. The losers will be the family members who are trying to reunite with their loved ones in Canada. Instead, the workers are the ones who will have priority.

Debbie Douglas, the executive director of the Ontario Council of Agencies Serving Immigrants, states that the government is heading in the wrong direction by expanding the temporary foreign workers program at the expense of nation building and citizenship. She said:

Immigration should not be just about bringing people to work in Canada. You cannot just treat immigrants as an economic unit and not care about developing citizenship, a sense of commitment, belonging and ownership among the people we bring into this country.

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With the Conservative government at the helm, democracy, transparency and accountability in our immigration policy will be replaced by arbitrary discriminatory policies and power grabbing. We must not forget that these immigration changes are being pushed through as part of the budget implementation act, all the more to prove that immigrants are seen as commodities, to be imported as cheap and exploitable economic units. That is not the way we should be treating immigrants.

These amendments are not in the best interests of our country. They are shortsighted and are intended to benefit the needs of big businesses at the expense of ordinary Canadians.

I also said it is dangerous. Why? Because these sweeping changes give incredible power to the Minister of Citizenship and Immigration.

Mr. Stephen Green, treasurer of the Canadian Bar Association, states that these changes will affect our family, economic, temporary and humanitarian classes of immigrants. The Canadian Bar Association, which was not consulted in the process of drafting these amendments, stated in its submission to the Standing Committee on Citizenship and Immigration:

Quite candidly, we have instructions being issued with no oversight.

Mr. Green added:

It is our submission that if this legislation passes it will result in Canada's going back to the dark ages of immigration selection and processing. It would allow the minister to operate in an unfettered manner, opening the back door to many interest groups.

He warned:

It's a danger because the minister would be allowed to close the door any time he or she chooses. Any government could do that when they come in. There's no predictability. There's no rule of law. Families applying to come could be told they are not allowed, that they're not the flavour of the time.

Janet Dench, of the Canadian Council for Refugees, warned that intentions are not law. She urges us as parliamentarians to ask ourselves how the law might be used in the future, not just how the current government proposes to use the new powers. She said that expressions of current intentions are no protection against future uses of the powers in very different ways.

Speaking about family reunification on humanitarian and compassionate grounds, Ms. Dench added that the government has suggested it would continue to examine all family related humanitarian and compassionate applications. She said that this is only an expression of intention, and if the bill is passed in its present form, a future government could issue instructions leading to family related applications not being examined.

Finally, the Canadian Arab Federation asked why no one had bothered to consult with immigrant groups. The federation is extremely worried that the minister might decide that Canada does not want Arabs and Muslims in this country. He asked who would prevent her if she gave herself this ultimate power.

I urge my fellow members of Parliament across party lines to take a principled stand and to stand with the members of the New Democrats against the Conservatives' damaging, deceptive and dangerous immigration amendments. Together we can stop the

Conservative government from turning back our immigration policy and repeating mistakes of the past.

• (1305)

Hon. Andrew Telegdi (Kitchener—Waterloo, Lib.): Mr. Speaker, when one looks at the record of the current Minister of Citizenship and Immigration, she is the first one in a decade to have missed her numbers. She came in with less than 237,000 landed people versus what the Conservatives said they were going to land. Under her watch, the backlog in refugee cases has spiralled out of control. Before the Conservatives came into office the backlog was under 20,000, but now it is at 45,000 and is projected to go over 60,000 by year end.

Would the member agree with me that the minister's record does not bode well for any changes she might propose in terms of getting more powers into her hands?

Ms. Olivia Chow: Mr. Speaker, I agree with the hon. member that the minister's record does not bode well. The Immigration and Refugee Board has a huge backlog partially because there are a lot of vacancies on the board. The whole system is not working. Even though Parliament has said to implement the law and establish a refugee appeal division so that refugees would have an appeal process, she has not done so.

In terms of numbers, permanent landed immigrants to Canada dropped by 10,587. The number went from 262,000 in 2005 to 251,000 in 2006. The numbers for 2007 are just coming out. The problem is that while the number of permanent residents is falling, the number of temporary foreign workers coming to this country is rising.

In Alberta alone there is an increase of somewhere close to 300% in temporary foreign workers. A lot of the immigrants who are coming in now are coming in not as immigrants but as migrants. They have no future in Canada. They are most likely not able to stay in Canada. They cannot bring their family members to Canada. That is really unfortunate.

The backlog under the Liberal government and now the Conservative government has increased dramatically to 925,000. That is very unacceptable. Furthermore, speaking about things not being in order, we found out today that there are empty visa forms—

The Deputy Speaker: Questions and comments, the hon. member for Winnipeg North.

Ms. Judy Wasylycia-Leis (Winnipeg North, NDP): Mr. Speaker, I would like to ask the member for Trinity—Spadina about the significance of these changes. We have heard many speeches today about how the government will have the ability to pick and choose immigrants and cause possible permanent damage to our system.

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I would like to know what my colleague's assessment is of the significance of these changes and whether or not this is so serious that it warrants Liberal members of Parliament to consider the wisdom of allowing this budget implementation bill to pass with these changes intact. Would it not be wise for Liberal members to consider whatever the consequences are of standing up for their principles, because they have spoken out so vehemently against these changes on the immigration front, and to let the chips fall where they may knowing at least they were true to their consciences, policies and philosophies?

● (1310)

Ms. Olivia Chow: Mr. Speaker, by changing a word, “shall” to “may”, in the act, applicants could meet all the immigration requirements, receive sufficient points, but still be rejected.

That is perhaps one of the reasons the Liberal leader attacked this bill every day for two weeks in the House of Commons during question period. I read the newsletters going to constituents about how terrible these changes to the immigration act are and yet the Liberals run, hide and do not speak at the finance committee or in this House. Now, without the House of Commons even approving this bill, the Liberal dominated Senate is beginning to fast-track Bill C-50 through the Senate.

The Liberals are saying one thing to their communities, but acting completely different from that here in the House.

Ms. Jean Crowder (Nanaimo—Cowichan, NDP): Mr. Speaker, I want to begin by acknowledging all the work the member for Trinity—Spadina has done on this aspect of Bill C-50. I know many other members of the New Democratic Party have risen in the House to raise concerns around the immigration aspect of Bill C-50, and I will add my voice to those other voices who have spoken out against what many would allege as a potential abuse of power by the immigration minister.

One of the things we know from the throne speech, the budget speech and now the budget implementation bill is there are some very serious issues that face our country with which the bill is simply failing to deal, whether it is forestry communities like mine where we have lost hundreds and hundreds of jobs over the last six months and now many forestry workers have run out of employment insurance because of the way the unemployment rate in our area is determined and there is no remedy for these forestry, or the fact that first nations, Métis and Inuit across the country still suffer from a lack of good, safe, quality housing, or first nations children cannot access the same quality of schools that other Canadian children can expect, or that many communities simply do not have access to clean, safe drinking water, or where many families are unable to access quality affordable publicly funded child care.

Once again, the bill was an opportunity to take a look at some of these very pressing and urgent matters facing workers and their families across the country.

However, we are talking specifically about immigration, and I will turn my attention to it.

In preparation for speaking in the House today, I asked my office to take a look at a variety of the immigration and refugee cases they dealt with as case work. The government alleges that this legislation

would deal with the backlog. Yet we hear from people, fairly consistently, that this will simply shuffle the priorities around without dealing with the substantial numbers of people who want to come to Canada and make it their home.

There are a myriad of problems with which my office deals, so this is a quick look at some of the things we face in our office in Nanaimo—Cowichan.

One of the problems is the length of time it takes to process applications. It is difficult to see how resetting different priorities would deal with the length of time of applications. It will certainly fast track some people. It will certainly make some people get to Canada more quickly. However, when we are dealing with the 900,000 plus who are currently in the system, I fail to see how, without substantially more resources, juggling people around will deal with that substantial backlog.

The second is the arbitrary decisions of immigration and visa officers and the lack of appeal venues. Many times we have seen the applications of people turned down. The supporting documentation by the person who applies to come to the country seems to be all there, yet the reasons of the denial do not seem to match up with the information on file. Sometimes the lack of clear and effective communication between applicants and immigration staff is problematic. People do not exactly know why they have been turned down. What we have seen in many cases is applicants will be requested to provide a particular information. The applicants provide that piece of information and then the staff will come back and say that they now need another piece of information. Therefore, applicants provide that information, and this goes on month after month.

In another case a fairly prominent member of the community was getting married. This person wanted to bring in her mother and sister to Canada. All the appropriate forms were filled out and the office abroad said that the sponsoring person in my riding of Nanaimo—Cowichan had to make a decision. Either her mother or her sister could come to the wedding, but not both. This was not an application for immigration. It was simply a visitor's visa. However, the legislation will not address all of those problems in the system,

● (1315)

I know member for Trinity—Spadina and others have called for stand-alone legislation that would go in front of the immigration committee, where there would be an opportunity to fully review the legislation, to call witnesses, to talk about how the legislation would impact people's lives and to potentially amend it so it would be more reflective of what Canadians wanted to see in immigration legislation.

Unless we are one of the original peoples, each and every one of us in the House came from immigrant stock at one point. My mother is a first generation Canadian, I am very proud to say. My daughter-in-law is an immigrant. My grandson is a first generation Canadian on the mother's side.

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Each and every one of us, at some point, are ancestors, unless we were one of the original peoples. We are immigrants. We know that immigrants have contributed to the richness and the diversity of our country. We want an immigration system that reflects what we often have valued as Canadians, and that is fairness and transparency, equality of access, timely processing, which, sadly, is not the case right now.

A number of groups across Canada have spoken out and raised serious concerns about the legislation, including the bar association. It has said, "The Canadian Bar Association is urging Parliament to remove and not pass amendments", calling them "a major step backwards in the evolution of Canadian immigration law.

Bill C-50 would return Canada "to a time when visas were given out on a discretionary basis, without sufficient objective criteria" said Stephen Green. He said, "the amendments are not necessary to meet Canada's immigration goals". He went on to say that the amendments were not necessary to meet Canada's immigrations goals. The changes would fast-track highly coveted immigrants, such as doctors and other skilled labourers, while others would be forced to wait in a queue. They would allow governments to set annual limits on a number of applications process.

Part of the argument around the legislation as well is that it would help us address critical skills shortages in Canada. Any of us who had been paying attention over the last 15 or 20 years knew quite well there would be some very serious critical skills shortages in a number of areas and called on the federal and provincial governments to jointly develop a human resource strategy that would address some of those critical skills shortages, whether it was in trades apprenticeships, or physicians, nurses, medical technologists, the list goes on and on. We have had 15 to 20 years. The baby boom was no surprise. We knew it was coming. We knew there would be a massive wave of retirements. Anybody could predict that Canada would be in some periods of economic growth, which would require a skilled labour force to meet those needs.

Instead, we have had successive federal governments simply sit on their hands instead of turning their energy into developing a human resource strategy that would address these critical skills shortages.

The Vancouver Olympics is a really good case in point. The Vancouver Olympics, once it was awarded, was an opportunity to train apprentices in Canada. Many first nations and Métis in British Columbia would have made highly qualified tradespeople, with some effort and attention. Instead, we are meeting much of the needs of the Olympics with temporary foreign workers. It was an opportunity to train first nations and Métis in the construction trades that would have left a legacy in their own communities once the Olympics was over. That would have been a true legacy left by the Olympics.

However, again, the federal government failed to move in that direction. Working closely with the provincial governments, it had an opportunity to do that and it failed. We now have workers coming in, building the buildings, the roads, all the structures that go into place to support the Olympics. Then they will leave and we will still have first nations and Métis who could have been quite successful tradespeople. It was a lost opportunity.

Many others have spoken up, including the UFCW, about the fact that the bill is a back door way to give the minister unfettered powers. Regulations will be put into place that we will have no oversight over because they are not part of the legislation.

I would argue that the House should not support Bill C-50 as a total because of the immigration changes inherent in the bill.

• (1320)

Ms. Olivia Chow (Trinity—Spadina, NDP): Mr. Speaker, I know the hon. member has a large number of layoffs in her area, especially in the forestry industry.

In British Columbia, the immigration department, under the minister in both the current government and the government before, has allowed a large number of foreign workers to come into Canada, instead of retraining workers who are unemployed, whether they are from the forestry industry or the manufacturing sector.

What seems to be happening is it is bringing in foreign workers. As a result, the wages are lowered because many of these workers have very few rights. If they complain about their working conditions, or lost wages or the kind of treatment they are receiving, they will be fired. If they cannot find another job, they will be deported.

Is this having the impact of driving down the living wages in her community?

Ms. Jean Crowder: Mr. Speaker, I have a letter from a constituent, Laura Bohun. She talks about her husband who has worked in the forestry industry all of his life. I will quote a bit of it. She says:

After 26 years of employment at the Ladysmith Western Forest Products Mill (formerly known as Doman) he was given a one week notice (on April 17, 2008) and told the mill was shutting its doors indefinitely, at least one year minimum. Since January of that same year, my husband only worked every other week on an on call basis. Never enough time off to apply for EI benefits until the mill shuts down on May 5.

This is only one person out of hundreds of workers in my riding. They have worked in forestry, their fathers worked in forestry and their grandfathers worked in forestry. It has been the livelihoods of their families for generations, and now these workers are being shown the door.

This was an opportunity to look at diversifying in the forestry sector itself. A reinvestment in forestry is a really important part of what should happen in British Columbia, to retrain these workers to take those new jobs within forestry. Where forestry jobs were not available, look at retraining outside the forestry sector. However, the first priority should be to reinvest in forestry.

Again, we have things like the Olympics, where foreign workers have been brought in. It was an opportunity to take a look at unemployed forestry workers in the province and see if there were some matches and skills training that could happen, which would ensure workers in British Columbia could maintain a liveable wage.

• (1325)

Mr. Paul Dewar (Ottawa Centre, NDP): Mr. Speaker, I thank my colleague from British Columbia for her insights and for particularly connecting the dots between what is being proposed and what is happening in our communities. As she has mentioned, this is after all the budget implementation bill, strangely including proposed changes to immigration.

She focused on first nations. Last week we had the National Day of Action from first nations and aboriginal peoples. Could she elaborate a bit more on how we might be able to make that transfer of training and support to having people work in areas where there is a need for labour in places, be it for the Olympics or perhaps in other jurisdictions in the resource industry, or for that matter in the mining or oil sectors?

Ms. Jean Crowder: Mr. Speaker, I want to thank the member for Ottawa Centre for touching on that particular issue.

In Canada, we know that in some provinces, such as Manitoba and Saskatchewan, first nations and Métis are going to be a large part of the workforce in the next 20 years. In Canada, first nations, Métis and Inuit have had significant population growth over the last 15 years.

It could be a very viable part of the future workforce, but what that requires is an investment right from early learning and child care, right from birth, all the way through a person's working career. It is called life long learning.

What we know is that for every dollar that we invest under the age of six, we save \$7 in the long-run, whether it is in education, justice, welfare or health care.

Then from K to 12 we know that what we need is culturally appropriate education. We need education that is safe, clean and affordable for families. We need to make sure that there is access to computers, libraries, technical supports, speech therapy and special needs, and in that K to 12 system we know that will set the groundwork for young first nations, Métis and Inuit students to go on and take part in vocational training, apprenticeship training and university with a human resource plan.

I was at a conference last week that talked about a human resource strategy for the future, things such as the AHRDA agreements where first nations do have control over educational dollars and they are investing in human resources strategies that will help meet the labour shortage gaps.

This again is an opportunity for Canada, for the federal government, to take a look at making sure first nations, Métis and Inuit are well positioned to take part in the jobs that are emerging and will continue to emerge over the next 10 or 15 years.

Ms. Judy Wasylycia-Leis (Winnipeg North, NDP): Mr. Speaker, I am pleased to join in this debate on the budget implementation bill. We are debating specific amendments to the surprise addition to this legislation pertaining to immigration.

Let me say at the outset for all those watching this debate that this is a matter of fundamental significance for Parliament. We are dealing today with the government's budget and an act to implement the budget. This is an issue of confidence. The government must

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defend its record and win the support of enough colleagues to see its budget implemented so no election occurs.

By all accounts, if people are watching this debate, they should ask themselves how, if the Liberals are opposed to the budget and if the Bloc and New Democrats are opposed to the budget, is it possible for the government to still stand when there is very little confidence in this chamber and from Canadians across this land for the government's bill?

How can we and Canadians have confidence in the government for its road map for the future at a time when there is no job strategy in place, at a time when there is no industrial strategy in place, and at a time when there is not a shred of mention in the budget pertaining to health care, child care, education, training for the future, aboriginal people, or the environment?

Every issue that is of importance to Canadians today is ignored in the budget. The Conservative government is squandering a golden opportunity to take the surplus it still has and invest it in areas that are important to Canadians.

The government made a very unusual move when it slipped in to the bill a whole new section dealing with immigration. There was nothing in the budget about immigration when it was announced by the Minister of Finance. There was no reference to dealing with this supposed grave situation. Suddenly, in the midst of our debate on the budget, the government decided to throw in the issue of immigration. Why? Either it is indicative of just poor planning and poor collective work around the areas of importance to Canadians, or the government is trying to stick it to the Liberals.

We know this budget is not supported by the Liberals, so the government has thrown one more curve at them. This is a significant issue. It is so significant that it should make the Liberals stand up today and say whatever the consequences they will not support the government. This issue is so important that they should stand up and say they will not support a budget that does not meet the needs of ordinary Canadians. They should stand up and say they will not support a budget that does irreversible damage to Canada's longstanding record and progressive history when it comes to citizenship and immigration.

Bill C-50 must be defeated. The Liberals must have the courage of their convictions, and stand up once and for all and be counted because it matters. It matters that we tell Canadians that we mean what we say, and we do what we say we are going to do. Is it not fundamental to parenting, fundamental to families, and fundamental to communities, that we have integrity, honesty and decency?

How can we send a message to Canadians that this place is worth investing in, that it is important to vote, that it is important to run and get elected, if every time they turn around some politicians from the Liberals or the Conservatives are saying they do not like something but they are not going to do anything about it?

How is it today that Liberals are allowing the Conservatives to rule as if they have a majority? How can the Conservatives get away with these fundamental changes to our immigration system that will have lasting impacts all across this land?

Government Orders

I come from a riding that is one of the most multicultural constituencies in the country—

Mr. Marcel Proulx: We all do.

Ms. Judy Wasylycia-Leis: Yes, Mr. Speaker, someone said we all do. And I am proud of it.

People from the Punjab, the Philippines, Germany, Ukraine, Vietnam, Laos, Africa, South America, from every part of the world, are coming to my constituency like they have come to others across the land. They want their needs, concerns and interests represented just as much as longstanding Canadians want their needs, concerns and interests represented.

● (1330)

It is not conducive to encourage new citizens to participate fully and freely in our democratic system if the first thing they see upon their citizenship is a government that says “too bad, so sad, we cannot stand up for you any more, we cannot stand up for the principles that brought you into this country”. What happened to the fundamentals of our immigration system?

They have been thrown out the window with this legislation, potentially, because they give the minister unilateral, arbitrary discretion to pick and choose immigrants as she so chooses, and as members of her government so choose, not on the basis of objective criteria that fit into a plan and a framework, something that has been wanted for years when it comes to immigration and that the Liberals failed to deliver on.

Now, instead of dealing with the problem and fixing the problem, we have a government that is going to play at the edges and tamper with the principles, and apply subjectivity to something as fundamental as citizenship and immigration in this country.

That is wrong and there is an easy way for the government to deal with it. It is to recognize the principles and then fix the problems in accordance with those fundamental issues. One is that, yes, we want to bring in people to help meet the economic requirements of this land. So rather than throw out the whole system, we are bringing in one that is open to total subjectivity on the part of the minister who can say “well, maybe we do not like people from the Philippines and the Punjab”. That would have a devastating effect on my riding. I am not saying she would, but who is to stop her from saying that? Who is to prevent that from happening?

Instead, we need a minister who says we need people in these particular skills and occupational categories just like the Manitoba government does now with respect to the Manitoba provincial nominee program. The minister does not pick and choose. There is a set of criteria that must be followed and individuals must meet the criteria in order to come to this country.

Then, they are not treated as temporary foreign workers, they are allowed to bring their families. They are allowed to stay. They are allowed to settle. They are allowed to be recognized as full participating members of our society, able to access our citizenship system and become voting members and fully participating members in our democracy. So that is one area.

Instead of fixing the problem, what the government is doing is simply making chaos out of an already confused system, the one that the Liberals brought in with Bill C-11 in 2001. Do not forget that we were supposed to deal with this whole area just seven years ago. Instead of revamping our immigration system so that it could stand on its own for centuries to come, the government decided to bring in an economic classification that was impossible for most ordinary people around this world to meet.

That is why we are now dealing with this huge backlog and confusion in the system because we have a lousy system to begin with. We do not have a strong foundation from which to build and attract people to this country.

The first thing would be for the government to open up the Immigration and Refugee Protection Act and change the economic classification to ensure that people who work hard, who have skills, and who have a contribution to make are able to come. Not just those who have degrees, who have long service in a particular area, and have two languages. Not just picking the cream of the crop, not cherry-picking, but actually opening the doors as our country did when our forefathers and foremothers came to this country, as my bubba and zayde did when they came in the early 1900s.

They came as peasants, but they came to open up the land, to farm and to give. And they did. They had 13 children, my father being one of them. They gave and gave to this country, and they made a difference. They may have been illiterate when they came, they may not have had any money, they may not have had any education, but they made a difference. That is what we need in this country.

I know my time is almost up, but the second principle is that of family sponsorship. Family is the bedrock of society. This proposal by the government and by the minister has the possibility of throwing out the whole notion of family reunification, making it more difficult for those already in line. We have people waiting to sponsor their mothers and fathers going on four, five, six, even seven years. What is humane and decent about that? No wonder we have backlogs. It is time we balance our economic requirements as a nation with our fundamental belief in family as a bedrock institution of society.

● (1335)

Finally, we must have a system that is grounded in the issues of compassion and humanitarian concerns. In that way, we can put in place a proper system to ensure refugees have access to this country when they deserve it, a system that allows for emergencies that will not deny people visiting relatives when someone has died or getting married and a system that is a golden light for all the world to see and will stand on the principles of fairness, equality, justice and humanity.

Ms. Olivia Chow (Trinity—Spadina, NDP): Mr. Speaker, the Conservatives spent \$1.1 million of taxpayer money on advertising the immigration changes. One would think that it would be mightily proud of the legislation in front of us but it is curious why they are not here to defend their immigration changes. When we were dealing with the clause by clause changes in the finance committee, there was no defence for these kinds of sweeping changes.

If this is such an incredibly welcomed change, one would think the Conservatives would be proud of them and stand in the House of Commons to debate why they made the changes. Why is there silence? Perhaps they are afraid of the responses they have been hearing from the immigrant communities that no amount of advertising in papers will change.

Does the hon. member think that is the reason for the huge silence in the House right now?

• (1340)

Ms. Judy Wasylycia-Leis: Mr. Speaker, nothing about this matter makes any sense whatsoever. The government first chose to sneak in this initiative as part of the budget implementation bill without any mention in the budget. It then proceeded to spurn Parliament by ignoring the democratic process and the concerns of parliamentarians who were elected to serve their people right across this country from the wide diversity that we are as a nation.

Instead, it put all its money and time into advertisements to create this illusion of action and fairness, all the while clouding the issue at hand, rather than fixing the serious problems with the immigration system. It is serious when there is that kind of a backlog, when there were cutbacks by the Liberals back in 1995 that have never been restored, when we have an immigration bill that ignores all the fundamentals and when a country is dying for responsible decision making to ensure economic occupations and needs are addressed and to ensure that family reunification is at the heart of it.

None of this makes sense other than to believe, which is all we have left to believe, that the government is shrouding a real agenda of trying to close the door, restrict immigration, go back on humanitarian and compassionate traditions in this country and is prepared to advance its own agenda of playing on the fears of Canadians about where the jobs will be and how they will be able to provide for their families. Instead of being up front, honest and courageous about the problems at hand, the government is sneaky, subversive and not exactly transparent and open, although this was the great mantra that the government ran on in the last election.

It is time to overhaul the Immigration Act but we need to do it properly. We need to do it based on the fundamentals of ensuring economic skills are addressed, families are able to be reunited and humanitarian and compassionate values guide us every step of the way.

Mr. Paul Dewar (Ottawa Centre, NDP): Mr. Speaker, I thank my colleague from Winnipeg North for citing the historical framework of our immigration system and the fact that it has been built over many years. She was careful to say that we do not believe the system presently is good enough. That is important to underline.

One does not take the measures the government has taken to address the present system and the concerns we all have with it because it undermines all the good things in the system and does not deal with the concerns that have been raised. I note that the government mentioned the backlog of 900,000 people. It will also acknowledge, very quietly, that this bill would not address the backlog, while, on the other hand, saying that it has to bring in these measures to address the backlog.

Government Orders

I would like my colleague's comments and thoughts about the fact that, on the one hand, the government is saying that the changes will do one thing, but on the other hand they are saying that they cannot do it. What are we to make of this?

Ms. Judy Wasylycia-Leis: Mr. Speaker, my colleague from Ottawa Centre is absolutely right. There is very little in this initiative to give hope to Canadians that the problems in our immigration and citizenship program will be fixed.

We knew we had a problem back in 2001 when the Liberals brought in their legislation, which was recognized by hundreds of presenters and witnesses right across this country as weak and flawed. We tried to convince the Liberals to change their minds. We introduced 81 amendments to fix Bill C-11, to make it a more understandable document and one that was grounded in principles that could withstand the test of time.

The Liberals chose to ignore every one of those amendments to the point where, today, we now have the Conservatives taking advantage of the negligence of the Liberals and, for example, denying families who have been accepted here under the Manitoba nominee program because one of their children has a disability.

That is the kind of legacy left by the Liberals, rather than a system based on fairness.

• (1345)

[*Translation*]

The Deputy Speaker: The member for Rimouski-Neigette—Témiscouata—Les Basques.

Ms. Louise Thibault (Rimouski-Neigette—Témiscouata—Les Basques, Ind.): Mr. Speaker, I would like to take a few minutes to express my views on the amendments to Bill C-50 we are discussing.

First of all Bill C-50, in parliamentary terms, is intended to “implement” the budget, that is enact it, put into effect the announcements made, heard and clearly understood when the throne speech was delivered.

If that is the objective of this bill, then why has the Conservative government deliberately chosen to devote an entire part to immigration reform? And yet, a meagre \$22 million over two years is allocated to this reform. Naturally, more monies are promised in future but they are not attached to anything at all.

There is something rather odd in the government's official documents. For example, on page 9 of the *Budget in Brief*, which discusses the reorganization—or modernization, to quote precisely—of the immigration system, one of the key phrases states that the goal is to make the immigration system more competitive.

When I read that, once again it made me think that it all part of the ideology espoused by the Conservative Party. Most of the time it considers the government to be a private corporation.

Why is this section on immigration included? I wonder.

Government Orders

Could it be an attempt to mislead parliamentarians? If not, could it be an attempt to humiliate the Liberals by introducing, in a confidence bill, a measure they would quite likely find unacceptable? The Liberals would find it unacceptable, but if they act as they have been acting for a number of weeks now, they will do anything but vote to bring down this government.

On the one hand, there are principles and convictions; on the other, there is the way these Liberals will choose to act in this House, because they are all legitimately elected members.

I see that my friend from Hull—Aylmer does not agree with what I am saying. He can ask me questions about it.

As members and representatives of their constituents, the 305 members currently in this House have an obligation to vote with integrity, on behalf of the people they represent. I would add that, as a general rule, we should avoid abstaining. This is just my opinion, but as I am entitled to it, I am sharing it.

The Liberals have said again that Canadians do not want an election. My friend said so earlier this morning in this House. Every time I hear that, I wonder when people ever do want an election. We are not talking about a national sport.

Often, when a crisis or scandal occurs, people's confidence in the government is so badly shaken that they call for an election. But it is not a question of waiting until the public calls for an election; it is a question of whether we in this House should pass bills that make sense and respect the people we represent.

Let us get to the heart of the matter: immigration. People who submit immigration or permanent residence applications often belong to the groups we call the most vulnerable—it saddens me to use that word, but this is true. Much of what we do, we do for these groups.

For the Conservatives to play “petty politics”—and I use the term “politics” loosely—at the expense of these people is truly disgraceful, especially when it seems to me that they are doing so specifically to humiliate the official opposition.

Looking at the provisions of the bill we are now discussing, I noticed the somewhat questionable direction the Conservative government wants to take in processing immigration applications.

• (1350)

The purpose of the change is to give as much latitude as possible to the minister—and therefore the government—in handling applications. This seems obvious to me and this has been said during the debate in this House. A number of my colleagues and I feel that that is the problem.

The goal is to bring in the workers needed most by industry, as quickly as possible, to the detriment of other types of workers. That is most likely why the government used that infamous expression I mentioned at the beginning of my speech, “a more competitive immigration system”, an expression typical of the private sector. Competition is fine, but should it drive our concerns as legislators? We have to wonder about that and debate the issue.

We know that the minister can give instructions on the following: the categories of applications to which the instructions apply; the

order in which the applications are processed; the number of applications to be processed each year, by category; and what is done with the applications, including those that are re-submitted.

The instructions she gives will at least be published in the *Canada Gazette*. But how many MPs in this House, including myself, and how many of those watching us can say that they read the *Canada Gazette* at least once a year? It is not really a good tool for those affected or those targeted by this.

Obviously, during this time of labour shortage, applications need to be processed more quickly for those who want to come and work here. Nonetheless, the process can be sped up in different ways. More resources could be allocated to accelerate the process.

We all remember what happened at Passport Canada not so long ago, less than a year and a half ago. The number of applications made it impossible to issue passports efficiently, that is, in less than two months. The wait was more like two, three, even five months. The necessary resources were allocated and staff recruited, after which the government and officials were finally able to clear up the horrible backlog and process the applications.

Why has the government not looked into this possibility more closely?

The bill proposes making the rules arbitrary. When we hear the word “arbitrary”, alarm bells should go off, since making something arbitrary is always dangerous, regardless of who is in charge. The bill should have provided for changes to the rules, as I was saying earlier, to find the skilled workers we need, and to allocate money and the necessary resources.

I get the impression that this method could create a number of injustices—and when in doubt, we should be asking ourselves a lot of questions. Immigrants who submit an application for a resident permit on humanitarian grounds will find their claims have been added to the backlog. Furthermore, the bill explicitly gives the immigration officer the discretion to issue visas and other documents required to enter the country. In my opinion, this is a big setback for immigrants. Immigrants whose applications are not processed within the year or within the time set by the minister will probably have their applications returned.

I heard some Conservatives say that this was transparency, because this way people would know that their application had not been processed. But I think that if one of the members opposite were an immigrant, submitted an application and received similar treatment, he would be asking questions.

The Conservative government is choosing the solution that costs nothing, but, I believe, is an injustice, instead of choosing the logical solution, which would be to allocate the necessary funds to speed up the processing of applications, to make the process more predictable and to not restrict access for immigrants submitting an application for resident permits on humanitarian grounds.

*Statements by Members***STATEMENTS BY MEMBERS**

[English]

LONG SERVICE AWARDS

These are the points I wanted to make. I am sure my colleagues in this House understand that I will vote in favour of the amendments proposed by the member for Jeanne-Le Ber.

● (1355)

[English]

Ms. Libby Davies (Vancouver East, NDP): Mr. Speaker, I am pleased to provide some comment and to pose a question. Like us, the member is very concerned about the changes in Bill C-50, the budget implementation bill, particularly as it affects immigrants in our immigration system.

One of the concerns we have had is that there is a real shift taking place. Instead of focusing on family reunification and bringing people to Canada as permanent residents, there is an increase in the foreign worker program. We see this in the agricultural sector. We see it in large construction projects in British Columbia. We see it certainly in Alberta. There are now more foreign workers being processed than there are new permanent residents going to Alberta. There is a huge shift taking place.

When people come here as temporary workers, they virtually have no labour rights. They are very subservient to their employer because their permit comes from their employer.

I wonder if the member could comment on how the immigration system under this bill has dramatically shifted to this new class of workers and how it paves the way to exploitation. In fact already there are many documented cases of exploitation, of abuse, of people not getting even the minimum wage.

[Translation]

Ms. Louise Thibault: Mr. Speaker, I would like to thank my colleague for her comments and question.

First of all, with regard to Quebec, I want to remind my colleague of one thing, even though I am sure that she is well aware of it. I made this speech as a federal member, and I spoke on behalf of all the people I represent. We know that Quebec has its own program. Now back to the matter at hand.

There is cause for concern about the shift that our colleague just spoke of. This shift is a result of a deliberate decision by the Conservative government. I can interpret this only one way—and I tried to stay away from rhetoric in my comments because I never want to use that approach. I believe that behind these changes and supposed modernization hides the desire to eliminate an entire segment of our settlement program.

The focus is now solely on jobs, with no regard for the risks that exist for these workers whose rights are not enshrined or protected. Family reunification and humanitarian considerations no longer seem to be important.

What is important now is being able to respond quickly to the needs of private enterprise. There is a mad rush to respond, at the expense of another whole group of newcomers who have benefited from our hospitality and integration.

And I think that is something very serious. That is also the reason that I will vote in favour of these amendments.

Mr. Mervin Tweed (Brandon—Souris, CPC): Mr. Speaker, next Monday, June 9, you will be hosting a long service award reception celebrating the achievements of the many people who have dedicated much of their working careers to the service of Canadians. I want to offer my sincere congratulations to all those receiving awards.

Since 2004, I have had the privilege to work beside one of those dedicated individuals being recognized next Monday. In October of this year, Lise Saulnier will have worked in the public service for 27 years. Lise has worked with six MPs, dating back to 1981. That alone must be a testament to her dedication.

Lise is a peer, a mentor and a friend to me and many others on the Hill. I often say that if someone does not know the answer to call Lise. If I could sum up in two words the career of Lise Saulnier, I would say, ultimate professional.

Again, to Lise Saulnier and all others receiving these long service awards, I say congratulations and thanks.

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● (1400)

CANADIAN INSTITUTE OF FORESTRY SILVER RINGS

Mr. Anthony Rota (Nipissing—Timiskaming, Lib.): Mr. Speaker, I rise today to congratulate Mattawa Jewellery on having recently been awarded the contract for producing the rings distributed in the Canadian Institute of Forestry's silver ring program.

The Canadian Institute of Forestry, whose headquarters are in the region, has been administering the ring program for graduates of university programs since 1967. The silver ring has a significance for students as it symbolizes a commitment to the practice of sound forestry, continual educational development and professional growth.

In addition to producing the two already existing silver ring designs, Mattawa Jewellery will also be developing the prototype for a third silver ring which will recognize CIF members who have made important contributions to forests through their work and their dedication to the institute itself.

Again, I would like to congratulate Mattawa Jewellery on this impressive achievement and wish it continued success in the future.

Statements by Members

[Translation]

MAGOG CIRCUS

Mr. Christian Ouellet (Brome—Missisquoi, BQ): Mr. Speaker, Magog's Cirque des Étoiles celebrated its 10th anniversary this year. This project's objective is to encourage and motivate youth to be physically active.

The “school success” component has made it possible to offer introductory courses in the circus arts as well as periods of educational enrichment. In 2007, the first group of students was hired to do street performances.

This organization has 500 enrolments per year, 28 summer student employees, 3 permanent staff, 10 qualified monitors, 250 volunteers and 2 artists accepted at the National Circus School. Kudos and thank you to the leaders of the group, Johanne Gaudreau, Michèle Lapointe and Guy Rompré.

However, the first show is set for June 12 and this organization has still not yet received the necessary support from Canadian Heritage.

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[English]

FORMER DEPUTY CHIEF OF OTTAWA POLICE

Mr. Paul Dewar (Ottawa Centre, NDP): Mr. Speaker, I rise to recognize the service of Larry Hill, the former deputy chief of the Ottawa Police Service.

Larry is a community builder and an advocate of diversity in Ottawa. In his more than 30 years of service to our city, former deputy chief Hill has left a legacy of mutual understanding and respect between Ottawa's communities and the police.

He embodied the principles of Sir Robert Peel, that “the police are the public and the public are the police”. His deep roots in the community, along with the hundreds of off duty hours he spent volunteering in the community quietly building alliances and enhancing the relationships with the police will always be remembered.

As Imam Solaiman of the Ottawa Mosque explained, “Larry Hill proved to be a man of wisdom and a man of outreach”.

For his work, Larry Hill was awarded the Order of Merit of the Police Forces by the Governor General. To quote from the ceremony, “Deputy Chief Hill has been at the forefront of community policing in Canada for the past decade. His work with diverse communities embodies the Canadian virtues of acceptance and openness”.

We thank Larry Hill.

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CANADIAN FORCES

Mr. Pierre Lemieux (Glengarry—Prescott—Russell, CPC): Mr. Speaker, I recently returned from Afghanistan where I met with our young men and women who daily risk their lives.

As a veteran who has served for 20 years, I rise today to recognize Canadian Forces Day.

[Translation]

Every day, the valiant men and women of our armed forces are ready to defend Canada and to protect Canadians. Today, we honour the members of the armed forces for their courage, their sense of duty and their personal sacrifices.

[English]

Today there are Canadian Forces personnel operating search and rescue centres across the country, patrolling our territory on the land, in the air and at sea, working with the Canada Border Services Agency and RCMP helping to enforce our laws, and deployed abroad contributing to international peace and security.

[Translation]

These men and women are dedicated, take their commitments seriously and have an unrivalled sense of duty. Our brave Canadian Forces members deserve the admiration, respect and support of all Canadians.

* * *

[English]

IRAN

Hon. Irwin Cotler (Mount Royal, Lib.): Mr. Speaker, the recent International Atomic Energy Agency report on Iran's nuclear ambitions is both cause for alarm and a call to action.

In particular, the report concluded that Iran is continuing its enrichment activities in defiance of UN Security Council resolutions; that it is working on nuclear programs with a clear military dimension, including the underground testing of a missile delivery system; and inspectors discovered an actual blueprint for a nuclear weapon.

[Translation]

Iran refuses to provide details on its civilian energy program and also refuses to answer inspectors' questions.

The threat to international peace and security posed by Iran's nuclear capability cannot be underestimated.

[English]

I join the IAEA in calling upon Iran to cooperate with the United Nations agency, to implement Security Council resolutions, and to cease and desist both from its combustible program of genocidal incitement and that of nuclear armament.

* * *

● (1405)

AGRICULTURE AND AGRI-FOOD

Mr. Garry Breitkreuz (Yorkton—Melville, CPC): Mr. Speaker, I am pleased to remind the House that the Minister of Agriculture and Agri-Food and the Minister for the Canadian Wheat Board is a man of the people.

I have been hosting agriculture forums for nine years in my riding. It has become traditional for agriculture ministers to attend.

Statements by Members

The minister attended Agriculture Forum 2008 this spring, with farmers and agrifood workers in my region of Saskatchewan anxious to discuss relevant issues. As usual, the room was full. This kind of face to face consultation is important to this government.

The farmers in my area made it clear that they want to see crop insurance improved and more marketing choice in the future. High input costs such as fertilizer, chemicals and fuel remain a concern.

Agriculture Forum 2008 provided the platform for farmers to approach the minister directly with their concerns. His actions give them ample reason to believe he is listening.

The forum is televised across Canada and continues to communicate the challenges facing the agricultural sector.

Farmers tell me that there has not been this much support for agriculture since the days of John Diefenbaker.

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[*Translation*]

PROMOTION OF QUEBEC PRODUCTS

Mrs. Ève-Mary Thāi Thi Lac (Saint-Hyacinthe—Bagot, BQ): Mr. Speaker, true to its word, the Fédération de l'UPA de Saint-Hyacinthe recently launched a plan to promote food sovereignty in Quebec. A nation practises food sovereignty when its agricultural products are used to feed its population first. This principle reflects a long-term vision in terms of both food security and the environment.

The producers of the Saint-Hyacinthe—Bagot region therefore launched a campaign to promote Quebec products. They will be in several area grocery stores from now until the end of June to meet consumers and hand out reusable grocery bags with the campaign logo. The campaign has also been announced on local radio stations.

I would like to congratulate the Saint-Hyacinthe UPA on this initiative, which demonstrates its responsible commitment.

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[*English*]

ORANGEVILLE BLUES AND JAZZ FESTIVAL

Mr. David Tilson (Dufferin—Caledon, CPC): Mr. Speaker, I am pleased to be standing in the House today to announce that the town of Orangeville will be proudly hosting the Orangeville Blues and Jazz Festival from June 5 to 8. This annual event is the largest music festival of its kind northwest of Toronto and is known for outstanding performers and fantastic entertainment.

New to the festival this year are street performers on Broadway and a kickoff concert that took place on May 31. Furthermore, the festival is partnering with the Orangeville Food Bank to help spread food and to support the needy in Orangeville and the surrounding area.

On behalf of my constituents, I would like to thank the festival sponsors and organizers, and Larry Kurtz in particular, for their hard work and dedication and for making Orangeville the place to be on the first weekend of June.

I wish the Blues and Jazz Festival great success in its sixth season.

CHIEF OF THE DEFENCE STAFF

Mr. Scott Simms (Bonavista—Gander—Grand Falls—Windsor, Lib.): Mr. Speaker, I rise today to honour and pay tribute to a great Newfoundlander and Canadian. He grew up in my riding, is from the great town of Campbellton and at a very young age wanted nothing more than to be a soldier.

He graduated from Memorial University of Newfoundland in 1975 and then trained as an officer. Quickly he advanced to commanding troops from the platoon to the division levels.

He then took his leadership abilities throughout Canada and the world, serving twice in Europe and the United States and in the former Yugoslavia.

In October 2003 he was selected as the commander of the multinational NATO-led force in Kabul, Afghanistan.

For the past three years he has served with honour as the Chief of the Defence Staff. Although he was the top soldier in Canada, he always considered himself a soldier first and foremost. He is best known for being honest, direct and passionate.

On behalf of the constituents of Bonavista—Gander—Grand Falls—Windsor, I stand in this House to salute one of our own: the pride of Campbellton and the pride of Newfoundland and Labrador, General Rick Hillier.

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ELECTIONS CANADA

Mr. Dean Del Mastro (Peterborough, CPC): Mr. Speaker, today the Conservative Party asked Elections Canada and the Canada Customs and Revenue Agency to investigate a Liberal fundraiser held last week in support of Gerard Kennedy.

The invitations for the event were co-branded with the logos of both the Liberal Party of Canada and the SHAMBA foundation and posted on the Liberal Party of Canada's website.

Mr. Speaker, as you are aware, registered charities such as SHAMBA are forbidden from being directly or indirectly involved in partisan political activity. Mr. Kennedy and the foundation must provide full disclosure on the matter to clear the air.

Either the Liberals violated the copyright of the SHAMBA foundation or the SHAMBA foundation has political involvement. Whether it is one or the other, it needs to be cleared up. This fundraiser continues to raise serious ethical questions about the fundraising practices of the Liberal Party and its friends and must be investigated.

Once again, the same Liberal Party that brought us the sponsorship scandal and just recently attempted to bypass election financing rules by holding a sky is the limit fundraiser for its rich friends and Liberal insiders is showing that it simply cannot be trusted with the rules.

Statements by Members

• (1410)

[Translation]

LUC BOURDON

Mr. Yvon Godin (Acadie—Bathurst, NDP): Mr. Speaker, the funeral for a young hockey player from Shippagan, Luc Bourdon, was held today. He was taken from us at 21 years of age in a tragic motorcycle accident last week, and Canadians are in mourning.

The Vancouver Canucks defenceman was on the cusp of a brilliant career. Twice, he won gold at the world junior hockey championship, and he played 27 NHL games last season.

Luc was an exceptional athlete, and his peers described him as a model. Let us not forget his generosity and his commitment to helping the less fortunate.

Luc was an inspiration to us all and the pride of Shippagan, his hometown. We will remember him as a champion.

On behalf of the NDP and all parliamentarians, and as the member for Acadie—Bathurst, I would like to extend my sincere condolences to his family, his girlfriend, Charlene, his teammates and everyone affected by this loss.

* * *

[English]

FORESTRY INDUSTRY

Mr. Ken Boshcoff (Thunder Bay—Rainy River, Lib.): Mr. Speaker, a long awaited meeting of government, industry, labour and research groups recently discussed solutions to the crisis in the forestry industry.

Regrettably, the minister neglected to include environmental, aboriginal, transportation or community representatives on his invite list, and only two labour unions were asked to attend.

Was this a deliberate slight against these groups or just a further indication of the incompetence of the government on the forestry file?

It took five days of discussions and two direct questions in the House to pry the secret invite list out of the minister's office. Perhaps the minister did not want us to know that he had excluded so many important representatives from this meeting.

As the natural resources committee finalizes its report to Parliament on "The Unique Opportunities and Challenges Facing the Forest Products Industry", I urge the government to heed the wishes of the industry by hosting a national summit on forestry that includes all stakeholders, not just a hand-picked few.

* * *

[Translation]

HENRI-PAUL ROUSSEAU

Mr. Pierre Paquette (Joliette, BQ): Mr. Speaker, I would like to take this opportunity to pay tribute to Henri-Paul Rousseau, who has announced he is leaving the Caisse de dépôt et placement du Québec after more than five years of service.

Mr. Rousseau has been president and CEO of the Caisse since September 2002 and will step down next August. Under his presidency, the Caisse has changed a number of its governance rules and has achieved excellent financial results. Representatives of Quebec's political, financial and economic sectors have all commended Mr. Rousseau's service to the public, and say that his departure will leave a void difficult to fill.

I had the opportunity to spend some time with Mr. Rousseau during the 1980 referendum when he was president of the Comité des économistes pour le oui. Whether as an economist, a financier or a professor, this secretary general of the Bélanger-Campeau Commission has always worked hard for Quebec's development and interests.

My Bloc Québécois colleagues and I would like to thank him for his contribution and we hope that he will continue to promote Quebec's economic and social development.

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[English]

FOREIGN AFFAIRS

Hon. Scott Brison (Kings—Hants, Lib.): Mr. Speaker, the Prime Minister certainly has brought Canada back—to international headlines.

In Germany, the headline is "Canada's foreign minister must go". In Italy, it is "—minister loses his head and his documents". French newspapers read, "The red hot affair of the Canadian foreign affairs minister". In England, the headlines read, "The minister, the classified papers and a lover linked to Hells Angels".

As well, the Conservatives promised to improve our relationship with the United States. The *New York Times*, *Washington Post*, *Chicago Tribune* and *Los Angeles Times* are helping out with headlines like this: "A lover, lowlifes and strange bedfellows".

They even get it in China, where the headlines read: "Ex-Foreign Minister[s]...gaffe could harm Canada's reputation".

When editorialists in China understand how serious this issue is, why does the Prime Minister not?

* * *

• (1415)

ELECTIONS CANADA

Mr. Pierre Poilievre (Nepean—Carleton, CPC): Mr. Speaker, tomorrow is deadline day. The Liberal leader is said to have hundreds of thousands of dollars in outstanding leadership debts owed to the wealthy elites that control him.

If he does not repay these debts by the June 3 deadline, they become illegal donations, over the contribution limit. The only escape is if Elections Canada protects the Liberal leader with preferential treatment and an extension.

Oral Questions

However, questions remain. If the Liberal leader is too weak to manage his own finances, how can he run the country's? Will the Liberal leader break the law by accepting illegal donations? Will Elections Canada protect the Liberal leader with preferential treatment?

Finally, if he cannot repay these wealthy elites, who owns Stéphane Dion?

Some hon. members: Oh, oh!

The Speaker: Order. Hon. members know that referring to other hon. members by name is out of order. The member for Nepean—Carleton will want to refrain from such conduct or face difficulties.

The hon. member for Rimouski-Neigette—Témiscouata—Les Basques.

* * *

[*Translation*]

REDISTRIBUTION OF WEALTH

Ms. Louise Thibault (Rimouski-Neigette—Témiscouata—Les Basques, Ind.): Mr. Speaker, last Thursday I moved a motion in this House asking the government to establish an oil revenue redistribution fund.

Based on the principle of fairness to all citizens, it would levy a tax on the earnings of oil companies and other companies that emit greenhouse gases in order to counter the negative effects of the escalating price of petroleum products.

The Conservatives, as well as the Liberals, shot down this proposal.

Given that key sectors of regional economies such as forestry, agriculture and tourism are experiencing serious difficulties, it is imperative that the government focus its efforts on realistic solutions.

Even those sectors of our economy that attempt to diversify their practices and develop promising niches are in jeopardy, as is the well-being of our low- to middle-income citizens.

The Conservative government must listen to reason and put in place a real mechanism to redistribute wealth.

ORAL QUESTIONS

[*Translation*]

FOREIGN AFFAIRS

Hon. Stéphane Dion (Leader of the Opposition, Lib.): Mr. Speaker, last Monday, shortly before the Prime Minister accepted his foreign affairs minister's resignation, he said that he did not believe the matter was serious. Since then, the matter has made headlines around the world, and his government has been ridiculed. Now everyone has seen the Prime Minister's appalling lack of judgment, competence and leadership.

Now will he take this matter seriously and call for a full, independent inquiry into whether national security was compromised as a result of what happened?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, the rules governing classified documents are always serious. That is why, when the minister became aware of the situation, he told me and tendered his resignation, which I accepted.

In his letter of resignation, the minister called for a departmental review. That is what we are doing now.

[*English*]

Hon. Stéphane Dion (Leader of the Opposition, Lib.): Mr. Speaker, an internal review is clearly not enough. This shows, again, that the Prime Minister does not take this issue seriously, an issue that made the news on every continent and made his government a laughing stock. What an appalling lack of judgment, competence and leadership.

Canadians have the right to know whether or not national security was compromised.

Will the Prime Minister finally take this matter seriously and order a complete and independent inquiry?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, as I just said, the rules with regard to classified documents are extremely important, which is why the minister offered to resign and why I accepted his resignation. He also asked his ministry to look into the matter and review the facts. We are doing exactly that and we will ensure that is done in an independent and professional manner.

● (1420)

[*Translation*]

Hon. Stéphane Dion (Leader of the Opposition, Lib.): Mr. Speaker, Canadians no longer trust the government when it says that it is going to investigate itself. The people do not want the secrecy of another NAFTA-gate. They want an independent inquiry. That is what Canadians want. For example, it may be that a security screening was conducted on the former minister of foreign affairs' former girlfriend, but the government may have ignored it. The Prime Minister may have chosen to disregard it.

My question for the Prime Minister is this: was the former minister of foreign affairs' former girlfriend the subject of a security screening or not?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, with respect to the NAFTA issue, the clerk of the Privy Council and the department conducted a thoroughly independent, professional review.

[*English*]

In the matter of the NAFTA document, that was thoroughly looked at through the office of the Clerk of the Privy Council, which came up with good recommendations that will obviously guide the department and others in the handling of documents in the future. We will ensure that this matter is, likewise, looked at in an independent and professional way.

Mr. Michael Ignatieff (Etobicoke—Lakeshore, Lib.): Mr. Speaker, the government has blamed the entire Couillard affair on the member for Beauce, which is hardly surprising because the Prime Minister takes credit for everything and responsibility for nothing.

Oral Questions

It was the Prime Minister who chose the minister. It was the Prime Minister who watched him make mistake after mistake. It was the Prime Minister who took five weeks to fire him after he became a security breach.

At least the member for Beauce took responsibility for his actions. When will the Prime Minister take responsibility for his?

Hon. Peter Van Loan (Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Mr. Speaker, as the hon. member for Etobicoke—Lakeshore quite rightly observed, the minister did take responsibility for his actions. He tendered his resignation, which, obviously, is a very serious consequence. In this case, we know the error was the leaving of the documents in an unsecured place. Those were classified documents and there are clear rules. Obviously, it was the minister's mistake and the minister took responsibility, quite properly, for that and resigned, and that resignation was accepted.

[*Translation*]

Mr. Michael Ignatieff (Etobicoke—Lakeshore, Lib.): Mr. Speaker, clearly, the Prime Minister is not taking responsibility for this issue, but he must take responsibility for what happened in Italy. Following his visit to Italy, the Prime Minister announced that the Italians planned to lift restrictions on their troops in Afghanistan. The problem is that Mr. Berlusconi never said that.

What has this government done to apologize to the Italian Prime Minister for our Prime Minister's blunder in Italy?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, the member is talking about an announcement made by the Italian government.

[*English*]

I had a very good meeting with Prime Minister Berlusconi. After that meeting it was the government of Italy that announced the fact that it was reviewing the caveats that it has in place on its forces in Afghanistan.

As we know, in the last few months the French have moved to step up their involvement in Afghanistan.

Those are very good developments for NATO, for the United Nations, for Afghanistan and for Canada.

[*Translation*]

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, initially, the Prime Minister called the Couillard affair a matter of privacy. However, the facts have revealed that it is a matter of public concern. Then the Prime Minister, who likes to control everything, said that he knew nothing about Ms. Couillard's past.

Would the Prime Minister have us believe that neither CSIS nor the RCMP did its job? Will he admit that he knew about it and failed to assume his responsibilities despite the obvious risk to security?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, this is not a privacy issue. Ministers are always responsible for the protection of classified documents.

The minister admitted his mistake in this matter and resigned his post. That is why I accepted his resignation. The former minister did the honourable thing by resigning.

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, according to various experts, anyone who is close to people involved in organized crime, and particularly spouses, are automatically on file with the police.

How could the Prime Minister show such a lack of judgment to the point of trivializing the Couillard affair, while CSIS and the RCMP were able to assess the danger and he himself must have been aware of Ms. Couillard's shady past?

• (1425)

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, once again, ministers have responsibilities under any circumstances, even in their private lives.

In this case, the minister admitted that he failed to protect classified documents. That is why he offered his resignation and why I accepted it.

Mr. Serge Ménard (Marc-Aurèle-Fortin, BQ): Mr. Speaker, the Carcajou squad investigated biker gangs from 1995 to 1999, at the same time Julie Couillard was associating with two criminals linked to the Hells Angels. She was even arrested and held for interrogation by squad officers. So the SQ and the RCMP knew about her troubled past. It is impossible that the Prime Minister did not know about it.

If the Prime Minister knew, why did he hide this information at the expense of the public good?

[*English*]

Hon. Peter Van Loan (Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Mr. Speaker, let us be clear. The issue over which the member for Beauce tendered his resignation as Minister of foreign Affairs was the leaving of documents in an unsecured location. It mattered not that it was Madam Couillard's house. The same would have been the case had they been left in a restaurant booth or on the front steps of Parliament Hill. The minister accepted responsibility for that and his resignation was accepted on that basis.

[*Translation*]

Mr. Serge Ménard (Marc-Aurèle-Fortin, BQ): Mr. Speaker, if I understand correctly, having had relationships with members of organized crime a few years earlier is not considered a security concern.

The Prime Minister maintains that he only learned about the disappearance of the classified documents on the Monday when the member for Beauce resigned. Given the strict rules about such documents, it is completely impossible that the Prime Minister would not have questioned the former foreign affairs minister about this.

Will the Prime Minister admit that he showed a lack of judgment and transparency by hiding the truth for partisan purposes?

Hon. Peter Van Loan (Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Mr. Speaker, it is clear that the Prime Minister found out on Monday afternoon that the documents had been left at Ms. Couillard's home.

*Oral Questions***THE ENVIRONMENT**

Hon. Jack Layton (Toronto—Danforth, NDP): Mr. Speaker, the Montreal Climate Exchange recently opened and the Ontario and Quebec cabinets are meeting to discuss the price of carbon and to establish pollution targets in order to deal with the greenhouse gas crisis. Canadians want to be leaders in this field.

Will the Prime Minister explain why the Minister of the Environment is blocking the creation of a true cap and trade system in Canada?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, on the contrary, it is because of the efforts of the Minister of the Environment that the Montreal Exchange has been able to create such a market. It is interesting to see this meeting between the governments of Quebec and Ontario and I can say that the national targets established by this government are mandatory targets and that the provinces cannot disregard them.

[English]

Hon. Jack Layton (Toronto—Danforth, NDP): Mr. Speaker, it sounds like the Prime Minister is now disagreeing with his Minister of the Environment who said, just yesterday, that the system being proposed by Ontario and Quebec was somehow going to be a problem. In fact, he called it a rogue initiative.

Is the Prime Minister associating himself with those remarks?

The fact is that what Quebec and Ontario are doing is filling a vacuum of leadership that we have had in this country on this issue for far too long by previous governments and the current government as well.

Is the Prime Minister's real motivation here that he is afraid that this system might actually succeed and hurt his friends in certain key sectors or does he believe that it might not work and show that his system is no better?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, on the contrary, for such a system to work to control greenhouse gas emissions, there are only a limited number of options. The option undertaken by the Minister of the Environment is to establish a regulatory mechanism. The provinces of Ontario and Quebec to date have not done that. The Minister of the Environment has, which is why we are having a carbon exchange in Montreal.

The other option, of course, which Ontario and Quebec do not seem to like, is to impose carbon taxes. I can assure everyone that when I was in Europe last week nobody wanted that either.

● (1430)

[Translation]

Hon. Stéphane Dion (Leader of the Opposition, Lib.): Mr. Speaker, why does this government always have to go on the attack? Why did the Prime Minister allow his Minister of the Environment to attack the premiers of Quebec and Ontario when they were assuming their responsibilities and simply trying to fill the leadership void left by this government?

Will the Prime Minister admit that his climate change plan is so weak that no one wants to work with him?

[English]

Hon. John Baird (Minister of the Environment, CPC): Mr. Speaker, I am excited to work with my friend Dalton McGuinty, the Premier of Ontario. Dalton McGuinty and I do not agree on many things but the one thing we are prepared to work on in common cause is to help defeat the carbon tax being proposed by the Liberal Party and our friends opposite. Canadians cannot afford to pay more for their tax, more for home heating fuel and more for their electricity.

I will work with Dalton McGuinty to defeat the Liberal carbon tax plan any time, any place, any day of the week.

Hon. Stéphane Dion (Leader of the Opposition, Lib.): Mr. Speaker, the Prime Minister let his Minister of the Environment distort reality on something as key as climate change. This is what the Prime Minister said about the British Columbia plan, "contrary to some commentary, the national plan and British Columbia's plan complement each other".

Will the Prime Minister stop distorting reality and come up with a real plan to fight climate change in Canada?

Hon. John Baird (Minister of the Environment, CPC): Mr. Speaker, I do not want to sit back years from now and wonder what might have been, like the leader of the Liberal Party. We have a plan to cut, in absolute terms, our greenhouse gas emissions. Greenhouse gas emissions are causing dangerous climate change.

We are going to force the big polluters to clean up their act. Going after the big polluters will be central to our plan to reducing greenhouse gas emissions, instead of going after those seniors living on fixed incomes and the middle class, as the Liberal Party is so keen to do.

* * *

[Translation]

THE ECONOMY

Ms. Martha Hall Findlay (Willowdale, Lib.): Mr. Speaker, it is a matter of trust and judgment, trust in the Minister of Finance and in the government.

Just two weeks ago this minister incorrectly stated that the economy was still growing: "Our economy continues to grow and to grow in all regions of Canada." However, the truth of the matter is that the Canadian economy, the GDP, shrank during the first quarter.

How can Canadians trust this minister and this government when it comes to the economy?

[English]

Hon. Jim Flaherty (Minister of Finance, CPC): Mr. Speaker, Canadians know full well they cannot trust the Liberals, who want to impose a carbon tax, who want to increase the price of gasoline, who want to increase the price of home heating fuel and electricity, and particularly put this burden on those Canadians with fixed incomes who can least afford that kind of tax burden.

The Canadian economy is strong. The economic fundamentals in the Canadian economy are strong. The member should stand up and support the economy in this country.

Oral Questions

Ms. Martha Hall Findlay (Willowdale, Lib.): Mr. Speaker, despite the finance minister's effort to avoid the question and the fact that he has it backwards, in the first quarter of this year, the U.S. economy actually grew and Canada's shrank.

I will remind the finance minister that two quarters of shrinkage make a recession. Canada's economy is not okay. According to the Conference Board, consumer confidence has plummeted.

How can we trust anything the minister or the government says or does about the Canadian economy?

• (1435)

Hon. Jim Flaherty (Minister of Finance, CPC): Mr. Speaker, it is regrettable to see a new member of Parliament so pessimistic about our country.

We have 120,000 new jobs, more than 19,000 new jobs in the month of April alone. The labour picture in Canada is strong. It is strong all across Canada. When I met with the finance ministers on Thursday and Friday, I heard about labour shortages from coast to coast in Canada.

The economy is strong. It will get stronger as we go forward. The economic fundamentals are strong in Canada.

* * *

[Translation]

THE ENVIRONMENT

Mr. Bernard Bigras (Rosemont—La Petite-Patrie, BQ): Mr. Speaker, environmentalists, the business community and the premiers of Ontario and Quebec are all calling for the same thing: a carbon exchange based on fixed targets, with 1990 as the reference year. They are unanimously criticizing the Conservative plan, and Jean Charest is even asking Ottawa to change its approach.

Rather than attacking Quebec and Ontario, will the minister immediately respond favourably to their call?

Hon. John Baird (Minister of the Environment, CPC): Mr. Speaker, we have been very clear for the past year: we support fixed targets for greenhouse gases reductions.

Last year we were very proud to announce our plan of action to regulate major polluters. We were also pleased to announce, on March 10, the details of our plan. And we were very pleased, following the announcement of the details of our plan, that the carbon exchange opened on Friday in Montreal. I am very proud to have been invited to speak at that event.

We are taking action and we are finding real solutions for the environment.

Mr. Bernard Bigras (Rosemont—La Petite-Patrie, BQ): Mr. Speaker, I think the minister is turning a deaf ear to the requests and warnings from Luc Bertrand of the Montreal Exchange, who criticized the federal minister last Friday. The minister should listen to what the Exchange is saying.

The Conservatives are against the joint plan of Quebec and Ontario to implement an interprovincial greenhouse gas credit exchange. To the two premiers who speak on behalf of the fourth largest economy in North America and 60% of the Canadian

economy, the federal Minister of the Environment said it would interfere with his party's green plan. That is totally absurd.

Will the minister of pollution stand up and tell us whether this plan was drafted by the oil companies?

Hon. John Baird (Minister of the Environment, CPC): Mr. Speaker, we were very pleased to announce a plan to reduce greenhouse gases by 20%, which is a fixed target. If the provinces want to take additional measures, that is their right, but I have to be very clear that our targets are fixed. They are fixed in Quebec, Ontario and Alberta.

We have found real solutions for our environment. This is the first time in Canadian history that we have a government with a real plan of action to reduce greenhouse gas emissions.

* * *

FEDERAL SPENDING POWER

Mr. Jean-Yves Laforest (Saint-Maurice—Champlain, BQ): Mr. Speaker, the Government of Quebec has indicated that it disagrees strongly with the Conservative approach and with the bill the federal government has concocted to limit the federal spending power in the jurisdictions of Quebec and the provinces, because it resembles the agreement on social union that Quebec refused to sign in 1999.

Will the government admit that the only bill that could be acceptable would be one with the unconditional right to opt out, with full financial compensation, of any federal program that interferes in Quebec's areas of jurisdiction?

Hon. Christian Paradis (Secretary of State (Agriculture), CPC): Mr. Speaker, we do not need any lectures from anyone in this House to deliver the goods or keep our promises. We have made commitments and will honour them. In fact, we have already begun to do so.

In budget 2008, we reformed the millennium scholarships, which everyone condemned and which had been invented by our centralizing Liberal predecessors. Now, there is a new program, which Quebec can opt out of. We respect provincial jurisdictions. We want federalism to work. We are giving Quebecers and Canadians open federalism.

Mr. Jean-Yves Laforest (Saint-Maurice—Champlain, BQ): Mr. Speaker, I would like to say to the Secretary of State (Agriculture) that I was talking about the position of the Government of Quebec.

Regarding the prospective bill on the federal spending power in the jurisdictions of Quebec and the provinces, it is easier now to understand what the Minister of Labour meant when he said that no one should be expected to do the impossible. This is not impossible, but the Conservatives do not want to do it.

Will the Minister of Finance admit that his government has broken another promise?

Oral Questions

• (1440)

Hon. Christian Paradis (Secretary of State (Agriculture), CPC): Mr. Speaker, it is very clear that a party that wants to separate Quebec from the rest of Canada will grasp at anything to minimize the Conservative government's outstanding record of achievements. We have kept our promises, and not many governments have kept their word as much as we have.

Who gave Quebec a seat at UNESCO? Who corrected the fiscal imbalance? Who is going to address spending power? The Conservative government. Certainly not the Bloc Québécois, which has never kept a single promise here in the House of Commons.

* * *

[English]

FOREIGN AFFAIRS

Hon. Bob Rae (Toronto Centre, Lib.): Mr. Speaker, why do I feel I am listening to an audition?

My question is for the—

Some hon. members: Oh, oh!

The Speaker: Order. We have to be able to hear the audition. The hon. member for Toronto Centre has the floor and we will have some order.

Hon. Bob Rae: Mr. Speaker, the only problem with the review asked for by the former minister of foreign affairs is that we do not know who will do it, we do not know what questions will be asked, and we do not know which people will be asked questions.

My question quite simply is, how can the government possibly justify a process that is clearly designed to do only two things: to help a minister who had to resign and to help a government which is clearly avoiding its responsibilities?

Hon. Peter Van Loan (Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Mr. Speaker, I thank the hon. member for his audition before this House. I know that on his previous audition the voters of Ontario watched for five years and then took a pass.

Hon. Bob Rae (Toronto Centre, Lib.): I have heard worse from better people, Mr. Speaker.

[Translation]

Perhaps I could ask the same question in French, since he is clearly having problems in English.

The only problem with the review that has been announced, regarding the former minister who had to resign over the issue of classified documents, is that we do not know who will do it, we do not know what questions will be asked and we do not know who will be asked questions. How can the minister justify such a process?

[English]

Hon. Peter Van Loan (Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Mr. Speaker, it is obviously logical for foreign affairs to examine the processes it has in place for dealing with documents in this fashion. Since it is the department's processes, that is the best place to do it

and that is why it is there to do that job. We think that review will be a full and thorough one and we look forward to its results.

[Translation]

Hon. Marlene Jennings (Notre-Dame-de-Grâce—Lachine, Lib.): Mr. Speaker, on Sunday afternoon, Ms. Couillard returned the secret documents to the government. The documents had been left at her house by the former foreign affairs minister. Yet at noon the next day, we heard the Prime Minister say once again that he was not taking this matter seriously. How could he say that when his government had already known for nearly 24 hours that documents had been left at Ms. Couillard's house? Why was he still trying to cover up this matter the next day?

[English]

Hon. Peter Van Loan (Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Mr. Speaker, the facts are quite simple here, even if the hon. member has difficulty appreciating what they are. The facts are that the government became aware and the Prime Minister became aware of the problem that the documents had been left in an unsecured place on Monday afternoon. At that time the minister tendered his resignation, recognizing that he was in error and taking responsibility for it. That resignation was accepted.

Hon. Marlene Jennings (Notre-Dame-de-Grâce—Lachine, Lib.): Mr. Speaker, we got two different versions from the only two statements the ex-foreign affairs minister has made. In one version he said he informed the Prime Minister on Monday; in the other version he said it was Sunday.

The government cannot have it both ways. Either the Conservatives want us to believe that all of the senior officials kept it from the Prime Minister for over 24 hours, or they are trying to cover something up. Either way, it stinks. Which is it?

Hon. Peter Van Loan (Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Mr. Speaker, she is quite right. The government cannot have it both ways. The truth is that the Prime Minister was advised on Monday.

* * *

• (1445)

BUDGET IMPLEMENTATION ACT, 2008

Mr. Mike Wallace (Burlington, CPC): Mr. Speaker, the NDP is threatening to play political games to stop Parliament from passing before the summer recess in June important legislation affecting all Canadians.

The budget 2008 implementation bill includes provisions such as a new tax-free savings account and new support for Canadian students, along with nearly \$1.4 billion in key federal support that will be lost if the legislation is not passed prior to the summer recess.

Can the minister confirm this, and that the votes with respect to amendments to the bill are a matter of confidence?

Oral Questions

Hon. Jim Flaherty (Minister of Finance, CPC): Mr. Speaker, let us be clear. Bill C-50 is a budget bill. Votes with respect to amending Bill C-50 are matters of confidence. The member for Burlington is right. If the bill does not pass, the loss will be about \$1.5 billion in key federal support in a number of areas, including \$500 million for public transit, \$400 million for new police officers, \$250 million for carbon capture in Saskatchewan and Nova Scotia, \$160 million to support genomics and biomedical research, and \$110 million to help Canadians facing mental health challenges and homelessness.

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INFRASTRUCTURE

Mr. David Christopherson (Hamilton Centre, NDP): Mr. Speaker, a new study by Infometrica and the Federation of Canadian Municipalities has reached a stunning conclusion. To quote FCM's president, Gord Steeves:

The conclusion is inescapable: Canada's broken tax system, which downloads on municipalities while keeping them dependent on the property tax, is a job killer.

Can the minister explain why the government's unbalanced tax agenda leaves cash poor municipalities holding the bag for the \$123 billion infrastructure deficit, killing their local jobs in the process?

Mr. Brian Jean (Parliamentary Secretary to the Minister of Transport, Infrastructure and Communities, CPC): Mr. Speaker, we cannot take credit for Liberal failures, but let us be clear. Gord Steeves also said:

Budget 2008 delivers good news for cities and communities...The permanent gas tax fund sets a new standard for the way the Government of Canada supports cities and communities. It will provide the kind of funding support our cities and communities need: significant, sustained and predictable.

We are getting the job done for Canadians.

Mr. David Christopherson (Hamilton Centre, NDP): Mr. Speaker, the government can try, but it is not going to change the channel. What FCM members heard this weekend was groundbreaking. For the first time, a study has demonstrated conclusively that more jobs are killed by property tax increases than by sales tax or income tax.

What should the people of Canada believe, the self-serving, sloganeering, bumper sticker spin of the government, or the credible, considered, collective view of our municipal leaders from coast to coast?

Mr. Brian Jean (Parliamentary Secretary to the Minister of Transport, Infrastructure and Communities, CPC): Mr. Speaker, how about believing the president of the Federation of Canadian Municipalities when he said:

[The] Prime Minister...[the] Finance Minister...and [the] Transport, Infrastructure and Communities Minister...have chosen to invest in our economic prosperity, our quality of life and our future, and for that we applaud them.

* * *

JUSTICE

Hon. Ujjal Dosanjh (Vancouver South, Lib.): Mr. Speaker, it is clear from the previous responses of the Minister of Justice that the Treasury Board President is being considered for a judicial appointment.

Let us understand the process here. His application will be approved by a Manitoba committee that he appointed and then will be discussed and approved by the cabinet, of which he is a member.

The conflict of interest is insurmountable. When will the government assure Canadians that this patronage appointment will not proceed?

Hon. Rob Nicholson (Minister of Justice and Attorney General of Canada, CPC): Mr. Speaker, I would point out to the hon. member that all the appointments this government has made were thoroughly vetted through a judicial advisory committee.

I can tell the House that the 165 appointments made by this government were all done on the basis of merit and legal excellence. I can assure this House that the next 165 will be done on the same basis.

Hon. Ujjal Dosanjh (Vancouver South, Lib.): Mr. Speaker, for the Minister of Justice that is less than gobbledeygook.

The cabinet has the final word on judicial appointments and Canadians deserve to know that when this appointment is discussed the Treasury Board President will not be the one voting to get a job for himself.

The government should show some accountability and admit that appointing the Treasury Board President to the bench would be a blatant conflict of interest.

If the government were not so arrogant, it would never appoint that member to the bench. I bet it never would.

• (1450)

Hon. Rob Nicholson (Minister of Justice and Attorney General of Canada, CPC): Mr. Speaker, I can tell the House that we take all judicial appointments very seriously. I think the thanks of all Canadians goes out to those individuals who are prepared to serve.

We will continue to take our responsibilities seriously. I appreciate that the Liberals are upset about the fact that they do not make the appointments anymore and I can assure the House that will continue for a long time.

* * *

[Translation]

ETHICS

Mr. Brian Murphy (Moncton—Riverview—Dieppe, Lib.): Mr. Speaker, seven months ago, the Prime Minister promised Canadians a public inquiry into the Mulroney-Schreiber scandal. The government promised to appoint a commissioner soon. Every time we ask about it, the answer is "soon".

When will the government stop covering for Brian Mulroney and appoint someone to oversee this inquiry?

Oral Questions

Hon. Peter Van Loan (Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Mr. Speaker, the government asked professor David Johnston to set out the parameters for an inquiry. We now have Mr. Johnston's report and are waiting for a public inquiry to begin.

[English]

Mr. Brian Murphy (Moncton—Riverview—Dieppe, Lib.): Mr. Speaker, it is not hard to see why the government is having trouble finding someone to lead the inquiry. The Parliamentary Secretary to the President of the Treasury Board said that the person to get that job is a poor soul. He implied that no sane person would take that job. That is quite a recruitment campaign they have over there.

Many have said that this inquiry is not a priority for the Prime Minister. We know the truth is not a priority for the government but protecting Brian Mulroney is a priority.

When will the government make a full inquiry a priority and name a commissioner, bientôt?

[Translation]

Hon. Peter Van Loan (Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Mr. Speaker, I agree, soon.

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BILL C-484

Ms. Johanne Deschamps (Laurentides—Labelle, BQ): Mr. Speaker, in Montreal on Sunday, some 1,500 people demonstrated against Bill C-484. Despite what the Conservatives say, this bill opens the door to the recriminalization of abortion. Everyone in Quebec is critical of it, and the National Assembly adopted a unanimous motion asking that this bill be withdrawn.

Will the government shed its ideological straitjacket and vote against this regressive bill that threatens women's rights?

[English]

Hon. Rob Nicholson (Minister of Justice and Attorney General of Canada, CPC): Mr. Speaker, the government has made it very clear that it has no intention of re-opening this debate. Apparently the hon. member is upset that private members can introduce private members' bills, but those are the rules that we have and each member can vote accordingly.

[Translation]

Ms. Johanne Deschamps (Laurentides—Labelle, BQ): Mr. Speaker, the president of the Fédération des médecins spécialistes du Québec, Dr. Gaétan Barrette, has also criticized this bill, in an attempt to avoid returning to a time when abortions were illegal and dangerous to women's health.

Will the Minister of Justice admit that this bill is nothing but an underhanded attack on women, and that it threatens their right to free choice?

[English]

Hon. Rob Nicholson (Minister of Justice and Attorney General of Canada, CPC): Mr. Speaker, again I guess the Bloc does not understand. Maybe it does not like the rules of the House, but all members are entitled to introduce private members' bills. If it

really upsets the Bloc, why does it not introduce a private member's bill to get rid of private members' bills, if that is what it does not like?

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HUMAN RIGHTS

Hon. Sue Barnes (London West, Lib.): Mr. Speaker, two months ago, the member for Regina—Lumsden—Lake Centre promised to make amends for his regrettable homophobic remarks caught on videotape.

The gay and lesbian community, specifically in Regina, accepted the member's apology on the condition that he was serious and that he showed concrete evidence of his sincerity. However, to date they are still waiting. There has been no response to their letters, no meeting, nothing in two months.

Could the Prime Minister tell us exactly what the parliamentary secretary will be doing to make amends and when he will do it?

Hon. Peter Van Loan (Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Mr. Speaker, when those comments came to light in what was, I think, a 19-year-old videotape, the hon. member took responsibility for his words and apologized. We heard it in this House and I believe we all agree that it was a heartfelt, sincere and genuine apology and this government has accepted that apology.

* * *

● (1455)

[Translation]

THE ENVIRONMENT

Mr. Luc Harvey (Louis-Hébert, CPC): Mr. Speaker, last Friday, the Minister of the Environment was in Montreal to launch the Montreal Climate Exchange to help Canada move forward on the road to a low carbon economy.

Can the Minister of the Environment tell the House how we are providing tangible results to Canadians who want us to take action to deal with climate change?

Hon. John Baird (Minister of the Environment, CPC): Mr. Speaker, the minister responsible for Montreal and I are working very hard with Luc Bertrand, the president of the Montreal Exchange. We were very pleased that he launched a new climate exchange, which was a very important part of our plan to reduce greenhouse gases.

We have a tough plan to reduce greenhouse gases by 20% and we are very proud that the former premier of Quebec said a few words about it.

Pierre Marchand wrote in *La Presse*, earlier this year, that "Canada entered the era of climate change in 2007."

*Oral Questions**[English]*

Mr. Nathan Cullen (Skeena—Bulkley Valley, NDP): Mr. Speaker, the Prime Minister seems to be the only leader on the planet who would look at our Arctic's melting icecap and see an opportunity to drill for even more oil, putting more fuel on the climate change fire.

Imperial Oil, with a record \$3.2 billion profit last year out of the tar sands, is now turning its eyes to the far north.

The Prime Minister has the legislation, the power and the responsibility to finally defend the environment. In 72 hours, he will make the decision on Imperial Oil's Kearl oil sands development. Will he do the right thing and finally stand up for our planet?

Hon. John Baird (Minister of the Environment, CPC): Mr. Speaker, when I became the Minister of the Environment, there was only one rule in place: a big fat tax subsidy brought in by the Liberal Party for the oil sands.

Not only have we eliminated that but we are actually doing something that is remarkable. We are actually forcing the big polluters to cut their greenhouse gas emissions. Never before in Canadian history have they been required to do that.

We came forward with further mandates requiring carbon capture and storage, leading edge technology that is already at work in Saskatchewan.

We will ensure that every environmental law is respected so we can do the right thing for our planet and our future.

Mr. Nathan Cullen (Skeena—Bulkley Valley, NDP): Mr. Speaker, I can hear the oil executives quaking in their boots after a spin like that.

The Dene and the Cree in Fort Chipewyan are living with the consequences of irresponsible development of what happens when the impacts are considered only after the oil starts flowing rather than before, as it should be.

In Alberta, it means disappearing drinking water for first nations and local communities, while greenhouse gas emissions spin out of control, all this while the Conservatives continue to grant obscene billion dollar subsidies to the most profitable sector in Canada's economy.

Will the government use all its powers at hand and stop this crime? Will it stop the dangerous plans of Imperial Oil that would put 800,000 more cars on the road?

Hon. John Baird (Minister of the Environment, CPC): Mr. Speaker, we will ensure rigorous environmental assessments are done before any sensitive ecosystems take place.

I want to thank the NDP for being brave enough to stand with those of us in the government against the Liberals' carbon tax plan. Why are the NDP against the carbon tax plan? They know it would hurt seniors living on fixed incomes. They know it would hurt people in Atlantic Canada who have to use home heating fuel for their homes. It would be the death nail of rural Canada. It would be a new tax on heating hot water.

Thank goodness the NDP is finally standing up against a new tax.

HEALTH

Ms. Joyce Murray (Vancouver Quadra, Lib.): Mr. Speaker, the health minister falsely claims that the science on Insite is mixed and, therefore, we should get rid of it. This gives me a bad feeling of déjà vu.

Was this not the tactic of big tobacco and Conservative climate change deniers to block needed action for so long: claim there is a scientific debate when, in fact, the scientists agree there is none?

Will the minister stop imposing his right wing ideology on Canadians, respect the court ruling and let Insite continue to save lives?

Hon. Tony Clement (Minister of Health and Minister for the Federal Economic Development Initiative for Northern Ontario, CPC): Mr. Speaker, the expert advisory committee was very clear. It found that only 3% of those who attend Insite actually get referred to treatment and that only 10% of those who use Insite use it for all their injections.

The expert advisory committee insisted that Insite only saved one life, and that life is important but I want to save more than one life. I want to save hundreds of lives around the downtown eastside, which is why we are focused on treatment and on professionals. Not one life should be lost.

* * *

● (1500)

CLUSTER BOMBS

Mr. Brian Storseth (Westlock—St. Paul, CPC): Mr. Speaker, last Friday, the international community formally recognized the grave consequences that inhumane cluster munitions cause to innocent civilians around the world. This was an historic day for countries such as Canada that have never used these weapons and also for the victims who have had to live through the adverse effects of the irresponsible use of cluster bombs.

It should be recognized that once again Canada has demonstrated leadership by being one of the original signatory states in leading the fight for victim assistance within this treaty.

Would the Minister of Foreign Affairs tell us what Canada's position is regarding the outcome of this new treaty?

Hon. David Emerson (Minister of Foreign Affairs, Minister of International Trade and Minister for the Pacific Gateway and the Vancouver-Whistler Olympics, CPC): Mr. Speaker, I thank the member for Westlock—St. Paul for his many years of diligent work on this very issue.

Canada is proud to join over 100 countries in welcoming the text of this very important treaty that addresses the humanitarian and developmental costs of cluster munitions. This text, endorsed unanimously by the participating countries, includes language to prohibit the use, production, stockpiling and transfer of cluster munitions. It requires existing stocks to be destroyed—

The Speaker: The hon. member for Sydney—Victoria.

TOURISM

Hon. Mark Eyking (Sydney—Victoria, Lib.): Mr. Speaker, *The Economist* states that the tourism industry worldwide has increased 6% and yet Statistics Canada states that the number of travellers to Canada has fallen to a record low, a 12.5% drop over last year.

Many tourist operators are facing a crisis and feel they are on their own with no help from the government. Many recommendations were brought forward to the House but no action has been taken.

Why is the government not showing any leadership in helping this vital industry?

Hon. Jim Prentice (Minister of Industry, CPC): Mr. Speaker, the member is not correct in his facts. Tourism continues to be a thriving industry in this country. The secretary of state continues to work on this file. We will continue to make progress.

Throughout the country, we will continue to welcome people from overseas and from the United States, and that will be the success of the industry.

* * *

[Translation]

PRESENCE IN THE GALLERY

The Speaker: It is with great pleasure that I draw to the attention of hon. members the presence in the gallery of 12 members of the Canadian Forces who are taking part in Canadian Forces Day today.

[English]

Canadian Forces Day is an opportunity for Canadians across the country to recognize the sacrifices that our men and women in uniform make on our behalf.

Some hon. members: Hear, hear!

ROUTINE PROCEEDINGS

[English]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Tom Lukiwski (Parliamentary Secretary to the Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Mr. Speaker, pursuant to Standing Order 36(8) I have the honour to table, in both official languages, the government's response to three petitions.

* * *

● (1505)

COMMITTEES OF THE HOUSE

PUBLIC SAFETY AND NATIONAL SECURITY

Mr. Garry Breitkreuz (Yorkton—Melville, CPC): Mr. Speaker, I have the honour to present, in both official languages, the third report of the Standing Committee on Public Safety and National Security.

NATIONAL DEFENCE

Mr. Rick Casson (Lethbridge, CPC): Mr. Speaker, I have the honour to present, in both official languages, the third report of the

Routine Proceedings

Standing Committee on National Defence in relation to its study on health services provided to Canadian Forces personnel, with an emphasis post-traumatic stress disorder.

* * *

TELECOMMUNICATIONS CLARITY AND FAIRNESS ACT

Mr. David McGuinty (Ottawa South, Lib.) moved for leave to introduce Bill C-555, An Act to provide clarity and fairness in the provision of telecommunication services in Canada.

He said: Mr. Speaker, I appreciate having 30 seconds or so to speak to this bill, which would direct the Minister of Industry to amend the conditions for PCS and cellular spectrum licences to include a prohibition against the levying of any additional fee or charge that would not part of a subscriber's monthly fee or monthly plan rate.

It also would require the government to direct the CRTC to gather information and seek input and make a major report on competition, consumer protection and consumer choice issues relating to telecommunication services in Canada.

I hope this goes some distance in addressing what many Canadians believe to be unfairness and a lack of transparency in the charging for services that are occurring on a monthly basis, including system access fees, which the federal government ceased requiring to be collected by the telephone companies some 21 years ago. Still today 18.5 million Canadian cellphone users are paying monthly charges. We intend to address this through the bill.

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

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[Translation]

ACCESS TO INFORMATION ACT

Mrs. Carole Lavallée (Saint-Bruno—Saint-Hubert, BQ) moved for leave to introduce Bill C-556, An Act to amend the Access to Information Act (improved access).

She said: Mr. Speaker, this is the first bill that I have had the honour of introducing in this House in four years. This bill will improve access to information, not simply by increasing access, but by making federal institutions completely accountable to the public. It is the spirit of the act and the basic principles that would be changed, and it would change this government's culture of secrecy.

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

* * *

[English]

PETITIONS

VOLUNTEER SERVICE MEDAL

Mr. Pierre Poilievre (Nepean—Carleton, CPC): Mr. Speaker, I would like to present a petition on behalf of my constituent Dave Palmer, who is calling on the Government of Canada, in conjunction with the Governor General, to adopt a new volunteer service medal to recognize Canadian volunteer soldiers who are not eligible for past volunteer medals that have been created.

Routine Proceedings

During a specified period of service to their country, Canadians from September 3, 1939 to March 1, 1947, received Canadian volunteer service medals. There was a similar medal between 1950 and 1954 to recognize Korea veterans.

There is no such medal, I am told by my constituent, for those who served after that period. My constituent calls upon the government to work with the Governor General, the Queen's vice regal, to create one.

● (1510)

DARFUR

Hon. Larry Bagnell (Yukon, Lib.): Mr. Speaker, I have another petition from Quebec, collected by STAND, to stop the humanitarian crisis in Darfur.

The petitioners note that in this horrendous crisis since 2003, 400,000 people have been killed and over 2.5 million people displaced. They say that Canada has the responsibility to engage the international community in dealing with these atrocities.

They want the House to know that each signature represents 100 innocent citizens of Darfur who have been killed.

[*Translation*]

FEDERAL PUBLIC SECTOR

Ms. Christiane Gagnon (Québec, BQ): Mr. Speaker, I have a petition with about one hundred signatures stating that the government pays 93% of federal public servants who serve the Canadian population across the country according to a national pay scale for the duties they perform. The remaining 7% continue to receive a regional rate of remuneration based on where they live and not what they do.

Consequently, the petitioners are asking the House of Commons to put an end to this discriminatory practice by ordering Treasury Board and all federal agencies to negotiate and pay national rates of remuneration for all individuals working in the public sector no matter where they work.

FOREIGN AFFAIRS

Ms. Christiane Gagnon (Québec, BQ): Mr. Speaker, I have another petition, signed by approximately 400 people, that is calling on the Canadian government to pressure the Israeli government and the international community to ensure the immediate release of prisoners according to the recognized principles of law, children, women and the thousands of non-combatants who have been detained for reasons Israel has no jurisdiction over, the majority of them being prisoners of conscience or political prisoners. They are also calling for the destruction of the occupation wall built in the occupied territories which, as affirmed by the International Court of Justice, is illegal and adds to the peoples' suffering while serving as an official reminder of the theft of Palestine's territories and resources.

[*English*]

HUMAN RIGHTS

Mr. Rob Anders (Calgary West, CPC): Mr. Speaker, human rights in China have not improved as a result of being granted the 2008 Olympic Games. In fact, they have become worse. The

continuing crackdown on Tibet by the Chinese government is an egregious violation of human rights.

The petitioners call upon Parliament to request that all Canadian politicians boycott the 2008 Summer Games in Beijing.

INTERNATIONAL AID

Hon. Andy Scott (Fredericton, Lib.): Mr. Speaker, I am pleased to present a petition initiated by the sociology students of Sir James Dunn Academy in St. Andrews, New Brunswick and signed by students and residents of St. Andrews in recognition of the fact the United Nations 2006 Millennium Development Goal report indicated that, between 1990 and 2002, the number of people living in extreme poverty in Africa increased by 140 million, that an estimated 824 million people in the developing world were affected by chronic hunger, that 10.5 million children died from preventable causes before their fifth birthday in 2004 and that global rates of HIV infection was still growing.

Therefore, the petitioners call upon Parliament to immediately take the necessary steps to establish a specific plan and timetable to increase Canada's aid budget to achieve an aid level of 0.7% of Canada's GNP by 2015.

UNBORN VICTIMS OF CRIME

Mr. Ken Epp (Edmonton—Sherwood Park, CPC): Mr. Speaker, once again, I have 1,500 new names on Bill C-484. The petitioners come from right across the country, but most of them are from Calgary and Fort McMurray in Alberta, and a large number in this group is from various locations in the province of Quebec.

The petitioners draw attention to the fact that when a pregnant woman decides to have a child, the forcing upon her of the death or injury of her unborn child is a violation of a woman's right to protect and give life to that child.

They urge Parliament to support Bill C-484, the unborn victims of crime act.

INCOME TRUSTS

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, I am pleased to again present an income trust broken promise petition on behalf of a number of constituents of my riding of Mississauga South.

The petitioners remind the Prime Minister that he promised never to tax income trusts, but he broke that promise by imposing a 31.5% punitive tax, which permanently wiped out over \$25 billion of the hard-earned retirement savings of over two million, particularly seniors.

The petitioners therefore call upon the Conservative minority government to: first, admit that the decision to tax income trusts was based on flawed methodology and incorrect assumptions, as was shown in the finance committee; second, apologize to those who were unfairly harmed by this broken promise; and finally, repeal the punitive 31.5% tax on income trusts.

Routine Proceedings

● (1515)

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, the following question will be answered today: No. 251.

[Text]

Question No. 251—**Mr. Paul Dewar:**

With respect to military equipment procured for use in Afghanistan in the last fiscal year: (a) what is the total figure for such procurement; (b) what were the top 20 items or expenditures, listed by amount; (c) how many contracts were sole-sourced; (d) of the total procurement during this period, what percentage of contracts were sole-sourced; (e) which contracts were so awarded, to which companies and on what date; (f) what was the value of each contract; (g) what criteria are used in awarding each of these sole-sourced contracts; (h) how many military contracts were awarded by Public Works and Government Services Canada on behalf of the Department of National Defence using Advance Contract Award Notice (ACAN) in the tendering process; (i) was ACAN invoked to award contracts on behalf of other government departments for non-military equipment in the last year and, if so, on behalf of which departments, on what dates and with respect to which contracts; (j) on an annual basis, since fiscal year 2001, how many times was ACAN used in the tendering of military contracts; and (k) which contracts were so awarded, to which companies, on what date and what was the value of each contract?

Mr. James Moore (Parliamentary Secretary to the Minister of Public Works and Government Services and for the Pacific Gateway and the Vancouver-Whistler Olympics, CPC): Mr. Speaker, Public Works Government Services Canada's reporting system, acquisition information system, does not specifically identify military equipment procured for use in Afghanistan.

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[English]

QUESTIONS PASSED AS ORDERS FOR RETURNS

Mr. Tom Lukiwski (Parliamentary Secretary to the Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Mr. Speaker, if Questions Nos. 247, 248, 252 and 253 could be made orders for returns, these returns would be tabled immediately.

The Speaker: Is that agreed?

Some hon. members: Agreed.

[Text]

Question No. 247—**Mr. Thomas Mulcair:**

With respect to the purchase, either by Public Works and Government Services Canada (PWGSC) for departments, agencies and Crown corporations, or by the individual departments, agencies and Crown corporations, in the fiscal years 2004-2005, 2005-2006, 2006-2007 and 2007-2008, of (i) media and public relations training, (ii) public opinion research, (iii) promotional materials related to press conferences only, (iv) hairstylists and estheticians, (v) spas and suntanning salons, (vi) sporting events, (vii) dry cleaning, (viii) taxis, (ix) retreats at resorts or conference centres: (a) by department, agency or Crown corporation, how many items or services in each category were purchased; (b) what was the total cost spent by either PWGSC or another department, agency or Crown corporation on each category; and (c) with respect to media training, what was the date and cost of each contract and who was the recipient of the training?

(Return tabled)

Question No. 248—**Mr. Thomas Mulcair:**

With respect to the purchase, either by Public Works and Government Services Canada (PWGSC) for departments, agencies and Crown corporations, or by the

individual departments, agencies and Crown corporations, in the fiscal years 2004-2005, 2005-2006, 2006-2007 and 2007-2008 of (i) pencil cases and knapsacks, (ii) televisions, (iii) flowers, (iv) carbon off-set credits for air travel, (v) microwaves, (vi) flatware, (vii) wine glasses, (viii) cameras, both regular and digital, (ix) golf balls and tees, (x) business ties, (xi) candies, (xii) alcoholic beverages, (xiii) jams, jellies and preserves, (xiv) land mines and clusterbombs, (xv) games, toys and wheeled goods, (xvi) DVDs and CDs, (xvii) perfumes, toilet preparations and powders, (xviii) clothes and footwear for ministers of the Crown and their staff, (xix) iPods or similar devices, (xx) hockey sticks and other sporting goods, (xxi) Tim Hortons coupons: (a) by department, agency or Crown corporation, how many in each category were purchased; and (b) what was the total cost spent by either PWGSC or another department, agency or Crown corporation on each category?

(Return tabled)

Question No. 252—**Mr. Paul Dewar:**

With respect to financial contributions made to individuals, researchers, journalists, non-governmental organizations, and academic institutions with respect to the Afghan mission over the last five years: (a) what individuals or entities have received government money to attend, organize or speak at public fora, such as conferences, seminars, or media outlets about Canada's involvement in Afghanistan; (b) where and on what date did these events take place; (c) what individuals or entities have received government money to publish books or academic articles about Canada's mission in Afghanistan; (d) what are the titles and publication dates of these publications; (e) what is the total amount spent, broken down by individual or institution, by year; (f) what are the terms of reference for each contract; (g) which departments awarded these contributions; (h) with specific reference to the Peace Dividend Trust (PDT), what financial commitments have been made by the government to this organization or its representatives; and (i) what services or deliverables has PDT performed for the government?

(Return tabled)

Question No. 253—**Mr. Paul Dewar:**

With regard to the government's development and reconstruction efforts in Afghanistan: (a) what are the proposed locations and start dates of each development project, including Provincial Reconstruction Teams, designed or implemented by the Canadian International Development Agency (CIDA), the Department of Foreign Affairs and International Trade or the Department of National Defence in Afghanistan since 2001; (b) what was the actual start date and location of each project; (c) what amount of funding has been allocated to each project to date, in actual amounts and percentage; (d) what were the deliverables of each project and what percentage of them, by project, has been attained to date; (e) how many evaluations or audit reports have been prepared by the government, or contracted to private consultants, on the development of projects in Afghanistan since 2001; (f) what are the dates of publication, titles and authors of each of these evaluations or reports; (g) of these reports, how many were done by independent assessors hired by government departments; (h) if carried out by private consultants, who were the principal investigators and what were the costs of each contract; (i) how many government employees, excluding Canadian Forces personnel, have been working on the government's development and reconstruction efforts in Kandahar province and which departments have they represented, on an annual basis, since January 2002; (j) how many of these government employees have been stationed in Kabul; (k) what amount of Canadian aid and reconstruction funds earmarked for Afghanistan under the discretion of Canadian officials, or directed to bilateral or multilateral projects, is estimated to have been lost, in dollar amount and in percentage terms, on an annual basis since 2002; (l) has the government attributed any of this lost money to corruption and, if so, what entities or personalities are believed to be responsible; and (m) how does the estimated amount of lost money compare to the money lost in CIDA-funded projects in sub-Saharan Africa and South-East Asia?

(Return tabled)

[English]

Mr. Tom Lukiwski: Mr. Speaker, I ask that all remaining questions be allowed to stand.

The Speaker: Is that agreed?

Government Orders

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

BUDGET IMPLEMENTATION ACT, 2008

The House resumed consideration of Bill C-50, An Act to implement certain provisions of the budget tabled in Parliament on February 26, 2008 and to enact provisions to preserve the fiscal plan set out in that budget, as reported (without amendment) from the committee, and of the motions in Group No. 1.

The Speaker: Is the House ready for the question?

Some hon. members: Question.

The Speaker: The question is on Motion No. 1. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Speaker: All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Speaker: In my opinion the nays have it.

And five or more members having risen:

The Speaker: The recorded division on the motion stands deferred. The recorded division will also apply to Motions Nos. 2 to 5.

I will now propose Motions Nos. 6 to 20 in Group No. 2.

Ms. Libby Davies (Vancouver East, NDP) moved:

Motion No. 6

That Bill C-50 be amended by deleting Clause 121.

Motion No. 7

That Bill C-50 be amended by deleting Clause 122.

Motion No. 8

That Bill C-50 be amended by deleting Clause 123.

Motion No. 9

That Bill C-50 be amended by deleting Clause 124.

Motion No. 10

That Bill C-50 be amended by deleting Clause 125.

Motion No. 11

That Bill C-50 be amended by deleting Clause 126.

Motion No. 12

That Bill C-50 be amended by deleting Clause 127.

Motion No. 13

That Bill C-50 be amended by deleting Clause 128.

Motion No. 14

That Bill C-50 be amended by deleting Clause 129.

Motion No. 15

That Bill C-50 be amended by deleting Clause 130.

Motion No. 16

That Bill C-50 be amended by deleting Clause 131.

Motion No. 17

That Bill C-50 be amended by deleting Clause 132.

Motion No. 18

That Bill C-50 be amended by deleting Clause 133.

Motion No. 19

That Bill C-50 be amended by deleting Clause 134.

Motion No. 20

That Bill C-50 be amended by deleting Clause 135.

She said: Mr. Speaker, I am pleased to rise in the House today to speak to these amendments at report stage of Bill C-50. My colleague from Acadie—Bathurst is the NDP EI critic, and all of us in the NDP caucus are very concerned and disturbed about what is taking place in Bill C-50, and the significant changes that are taking place to the employment insurance system.

We have previously debated changes that would take place to the immigration system and we had a lot of concerns about that. Certainly, on the amendments that are now before us, which will delete sections from the bill that have to do with setting up the new corporation for crown corporations, we think this is a wrong move by the Conservative government.

When we look back over the last 10 or 15 years, we see how much the employment insurance system has changed. It is very frightening. When workers in this country go to work, their EI deductions are made and employers pay their premiums. It is a system that workers believe in and feel they should be able to have faith that the system will work for them, that it will be there to help them through difficult times of being laid off or unemployed, particularly if they are seasonal workers.

That system previously worked. That system is paid for by employers and workers. There is not a penny of public funds or a penny from the government coffers in that system. It is a system designed to protect the interests of workers.

We know that today only about four in every ten male unemployed workers are collecting EI benefits at any given time. That is down from 80% in the 1990s. It is now down to 40%. It is even worse for women. Only one in three unemployed women are collecting benefits at any given time. That is down from 70% in 1990. Only 20% to 25% of unemployed workers in most major urban centres like Toronto or the Lower Mainland in Vancouver now receive benefits.

These are the statistics, but what is behind those statistics are the unbelievable hardship cases. People who, in good faith, work and pay into the EI fund and then when they apply for coverage because through no fault of their own they are laid off or unemployed, they find out suddenly that this system has, in effect, crashed. It is a system that does not work for them any more. In my own riding of Vancouver East there are many cases involving employment insurance. People come to my office who cannot understand why it is so difficult for them to get benefits and why they do not qualify any more.

Government Orders

Clearly, what has happened since the 1990s is that coverage has shrunk because there have been so many changes in the program rules. It began with the Liberal government and has now continued with the Conservative government. They are changes that have made it near impossible for workers to collect something that is their right, which is their unemployment insurance earnings.

In all urban centres, except Windsor, people now require 630 to 700 hours minimum to claim for 22 weeks or less. The threshold for new entrants is even worse. They need 910 hours and that really impacts young people, recent immigrants or women who are returning to work. All of these barriers exist to collecting something that people should have by right.

Under the current system, the basic benefit that is paid is 55% of the insured earnings, with a level of insured earnings averaged over a 26 week period, to a maximum of \$423 weekly. That is not enough to live on. Is it any wonder that the income gap is growing between people who are affluent and doing very well and people at the bottom, working people particularly, who are really struggling? People who go on to EI basically live below the poverty line. They struggle to support their families and then end up going to food banks. These are the kinds of cases I have seen in my riding.

We know that the replacement rate for insured earnings was cut in 1996 from 57% to 55%, itself the result of a cut from 60% in 1993. That was a cut from 66% in the 1970s.

● (1520)

We can see that we have an insured earnings rate that went from 66% down to 55%. These are really appalling figures and they really tell the story of how bad things are under the EI system.

We want to bring this to light and to show how this is impacting millions of workers in this country. I want to congratulate the Canadian Labour Congress and many affiliates of the CLC who have valiantly kept pace, done the tracking, and done the monitoring of what is happening to the EI system. Many of these figures come from the Canadian Labour Congress. If we did not have that independent research being done, I do not think we would have any idea just how bad things have become.

We know that in this budget bill the government created the Canada employment insurance financing board act. We know that it has set up this separate crown corporation, but to add insult to injury is the fact that the surplus in the EI account is now at \$54 billion. I cannot visualize that amount of money, but I know it is money that is being robbed from workers. I know it is money that has gone into general revenue that is being used for other purposes. Again, the previous government started it and the current government is continuing it. There are so many questions about what it will mean in terms of this new crown corporation.

One of the basic questions we have is, why is it that this crown corporation has only been set up with a fund of \$2 billion, when even the Auditor General of Canada says that what is required for insurance purposes is closer to \$10 billion to \$15 billion? We are very concerned that not only has the system so fundamentally changed in Canada over the last 15 years but even this new setup that we are dealing with today is going to do a great disservice to workers.

It is going to be a situation where yet again workers get cut out. Workers lose entitlement and rights and there will be no oversight from Parliament. At least now we have had some parliamentary oversight of the goings on and the scandal really, and I do call it a scandal, of what has happened to EI. Now with this arm's-length crown corporation, where will that parliamentary oversight be?

We are very concerned about these changes in the budget implementation bill. Our leader, the member for Toronto—Danforth, when he was at the Canadian Labour Congress convention just last Thursday, spoke on this issue to the 1,800 delegates who were there representing all of their affiliates across the country. He pointed out that the former government treated the money in the EI fund like money that it found and could use it however it wanted. He pointed out that the \$54 billion from the EI fund was used to pay down the debt. That was money that was owed to workers. That is money that belongs to workers.

We see this as the biggest theft in Canadian history. There is a great deal of anger among working people within the organized labour movement about what is taken from EI. I want to assure the affiliates of the CLC and all of the labour partners that we are not going to let this issue go. We are going to fight this tooth and nail because we think it is pretty scandalous the way workers are being ripped off in this country.

I know for example that the building trades, at their recent policy convention here in Ottawa, raised the issue of EI. The Liberals did not have any answers for them. The Conservatives did not have any answers for them even when they asked basic questions as to why the new board would only be allocated \$2 billion.

We have made these amendments today under Bill C-50 because we are so outraged about the budget bill generally, how it is really robbing workers of very basic entitlements: to feel secure, to feel safe, and to feel like they have something that they can rely on when they are hit by hard times.

I know that all of us in the NDP will be fighting these changes and I hope that other colleagues in the House will rethink their position. It is pretty appalling that the Liberals are willing to sit on their hands and to let this terrible bill pass through the House. That is what they have done before and that is what they are prepared to do again today. It is pretty appalling that they are going to let workers down that way. We should be fighting for these rights. That is what we intend to do.

● (1525)

Mr. Yvon Godin (Acadie—Bathurst, NDP): Mr. Speaker, the member for Vancouver East explained it very well in her 10 minute speech about EI and what has been created across the whole country.

Government Orders

At one point in time we did ask to have an independent fund to ensure that we took it away from the general fund and had a fund set aside, but surely we are not talking about a crown corporation where we cannot question it anymore. That is the difference between having a separate fund from the general fund and a fund that is a crown corporation, that when we raise a question here in the House of Commons about the fund, the government will say, "Go ask the crown corporation. It is not legislated by the government and we cannot answer anymore". Does she worry about that? That is one thing.

The other thing is that the Auditor General has said before that we should have about \$15 billion in the employment insurance fund set aside. Now there is only \$2 billion and I would like to hear what she thinks about that.

With Bill C-50, on which the Liberals tonight will not get up and vote, or just walk away like they usually do, they should lose their pay, because when workers walk away from their jobs they do not get paid, and the Liberals have been doing it pretty often lately.

With the \$2 billion that will be in this fund, this crown corporation, if the workers run out of money and they need more because of downsizing in the economy, they will have to borrow it from the government and there will be interest charged to them. The government already has a \$54 billion surplus and the workers will have to pay interest on their own money. What does the member think about that?

• (1530)

Ms. Libby Davies: Mr. Speaker, those are all very good questions.

There is no question that the Auditor General has said that there needs to be between \$10 billion and \$15 billion in that fund to provide enough of a cushion for when things get really rough, as they may well do, so why was it set up with \$2 billion?

I do not know if many people know that the member for Acadie—Bathurst has presented 13 bills on EI reform. He has done an incredible job on his own of bringing forward individual bills to try to fix this system that has been deliberately broken by two successive governments. We are very respectful and we admire his work very much, that he has taken the time to research what has gone on and to bring forward bill after bill to bring back the changes that are needed to create fairness for workers so that they can have access to this fund that they paid into.

The member raises some very important questions in terms of the set up of this new crown corporation, the fact that it will not have enough money, there will not be any parliamentary insight, and that with this new system, workers are still going to get ripped off. They are not going to get any more money. They are not going to get any better benefits. They are not going to get longer insurance.

This is just such a basic part of what we consider to be our social safety net in Canada. This is one of the things we are proud of as Canadians and it has been completely ripped to shreds by the two governments that we have had, so we really want to stand up to this and say that this should not be allowed to happen.

Hon. Andrew Telegdi (Kitchener—Waterloo, Lib.): Mr. Speaker, I want to get back to the debate on the sections of Bill C-50 that affect the Immigration and Refugee Protection Act.

The reason I want to do that is because we are making fundamental changes to the act, and instead of doing that through the front door by sending proposed changes, and changes are needed, to the Standing Committee on Citizenship and Immigration, so that the committee can conduct—

The Deputy Speaker: On a point of order, the hon. member for Acadie—Bathurst.

Mr. Yvon Godin: Mr. Speaker, I believe we are on EI now. The debate on the motions in group one, which were on immigration has passed and now we are on employment insurance.

The Deputy Speaker: Certainly if the amendments have to do with employment insurance, the member for Kitchener—Waterloo might want to explain how his speech about immigration is relevant.

• (1535)

Hon. Andrew Telegdi: Mr. Speaker, I might have been stretching it somewhat, so to speak, but Bill C-50 makes massive changes to the immigration act and unfortunately we really did not have the time in this House, nor did we have adequate time in committee, either to hear from the public or to debate these fundamental changes.

Seeing that this is all part of Bill C-50, I was hoping that we could talk about it in this chamber, because I think the changes that would be made in one of our most important departments and in the whole issue of immigration are going to be so massive and so destructive to everything we have done in the past that they are certainly worthy of debate.

The Deputy Speaker: I am not sure whether the member just relinquished the floor or whether he was responding to the point of order.

Hon. Andrew Telegdi: I was responding to the point of order.

The Deputy Speaker: The hon. member for Acadie—Bathurst.

Mr. Yvon Godin: Mr. Speaker, as for responding to it, we already had debate on it. You called it out just before question period and said that after question period the debate would continue. Nobody from the Liberal Party found it important at that time to get up to speak on the immigration issue and then you closed the debate. We voted on it.

Now we have switched to employment insurance and Group No. 2, which is another part of Bill C-50, I agree with the member. He wants to talk about immigration as part of Bill C-50, but that was part one, which we did before question period. Those members had enough time. As a matter of fact, if it was all that important they could have talked about it all night and we would have stayed here, but they did not choose to get up. Then you switched from the immigration issue to employment insurance, Mr. Speaker, and I think we should respect the debate.

The Deputy Speaker: In the opinion of the Chair, the member for Acadie—Bathurst has a point. The reason we group amendments is so that we can discuss all the amendments that are lumped together as relevant to one particular piece of legislation.

Government Orders

The group that we now have before the House does have to do with employment insurance. If the member for Kitchener—Waterloo feels that he can only talk about the section of the bill that actually came before this grouping, then maybe he should reconsider.

On the same point of order, the hon. member for Hull—Aylmer

Mr. Marcel Proulx: Mr. Speaker, I know that my colleague, as he himself said, was stretching it somewhat, except that it was his way of getting into the discussion. I am sure he will be addressing the problems that the first part of the discussions this morning will bring on to the second part of the discussions this afternoon.

The Deputy Speaker: Having said everything that I have already said, I look forward to how the member for Kitchener—Waterloo makes the connection.

Hon. Andrew Telegdi: Mr. Speaker, given that I did speak on it prior to question period and I did not think we had adequate time to address it, I will return to the topic at third reading.

However, I just want to make the point that the changes being proposed are going to have an incredible impact on the whole process of immigration to this country, and some of those fundamental changes are going to be draconian, which is something that is certainly worthy of more debate than we have had on the issue.

The Deputy Speaker: Resuming debate. The hon. member for Chambly—Borduas.

[*Translation*]

Mr. Yves Lessard (Chambly—Borduas, BQ): Mr. Speaker, indeed, we are now talking about Group No. 2, the amendments concerning employment insurance. At the outset, on behalf of the Bloc Québécois, I must say that we will support the NDP's amendment to remove the part that deals with the employment insurance board.

Let me provide some context for the people listening today. At the Bloc Québécois' request, the House dropped two successive bills, one of which died on the order paper just before the last election.

That was about the creation of an independent fund with full, exclusive authority over the administration of employment insurance benefits by commissioners selected, for the most part, from among employers and employees. Why? Because they are the ones who pay into the fund.

The board proposed in Bill C-50 does not meet those criteria. Not only that, but it entrenches an injustice perpetrated on both workers and employers: the diversion of \$54 billion from the employment insurance fund.

There are some people in this House who would like us to forget about that money. They are doing their level best to make us forget, but we will not forget. They would have us believe that the money is virtual. It is not. Workers and employers who contributed put real money into the fund. Both the Liberals and the Conservatives have used that money for other purposes. Today, they are trying to convince us that because it was spent on other things, it no longer exists and is therefore virtual money.

I would also note that representatives of all parties on the Standing Committee on Human Resources, Social Development and the

Status of Persons with Disabilities unanimously recommended that the money be returned to the employment insurance fund at a rate of at least \$1.5 billion per year for 32 years. At the time, about \$46 billion had been diverted; now that figure has risen to \$54 billion, as I said earlier.

My NDP colleague said earlier that this would be a serious economic crime against the unemployed, their families and the communities and the provinces affected. Each time money does not return to the provinces through employment insurance benefits, the provinces—notably, Quebec—have to make up for this lost revenue with welfare.

Once again, this further worsens the fiscal imbalance. And none of this will be improved by the board. Even worse, within the fund there will be a reserve of \$2 billion that will come from the consolidated revenue fund, but as a loan. At least admit that this reserve is money owed to the people.

The reserve is absolutely insufficient as well. The chief actuary of the Employment Insurance Commission has been saying for many years that the reserve should be at least \$10 billion to \$15 billion. Why? So that year after year, whatever the rate of unemployment, we can provide at least one year's worth of EI benefits according to the fund's obligations.

We are not the only ones who are saying this. Everyone who came to testify in recent days at the Standing Committee on Human Resources, Social Development and the Status of Persons with Disabilities, including the major unions, employers and interest groups such as those representing the unemployed, came to say that this reserve is insufficient and that the \$54 billion should not be forgotten.

Those are the first two points I wanted to bring up.

● (1540)

The third point is that the government is creating a new board separate from the commission, but is keeping the commission in place. The board is an addition. There will therefore be one decision-making body and two management bodies. The main management body is the Employment Insurance Commission. It will continue to ensure that benefits are paid in accordance with the minister's decisions. It will have no decision-making authority. The minister will make decisions based on the previous year's experience and will recommend a premium rate to the board. When he testified on April 29 and May 27, the minister essentially said two things. According to him, the employment insurance system is already generous enough. He said that. However, we find that the system currently excludes 60% of workers who pay into the fund. If they are unfortunate enough to lose their jobs, they are excluded under existing conditions and cannot receive benefits.

In a written statement that was tabled in committee, the minister also said that, from now on, any surplus can be used only to reduce premiums. That reflects a dangerous and unacceptable ideology that is based on the same principle as the one behind reducing the GST. Of course, every time it reduces the GST, the Conservative government subsequently finds a reason to cut social spending. Now the government wants to do the same thing with employment insurance, as if it had not done enough damage already.

Government Orders

Initially, we were in favour of the board because the government said its sole function would be to manage contributions in the interests of the unemployed. In fact, this is not true, as we have seen. Not only is this not true, but the board will work against the interests of unemployed workers. As I said earlier, the government is legalizing the theft of \$54 billion and saying that in future, this money will not be used to help rebuild the fund, much less improve benefits. Instead, from now on, it will be used to reduce premiums. That is the government's philosophy, and it is unacceptable. I said earlier that we were in favour of the board because the clear intention was that, from now on, this fund would be used only for employment insurance.

The minister's statements, the facts revealed to us in committee, as well as the concerns expressed by the stakeholders, showed us that this board would not assume the responsibility I just described.

There is another thing. By separating the roles, by not allowing the Employment Insurance Commission to set the rates, the government is trying to have it both ways. We think it would be wise to create an Employment Insurance Commission worthy of that name. Commissioners are appointed by the minister, of course, but recommended by whom? We need to have commissioners who serve the interests of contributors, which would mean people who, for the most part, are recommended or delegated by the employer and employee organizations. Also, as was the case for large management companies in Quebec, these people need to be able to work alongside consultants who can give them information about decisions to be made. The chief commissioner is one of them. A representative from the Canadian Institute of Actuaries also came to speak about this. He said that the fund needed to be managed by taking into account a five-year period, that it should have a reserve fund that is worthy of the name, and that it should be used exclusively for employment insurance.

• (1545)

I thank you for your attention, Mr. Speaker, and I truly hope that our colleagues here will vote in favour of the amendment before us in order to remove the employment insurance financing board from this bill.

Mr. Christian Ouellet (Brome—Missisquoi, BQ): Mr. Speaker, I congratulate my colleague on the clarity of his presentation regarding the misappropriation of \$54 billion by the government.

Is reduced accessibility to employment insurance benefits not part of the poor treatment of workers? The member for Chambly—Borduas gained some insight into this, as we did, when he met with people who were truly depressed and about to be declared clinically mentally ill because workers are not being looked after when they experience the shock of becoming unemployed.

Does this mean that monies should be transferred to Health Canada, which must look after those suffering from depression because the employment insurance fund did not meet their needs as it should have?

• (1550)

Mr. Yves Lessard: Mr. Speaker, I would like to begin by congratulating the hon. member for Brome—Missisquoi on his excellent work concerning homelessness and the whole issue of housing.

He is quite right about how the fund has been used over the years. As everyone will recall, when there was a high unemployment rate, the fund could not fulfill its obligations through contributions. Here is how it worked: when there was not enough in the fund through contributions, the national treasury loaned money to the fund and contributions were later adjusted to pay back the treasury, and this always worked out.

When the EI fund was rolled into the consolidated revenue fund, the government at the time, a Conservative government, began dipping into that fund. First, it tried to lower contributions as much as possible in order to limit benefits as much as it could. This government is trying to adopt the same system.

When the Liberals came to power, they re-established a certain level for contributions to meet their obligations, but they began restricting access to benefits, gradually excluding over 50% of people who normally would have received benefits if they became unemployed.

My colleague is quite right to say that this strategy was used to create surpluses, at the expense of people who lost their jobs, in order to use those surpluses to pay off the debt or pay for other budget items.

This is appalling, especially since it has been inflicted by the government on the people who are hurting the most.

Mr. Yvon Godin (Acadie—Bathurst, NDP): Mr. Speaker, we are talking about a crown corporation. I know that the Bloc Québécois has always supported the concept of an independent fund, just as I have.

However, with respect to the employment insurance financing board, a crown corporation that will be created tonight following a vote on Bill C-50, is the member concerned that the same thing will happen with this entity that is happening with all of the other crown corporations, such as CBC/Radio-Canada and Canada Post, that is, when members of the House ask the government a question, it will say that it is not responsible and refer us to the crown corporation in question? Is he concerned that once such a board is in place, the government will wash its hands of the whole matter and the fund will be lost?

Mr. Yves Lessard: Mr. Speaker, my colleague is absolutely right. Our discussions with the minister have pointed to that happening. Why take this matter out of the hands of commissioners, as I was saying earlier, and give the responsibility to a board?

The board will have no power other than making sure that contributions are sufficient to comply with the requirements set by the minister. In other words, the real work will be done by the chief actuary, who will advise the commissioners.

This is the problem our colleague raised: once they have a purely technical role and no performance obligations with respect to the decisions they make, they will lose control over decision-making; their only purpose will be to rubber-stamp other people's decisions.

Government Orders

●(1555)

Mr. Yvon Godin (Acadie—Bathurst, NDP): Mr. Speaker, I am pleased to rise in the House today to speak to part 7 of Bill C-50, although I am not pleased about what is happening. I will be clear with all Canadians, including workers and businesses.

This evening, we will see the first vote that will truly legalize the theft from the employment insurance fund. This evening, we will see \$54 billion being taken away. That is what will happen. The sad thing in all of this—and we saw this coming—is that the NDP proposed amendments, which went to the Standing Committee on Human Resources, Social Development and the Status of Persons with Disabilities, asking that, if such theft must occur, that there at least be a mechanism in place to try to help workers.

For example, the Auditor General said that a \$15 billion cushion was needed in the employment insurance fund. We would like to have an amendment stipulating that there be at least \$15 billion in the crown corporation. The Liberal Party refused and even refused having \$15 billion out of \$54 billion placed in the employment insurance fund. It voted against that.

Today, we are in the House of Commons and we see that to date, the Liberal Party of Canada has not even stood up to explain whether it is for or against Bill C-50, which is the government's budget implementation bill. The government will take this \$54 billion, put it aside and forget about it. That is what is going on right now.

What is more, in Bill C-50 the government is saying that it will put \$2 billion into the crown corporation. If there is a problem with the economy, money can be borrowed from the government's general funds and interest will be charged. Imagine that. Today we see that the Liberals are not even standing up to condemn this. I am talking about \$54 billion that was taken out of the pockets of workers. Those people got up every morning to go to work and that money was deducted from their pay.

If the government wants to pay down the debt, it can use the taxes we pay. I remember when the Mulroney Conservatives brought in a new formula called the GST, which was to be used to pay down the debt. But instead of paying down the debt with the GST, the taxes people paid, the Conservatives decided they would use the money in the employment insurance fund and hit workers. When workers lose their jobs, they have no money to defend themselves in court. They cannot defend themselves. If workers try to get money from Imperial Oil, Shell, Ultramar or Irving in New Brunswick, these companies can afford to take the workers to court. The poor workers, who have lost their jobs and have no more money to feed their families, cannot afford to go to court. That is who the government is taking money away from. The government is taking money away from the poorest, most vulnerable members of society. That is what the Liberal government did in 1996. It made cuts to employment insurance, and the Conservatives supported those cuts.

In 2005, the last year the Liberals were in power, 28 recommendations were made regarding employment insurance. Among those recommendations was one made by the Conservative House leader that the \$54 billion be put back in the employment insurance fund within 10 years. The Bloc Québécois had generously called for a timeframe of 32 or 33 years. The current Conservative House leader said that this should be done within 10 years. The

money belonged to employers and employees and should be returned to them.

Now, the Conservatives are telling us that this is just virtual money, that it disappeared because it was spent and that this is the Liberals' fault. They have brought in a bill that legalizes all that. They are also telling us that if we want to get our money back we will have to pay interest. This is a sad day. It is true that they would like us to stop talking about this.

●(1600)

Why should we stop talking about the biggest theft in Canadian history? It is the worst scandal to have ever taken place in this Parliament. It is even worse than the Liberal's sponsorship scandal and the Conservatives spending \$1.5 million over the \$18 million spending limit in the last election. We are talking about \$54 billion. This money could have been used to help people, but instead people are forced to go on social assistance and to embrace poverty. That is the end result.

In Canada, only 32% of women and 38% of men are eligible for employment insurance; some 800,000 workers are ineligible. Furthermore, 1.4 million children are hungry. How many times have I said this in my speeches in the House of Commons? I have never tired of repeating it. Today it seems that the Liberals are tired of hearing it and are in a hurry to move on.

The member for Kitchener—Waterloo rose earlier saying that he wanted to talk about immigration. He had already had an opportunity to do so. He said that it was terribly important and that he wanted to talk about immigration. If it is so important, he will have the opportunity to vote this evening and tell the government that he does not agree with it. The Liberals do not have to sit on their hands or leave Parliament or not vote. This evening, if the Liberals decide to remain in their seats and not vote, that will mean that they approve of the Conservatives' theft from the employment insurance fund, a theft from the workers that they initiated in 1996. I hope that workers are listening today and that they do not forget what happens.

[English]

I hope some workers are listening to what is being said here. The government has decided to put Bill C-50 to a vote tonight. The Liberals will just sit in their places. They have decided not to vote on the bill. As a matter of fact, they have decided not to speak to the bill at all today.

Government Orders

I hope the men and women who call their members of Parliament telling them they cannot get their employment insurance will understand that today the Conservative Party and the Liberal Party have stolen their \$54 billion employment insurance surplus. There are provisions in Bill C-50 to create a crown corporation and only \$2 billion will go to the crown corporation. What is going to happen if it runs out of money? The bill is very clear. If Canadian workers need money from employment insurance, the money will have to be borrowed from the government and interest will have to be paid on that money. They will have to pay interest on their own money, something never seen before in the history of this country. The vote is going to happen tonight. It is a sad day for workers. I hope workers never vote for the Conservative Party or the Liberal Party based on the action those parties are going to take against workers tonight. Canadians must remember.

When a person has a job, things go well and he or she has no problems. However, when the person loses his or her job and the paycheques stop coming in, it is a sad day not just for the worker, but for the family under the person's responsibility.

There are 1.4 million kids in this country going hungry. When 800,000 people do not qualify for a program that belongs to them, they will go hungry because they will have no money. The Liberals are partly responsible for this. The Conservatives are totally responsible by introducing Bill C-50 and creating this crown corporation.

Having a crown corporation means that when a member of Parliament raises a question about EI premiums, the government will tell the member to ask the crown corporation. It is arm's length to the government. The government will not answer any questions, just as it does not answer any questions about CBC or Canada Post.

• (1605)

[*Translation*]

For this reason, I am proud that the NDP members will stand up this evening in the House of Commons and vote, unlike the Liberals, against this bill and against the immigration bill. They are not like the Liberals, who will remain seated and so shirk their responsibilities as parliamentarians and as Canadians.

Ms. Louise Thibault (Rimouski-Neigette—Témiscouata—Les Basques, Ind.): Mr. Speaker, I would like to thank my colleague, always true to form, passionate, full of emotion, just as we should be when we are defending the common good of those whom we represent. I say it often, and I will continue to do so: I truly appreciate the comments and the ardour that my colleague puts into his speeches.

My question is very simple. For all of those who are listening to us and will follow the events right up until the vote tonight, could he explain the fate of the \$54 billion, to become \$2 billion if this reserve is created? What will happen to the \$52 billion that belongs to both the workers and businesses that contributed to the current fund?

Mr. Yvon Godin: Mr. Speaker, the sad part here is that in 1986, after the auditor general said that this money should go into the general fund, all of a sudden the government had found a cash cow. This is the government's cash cow. Each time the government announced profits, a surplus, or even a balanced budget, it was at the expense of workers.

The question was asked of the Liberals when they were in power and of the Conservatives. They only responded that we should wake up, because they had taken the money. They admitted having spent it and that the money was gone. This evening, they will legalize this theft. That is what they will do.

Then, we will hear that if the workers need money they will have to borrow it and pay interest on that loan, because there will be interest on the \$54 billion that belongs to them. That is the sad part, and we will find out the ending tonight.

The other sad part is that, instead of borrowing money, the government will reduce EI even more, which will mean less for the workers.

These are the two things that can happen after tonight. This marks a sad day in Canada's history. This is \$54 billion gone into the coffers of the government, which used them for sponsorships, as we know, or other things that were not good for Canadians.

Mr. Yves Lessard (Chambly—Borduas, BQ): Mr. Speaker, I would first like to congratulate my colleague for the very fair analysis that complements my own. We have been working together since 2004 to prepare the 28 recommendations that were referred to earlier.

The first eight recommendations aimed specifically to create an independent fund that is independently administered and to ensure that the money that had been diverted was very gradually returned to the fund.

All members are facing this reality in their respective ridings. We are all meeting workers who are struggling with this problem. We are talking with them. They voted for us and entrusted us with this mandate. I am referring specifically to the hon. member for Louis-Hébert, the hon. member for Charlesbourg—Haute-Saint-Charles, the hon. member for Lévis—Bellechasse and the hon. member for Roberval—Lac-Saint-Jean. I know they have worked directly with unemployed workers. They promised those workers a POWA, an income support program for older workers, and a solution to the problems of access to EI.

Can my colleague, who has been a member of this House longer than I have, explain to me how it is that these decisions are being reached, decisions that negate the commitments made to workers and other people directly involved? Is there an explanation for this?

Mr. Yvon Godin: Mr. Speaker, the only explanation I can give is that in order to do those things, you must be either a Conservative or a Liberal.

I remember the members for Bourassa and LaSalle—Émard who, in 2005, promised to change employment insurance if they were elected, but they did not. Now it is the same thing for the others.

I went to Forestville myself—I believe that the member for Chambly—Borduas was there, at least some of the members of his political party were there—where 2,500 people, workers and business owners, demonstrated in the streets. Everyone said that the changes made no sense.

Government Orders

Today, the Liberals have not once stood in the House of Commons to discuss the employment insurance fund. As for us, we will ensure that workers know that the Liberals are no more interested in making changes to employment insurance than they are interested in repaying the workers.

So, the only answer I can give is to say that in order to act this way, you would have to be a Liberal or a Conservative. The Liberals and the Conservative have been making promises for 100 years without keeping them, and that will be the case again tonight.

• (1610)

[*English*]

Ms. Chris Charlton (Hamilton Mountain, NDP): Mr. Speaker, I am pleased to rise to speak to the EI provisions in the budget implementation bill. My riding is part of steel town, Hamilton, the city that was built on a vibrant manufacturing sector where industrial workers earned family sustaining wages. Unfortunately, today those decent paying jobs are disappearing. They are being replaced by minimum wage, service sector jobs with no job security, few if any benefits and certainly no defined benefit pension plans. In that regard, Hamilton is a microcosm of what is happening in the country as a whole. We have lost 350,000 manufacturing sector jobs in the last five years alone and we are still hemorrhaging 300 additional jobs each and every day.

As the manufacturing sector is confronted with the tsunami of job losses, we as elected members have a responsibility to mitigate its impact on the hard-working Canadians who are losing their jobs through no fault of their own.

That of course was the original reason for creating EI, or unemployment insurance as it was originally known. It was established so workers who lost their jobs would not automatically fall into poverty. EI is the single most important income support program for Canadian workers.

In 2004-05 almost two million workers received some \$13 billion in benefits. Just under two-thirds of that amount was in the form of regular benefits for temporarily unemployed workers actively seeking work, while most of the remainder was for parental and maternity benefits, which allow a new parent to take up to a year's supported leave from the workforce.

It is a myth that the EI program is mainly accessed by frequent users in high unemployment regions. While the program is indeed of vital importance to seasonal workers and other workers in high unemployment areas, only about one-third of regular claims in 2004-05 were filed by so-called frequent claimants.

In today's labour market, many workers can and do experience periods of interrupted earnings and require temporary income support. But even workers who never, or very rarely, make a claim have the knowledge that support would be there if needed. In short, the EI program was designed to help reduce poverty and insecurity. In the process, it stabilizes community economies.

It is true that the stabilization effects were significantly weakened by the cuts of the mid-1990s. When the Liberals were in power, the then finance minister took almost \$50 billion of workers' money out of the employment insurance program and used it to cut taxes for his friends in corporate Canada. By the end of their 13 long years in

office, the system had been gutted so badly that only 38% of unemployed workers were receiving benefits, down from more than 75% in the early 1990s before the Liberals took office.

Women were particularly disadvantaged because they make up the bulk of the part time workforce. Only three in ten women who lose their jobs are now eligible for EI.

Similarly, long years of service in the workforce no longer count for anything when it comes to collecting EI benefits. Workers on leave for training, the key to staying employed and employable in a modern economy, are also no longer covered. Why? Because after the Liberals took close to \$50 billion out of the employment insurance program, there was little left to meet the program's original mandate, except it was not their money to take.

Employment insurance is funded solely by worker and employer contributions. The government simply administers the fund, so why are benefits being denied to those who have faithfully paid their premiums? Why do Ontarians get on average \$5,000 less in EI than people in other parts of the country? Why is it virtually impossible to access retraining benefits when disaster strikes? New Democrats have been raising these questions in the House of Commons since the former Liberal government first started this unscrupulous raiding of the EI fund.

With the change in government in 2006, voters could be forgiven if they thought that a Conservative government might lead to some positive change. After all, before the election, it was the Prime Minister, then serving as the leader of the opposition, who joined us in harshly criticizing the raiding of the EI surplus, but that was then and this is now. Once elected, the Conservative government simply continued to rob workers of what is rightfully theirs.

It is totally unacceptable and frankly incomprehensible that last year when there was a \$51 billion surplus in the EI fund, 68% of women and 62% of men who pay into the system were not eligible for benefits. It is time to say enough is enough. Workers' rights have been pushed to the side for far too long.

Government Orders

That brings us to the bill that is before the House today, Bill C-50, the implementation bill for the 2008 budget. What does it do? Instead of doing right by hard-working Canadians and returning all of the employee and employer contributions to the EI fund, it does the unthinkable. It legalizes the theft of \$54 billion. That is the biggest theft in Canadian history and it is being perpetrated in the House of Commons and in the Senate. That is wrong and it is completely unacceptable. That money belongs to workers and their families. It is time to give it back. Workers deserve enhanced benefits, not enhanced bureaucracy, but more bureaucracy is all that the workers are getting from the government.

• (1615)

The Conservatives are setting up a new Canada employment insurance financing board that is mandated to use surpluses to reduce premiums instead of using them to improve access to benefits and the quality of benefits for Canadian workers.

Moreover, the reserve fund is limited to just \$2 billion. Even then the bill says that the finance minister may give that sum to the board, not that he has to. How can we ensure there will be enough money in the reserve permanently?

The EI fund is supposed to protect workers in the case of economic downturns. It needs to be recession proof, but the Auditor General has estimated that \$10 billion to \$15 billion would be the amount required to balance the employment insurance account in the event of a recession.

I could go on forever, but I realize that I am running out of time, so let me reiterate my main concerns.

I have concerns about the legalized theft of the \$54 billion surplus. I am concerned that the surpluses will not be used to improve access to or the quality of benefits for Canadians, which may even be a step toward the covert abolition of the employment insurance program altogether.

I am concerned about the reallocation of the most recent employment insurance surplus. I am concerned about the government's evasion of its obligations to workers since it will not have to answer for a crown corporation in the House. I am concerned about the uncertain funding for the reserve fund. I am concerned about the possible inadequacy of the reserve fund. I am concerned that the establishment of the board in no way improves Canadians' access to benefits or the quality of those benefits.

I am concerned about a potential suspension of benefits. I am concerned about the government's focus on establishing the board rather than attending to the employment insurance program's real problems.

These concerns are shared by thousands of hard-working Canadians in my riding of Hamilton Mountain and, indeed, right across our country. Yet today, the government is ramming it through the House just like it rammed it through committee.

There were no meaningful consultations. There were no cross-country hearings nor indepth study. The finance committee closed down debate on the bill. The Conservatives imposed a five minute limit to each speaker, and the Liberals supported that motion, five minutes to steal \$54 billion. Workers deserve better. The EI surplus

comes from their pockets. Unemployed workers desperately need these funds.

I urge all members of the House to do the right thing now, especially my Liberal colleagues. They should put the needs of working families in their ridings ahead of their own electoral needs. I know the Liberals do not want an election this spring and to vote against the government would trigger one, but this is not about their future; it is about the future of workers in our country. This is the time to stand up and be counted.

I am proud to stand with my NDP colleagues in voting against the bill. We know which side we are on.

Mr. David Christopherson (Hamilton Centre, NDP): Mr. Speaker, first, I thank my colleague from Hamilton Mountain for standing up so strongly and clearly for the interests of the working people in her riding. Everything she has mentioned that applies to them applies to all workers in all our ridings.

One thing should jump out, and I will ask the hon. member to expand on it a bit so everybody truly understands. She spoke of the 68% of women who did not qualify. The underlying message is this is of the people who pay EI premiums. It would be insulting and awful enough if it were true, that 68% of all the population did not qualify, but it is worse.

Of the 100% of people who pay, that is how many do not qualify. Would the member expand on that in any way she can to get that message across, that this is about as clear a legal rip-off as we are ever going to see, made worse by the budget bill in front of us?

• (1620)

Ms. Chris Charlton: Mr. Speaker, my colleague from Hamilton Centre makes the important point of the debate. The money we are talking about, the theft we are talking about, of \$54 billion is money that has been paid into the EI fund by workers and employers specifically to cushion the blow when they lose their jobs.

The fact that over 65% of men and women are not eligible to access this money is the crime that is really being perpetrated in the House. It goes beyond just the statistics.

In our hometown of Hamilton, which the member for Hamilton Centre and I obviously share, people are trying to access training dollars through EI. I do not know if members have been speaking to people in their riding, but accessing training dollars is almost impossible.

The burden that the paper process put on workers to demonstrate the skills they have used in successful careers for years are no longer needed in their community takes an inordinate amount of time just to satisfy the burden of proof. By that time, they are almost running out of their EI benefits, and training programs often take a year or two. They no longer have the EI benefits to assist them in the retraining to again accept jobs in our communities.

The EI program no doubt needs fixing today, but the government's solution of legalizing the theft is not a solution for the hard-working people in ridings like Hamilton Mountain, Hamilton Centre and right across the country.

Government Orders

[Translation]

The Deputy Speaker: It is my duty, pursuant to Standing Order 38, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Mississauga South, Airbus; the hon. member for Moncton—Riverview—Dieppe, Airbus; the hon. member for Willowdale, Automotive Industry.

[English]

Resuming debate, the hon. member for Hamilton East—Stoney Creek.

Mr. Wayne Marston (Hamilton East—Stoney Creek, NDP): Mr. Speaker, I am very proud to rise today to join my friends from Hamilton Centre and Hamilton Mountain in this important debate.

I will be speaking to Bill C-50, as the others have, and in particular the aspects of Bill C-50 concerning employment insurance. One of the most important parts of this debate must include how the unemployment insurance fund came to this end, how it became employment insurance in the first place and what it meant to the working people who had been paying into the fund all of their working lives.

I can recall in the early to mid 1990s the finance minister of the day, the member for LaSalle—Émard, undertook substantial and fundamental changes to the social compact that Canadians held so dear. It was also what we believed was part of the very foundation of why Canada was a great country. It took into account the needs of people when they fell on hard times.

It was during this period that new buzzwords started to appear and it became the language coming from Ottawa, the bubble that is Ottawa. “Downloading” and “offloading” were among the most destructive of the words that I heard used. One may ask why? In the name of deficit fighting, the Liberal government of the day foisted changes in the form of the Canada health and social transfer onto the provinces. The Liberal government systematically began to seriously cut back the funding the federal government was transferring to the provinces, as well as offloading many of their responsibilities.

Included were changes to the Unemployment Insurance Act, which were meant to reorganize the act and begin to focus more on retraining, as we heard the member for Hamilton Mountain speaking about a few moments ago. In my community of Hamilton, workers began a cycle of training, retraining and then some more training, but no one understood what they were training for because there was a serious job crisis at that time. No jobs were available, just this cycle of training and retraining.

In addition, during that period, the theft of some \$50 billion of worker and employer contributions was well underway. However, to grow the fund to the unprecedented size of in excess of \$50 billion, the Liberal government first had to build up the fund and to do so, changed the eligibility rules. Following the massive rule changes, Canadians found that instead of the benefits they previously could depend on, the benefits that for years they had paid for, more and more Canadians found they did not qualify for the benefits at all or, if they did, they received them for a far shorter time period.

This effectively forced some Canadians onto welfare rolls. These Canadians were offloaded, so to speak, from the more equitable

funding available from income tax and shifted over to the less comprehensive programs funded by property tax. That not only hurt those workers, but it added a new burden to the municipalities. We have heard from the FCM how it has the \$23 billion deficit in infrastructure in the country, and that is part of the reason it has that. However, municipal governments, especially in hard times, had to raise property taxes and that hurt people on fixed incomes, pensioners or low income earners.

Canada's employment insurance program was significantly undermined by the previous Liberal government. Canadians knew it as one of the strongest programs, which helped working people when they lost their jobs. When they needed bridging to new employment, this program used to provide funding for unemployed workers. Some 80% of unemployed workers used to get EI, or UI as we knew it, to help them through that transition. As a result of the cuts made by the previous Liberal government and other changes to EI, it significantly undermined who would get benefits and the level of those benefits.

Today, about two-thirds of Canadians do not get employment insurance benefits. I still find it impossible to accept that new language. The fact that so few actually get the benefits is shocking. If other insurance companies refuse to allow individuals access to the benefits they have paid into, there would be a huge uproar across the country.

This move to EI and what we have before us today is completely unfair. Working people across Canada and employers, in good faith, have paid into the employment fund for many years, building a huge surplus. The estimates vary but some say it is as high as \$57 billion. It now appears the previous government, as well as the present government, used that money to pay down the debt and for other programs. People who have been paying into the fund and who ought to get the benefits are denied those benefits.

● (1625)

This is at a time when the current government's budgets have failed to invest in strengthening our economy and opted instead to reduce social spending in favour of the huge corporate tax breaks to the banks, oil companies and gas companies. Consecutive Liberal and Conservative governments collected EI premiums and made a conscious decision not to distribute those proceeds to the people who need them.

The jig is up. What will the Conservative government do with this misappropriation of the EI premiums of Canadians? What is its goal? Rather than saying there is an imbalance between the money paid in and the abysmal level of benefits and services available as a result of the inadequacies in the EI program, the Conservatives have decided to write these billions of dollars off Canada's book. To ensure that they never have to repay the money, they are setting up a separate account that will not be accountable to Parliament.

In spite of all the rhetoric we hear day in and day out in election campaigns about accountability, the Conservatives are legislating accountability away in this bill.

Government Orders

This should be unbelievable. Sadly, and equally unbelievable is the Liberals who, in the ultimate act of self-preservation, will sit on their hands, take a walk or somehow allow this stuff to occur. I guess it is understandable when they already were accomplices to the theft or even the masterminds behind so many of the subtleties of the theft that it led to the legislation before us today.

How does this provide fairness and support for unemployed workers across the country?

People in my riding of Hamilton East—Stoney Creek are among the thousands who have lost their manufacturing jobs. These manufacturing jobs paid living wages, provided good benefits and allowed workers to live and retire in dignity with adequate pensions. Unfortunately, these jobs are evaporating, forcing workers into non-standard arrangements. What will the budget do for the workers of Hamilton who are in need?

Clearly, the provision contained in Bill C-50 will legitimize the stealing of billions of dollars from the employment insurance fund, and is done to cover the steep costs of the government's corporate tax breaks, estimated at \$14 billion yearly.

The Conservative government is taking the wrong approach on employment insurance, especially by creating a crown corporation for EI, as envisioned in Bill C-50.

With Bill C-50, the Conservatives are ducking their much touted public accountability, and are aiding and abetting the continuation of the fine tradition of previous governments, of stealing the money of Canadians, the tradition of taking billions of dollars in premiums paid by workers and employers and using them to support their own political agenda, rather than providing benefits for those most in need.

The government's creating of the Canada employment insurance financing board as a crown corporation will completely undermine the principle of parliamentary accountability for employment insurance.

The NDP agree that EI should be separated public accounts, but it is the government's job to manage it. It is the government's responsibility to take care of its people, not profit from them.

The government must recognize it owes Canadian workers and their families a \$50 billion-plus debt. That money belongs to the workers and their families and it is time to give it back.

• (1630)

Ms. Olivia Chow (Trinity—Spadina, NDP): Mr. Speaker, it is clear the Auditor General said that if we are to have an EI reserve fund, rather than \$2 billion, we need \$15 billion in it.

Not only the Auditor General has said this, I notice that Mr. Michel Bédard, who was the chief actuary for the federal employment insurance fund, has said that a \$2 billion cushion is too small and that his organization believes the new corporation being debated today would need \$10 billion to \$15 billion to draw on to avoid wild swings in premium.

If the corporation needs the funds, it would have to borrow it and therefore pay interest. Does the hon. member think it is fair that the money the workers put aside is now being taken away, the entire \$56

billion, and instead they are forced to borrow money in future and have to pay the interest. Is that fair?

Mr. Wayne Marston: Mr. Speaker, of course it is not fair and it is not realistic, especially when we consider that the workers and the employers built a foundation of a fund that should have been self-sustaining. There were enough dollars in that fund to protect workers for many years and not subject the government to borrowing money and paying interest. In fact, it is absolutely ridiculous.

However, I do not think we can lose sight of the fact that the present government and the previous government need to be held accountable for the money that has been misappropriated, the money that belongs to the workers of Canada. It should not be written away, as it is about to be done.

I call upon the Liberals, as other members of the House have, to join us and stop this theft of Canadian workers' money.

Mr. David Christopherson (Hamilton Centre, NDP): Mr. Speaker, I want to compliment my hon. colleague from Hamilton East—Stoney Creek. Members may not know this but the hon. member is the former president of the Hamilton and District Labour Council and was the longest serving president of the council. Therefore, the member has a reputation and a track record for standing up for working people. It is a perfect segue to take a member like him directly from the labour movement, elect him to the floor of the House of Commons and then bring in a Conservative budget that attacks unemployed workers in the way that this has.

I want to thank him for bringing those personal experiences and knowledge here to the floor of the House of Commons. What does he think about the idea that all the people he represented, the hundreds of thousands of workers he represented for all those years, had all their money used by the former Liberal government as a legal slush fund by which it played a shell game to create its balanced budgets? I would like to ask him to reflect on how those workers feel about having paid all those years only to see the money virtually stolen from their fund. This fund was for unemployed workers, nothing else.

How does he now feel about the idea that out of that \$54 billion there will only be \$2 billion put aside at a time when the world and the U.S. in particular is teetering on the brink of major recession? Could the member explain on behalf of those workers what this does to them?

• (1635)

Mr. Wayne Marston: Mr. Speaker, I thank the hon. member for Hamilton Centre for his kind words.

It is difficult to stand here and relate the stories that I have come across when I was in the position of president of a labour council at a time when we had restructuring, such as the 350,000 jobs lost in manufacturing in the last few years, and to have those people come before us and ask what they will do. Some apply for EI but find out they only qualify for 13 weeks or whatever the number of weeks.

Government Orders

We know the reality that is left for them is welfare. We have people who have proudly worked all their lives, who contributed to an employment insurance fund that was supposed to be there for them, contributed to pensions that were supposed to be there for them and that social compact that I spoke about earlier in my remarks where they could depend on their government and their country, and they have been betrayed. There is no other word for it.

Mr. David Christopherson (Hamilton Centre, NDP): Mr. Speaker, I appreciate the chance to join in the debate on behalf of my constituents in Hamilton Centre.

I want to touch on three things in the short time that I have.

First, I want to talk a bit about how the system was unfair to my home province of Ontario, even prior to the budget bill coming forward.

Second, I want to talk about the \$54 billion, much in line with the question I asked my colleague from Hamilton East—Stoney Creek in terms of all that money being paid for one specific purpose and what it means to see it diverted into other things and not being there when it is needed.

Third, I want to enunciate the absolute unfairness, which is such a mild word, that over 60% of the people who paid EI premiums are not eligible to receive benefits.

With respect to the first item, Ontario loses, I would like to put on the record some of the remarks that are contained in a Toronto *Star* editorial dated February 10, 2008. Its headline reads, “Benefit rules cheat Ontario's jobless”. It reads in part as follows:

Workers in Canada have no choice whether to pay Employment Insurance... premiums. No matter where they live, they must pay, and in that sense they are all treated alike.

But they are certainly are not treated equally when it comes to collecting EI benefits. While nearly 80 per cent of workers in Newfoundland qualify for benefits when they lose a job, the figure in Ontario is closer to 25 per cent. And for the minority who are eligible in Ontario, benefits run out much sooner than they do elsewhere in Canada.

According to Premier Dalton McGuinty, here is what this unfair treatment means: “Last year, the average unemployed worker in Ontario received \$5,110 in regular EI benefits, while the average unemployed person in the rest of Canada received \$9,070.” That difference cost Ontario's unemployed \$1.7 billion

Because of that built-in unfairness, introduced through a series of “reforms” by the Chrétien government in 1996, EI in Ontario can hardly be called an insurance program when barely a quarter of workers can count on benefits if they lose their jobs.

In setting a higher bar for Ontarians to qualify for benefits, Ottawa ignored the fact that Ontarians who lose their jobs need EI support while hunting for a new job, just like the unemployed in any other region. But far too many Ontarians never get even that limited support.

The article closes with this paragraph:

Ottawa needs to straighten out this mess and restore fairness to all Canadians. The time to do it is in the upcoming budget, before Ontarians feel the full brunt of the spillover of a recession in the U.S.

Unfortunately, as members know and as the rest of the country now knows, the government did not fix this unfairness in Ontario.

Mr. Speaker, as you would know, as you have been here longer than anyone else in this House, it is not historically easy for Ontario MPs to stand and talk about what they are getting in fairness because Ontario used to be so big, population wise and in its strength of

economy compared to the rest of the country, but that has changed significantly.

The Toronto *Star* was right to point this out. Ontario MPs will continue to raise the issue of unfairness because I suspect that the newfangled machinery being created by the government will still not address this problem, in addition to all the new problems that will be created. We will not stand by, particularly as Ontario gets massacred in the number of jobs that are pouring out of Ontario and out of Canada.

Second, with respect to the \$54 billion, I am glad the CLC is taking the action it is taking in terms of making a claim. This is not like any other fund under the purview of the finance minister. As we all know, there is a virtual consolidated revenue fund. Everything goes into one fund so there is one bank account and then on paper we break down how much is allocated for each of the various departments' activities. There is one collective chequing account into which everything gets deposited and then the breakdown is provided on paper and then within that the accountability on how it was spent and so on.

● (1640)

As my friend pointed out, EI used to be unemployment insurance, which I am still not happy with, but the EI fund is different because it is not general revenue. It is money that workers pay, in part, and employers pay, in part, to ensure money is available to support workers and their families in the transition from one job to another. It is not to pay any other bills, buy anything else or to pay for other programs. It is to help unemployed workers.

The former Liberal government ignored that mandate and used that money to pay for the great economic miracle, which it likes to talk about, in the nineties that it performed because it balanced the budget. Balancing a budget is no big deal. It is not that difficult. If that is one's only purpose, then just slash all one's spending. The balancing, in and of itself, is not the answer, especially when we find out that it was able to do that balancing act on the back of the unemployed workers' fund. Even without this change into an arm's length agency, Canadian workers have every right to demand that every penny be put back into that fund for workers who may need it in the future.

Do members want to know why we are so incensed about this budget? Do members want to know why we are dragging this out as long as we can? It is because of the damage that is being done to people, such as workers and others, in that budget.

Unfortunately, the government listens but it does not hear. Whether I am loud or not, I really do not care whether that bothers government or not. When people are unemployed for months and they do not have the money to buy their kids the shoes they need or put food on the table, the government would be hearing a lot louder from those workers than it would be hearing from me today.

The fact is that this new fund would wipe out the \$54 billion in one move. It would be gone and it would start over with \$2 billion.

Let us understand what is going on. Two important things are going on, or three if we consider the fact that the Conservatives have left inequities in place, like those that are hurting my fellow Ontarians.

Government Orders

The first thing the government is doing is trying to eliminate that moral debt. CLC will argue that it is a legal debt in court, but certainly one can make an argument that it is a moral debt, that the money is owed to the people for whom it was put into that account in the first place. However, this game plan is meant to take that \$54 billion and just sort of pave it over and permanently ignore the debt that is owed to unemployed workers in this province, and, instead, it puts in \$2 billion.

What happens if there is a major downturn or if the downturn continues? What happens if that \$2 billion runs out? Will the money be there or not? Will we run a deficit and start to make it look like unemployed workers are the cause of some kind of economic drain on this country when they have done absolutely nothing wrong?

The other thing it does is it makes it much more difficult for ordinary members in this House to get accountability because, it is true, ministers will stand and say that they did not make the decision, that they had nothing to do with it, that it was arm's length making all the decisions so they should be blamed.

•(1645)

Workers in this country have heard “blame them over there” for long enough. This budget bill hurts unemployed workers. Every worker who is not unemployed who might be listening and who thinks he or she does not need to worry about this should understand that they are one pink slip away from being a part of this catastrophe.

Let us remember that we all know the difference between a recession and a depression. A recession is when it happens to our neighbours. A depression is when it happens to us.

Mrs. Irene Mathyssen (London—Fanshawe, NDP): Mr. Speaker, I have listened with great interest to the speeches we have heard here today.

I must say that I am deeply disturbed by the fact that \$54 billion has just vanished. My friend from Hamilton Centre indicated that it was a travesty that this money was taken out of the hands of unemployed workers. To that, we heard calls from the government benches that the money is already gone, which is even worse.

I would like the hon. member to comment on one of the things I heard over and over again in the Standing Committee on the Status of Women, which was that women are particularly negatively impacted by what is happening with employment insurance in this country. Of all of the women who contribute, only one-third are ever able to collect the benefits that they need. Those benefits are needed when they are on maternity leave or when they face a layoff. Many of these women have little children who are depending on them.

Even worse, self-employed women, young women and middle-aged women who clean offices or do services within the community, do not even get the benefit of qualifying. Nor do farm women. Where would some of these hon. members be without the good women who work so hard to provide food and sustenance for this country?

Would my colleague comment on some of these things?

Mr. David Christopherson: Mr. Speaker, I appreciate this opportunity and the remarks of my colleague from London—

Fanshawe. As everyone knows, she is a very effective critic on women's issues and once again has proven that point.

It does take us back to the issue that each of us has spoken to. I am glad to have the opportunity to underscore it. Of all the people who pay EI premiums, which is everyone who pays them out of their paycheque, 68% of the women who make up that 100% who pay EI premiums do not qualify.

The number for men is about as bad at 62%, but unfortunately, once again, which is why my colleague is so effective in her remarks, it is women who are being hit harder. If we look at the agenda of the government, we can see that it is pretty consistent. When we take a look at what it did to the Status of Women, we will see that it took out the word “equality”.

This is not a government that is going to stand up for women. This is not a government that is standing up for workers. That is why each of us needs to stand up. I do not know what the official opposition is going to do. Probably nothing. The Liberals are getting very good at sitting on their hands.

But this is a bill and a budget that call for Canada's representatives to stand up and say no, the Conservatives are not going to do this to workers, they are not going to do this to unemployed workers and their families, and they are not going to do this to the women of our country, because it is wrong.

•(1650)

Ms. Olivia Chow (Trinity—Spadina, NDP): Mr. Speaker, speaking about unemployed workers, we have lost 378,000 jobs since November 2002. Those were manufacturing jobs that paid well. That entire sector is in crisis. That number represents about one in six of all the manufacturing jobs that existed in Canada prior to November 2002. What is this theft of \$56 billion going to do? What is the message that those of us here are sending to these unemployed workers?

Mr. David Christopherson: Mr. Speaker, the member is a representative of Toronto, the largest city in the province of Ontario, naturally, and these people are being hit very hard. This theft of \$54 billion means that if we get into a serious downtown we run the risk that there will not be enough money there, even for those who do qualify. It may not happen tomorrow, next week, next month or even in this cycle, but eventually, unfortunately, cyclically it will happen. When it does, we run the risk that there will not be enough money there, even for those who do qualify.

There are two things that need to be fixed. One is that more people who pay the premiums should be entitled to collect the benefits when they need them. When they are down and out, they do not need their own federal government putting the boots to them by telling them the support mechanism that is there is an emergency fund that they do not qualify for.

What would be just as bad would be to qualify and then find out there is not enough money because the money has been taken by the previous government and the debt will not be paid by the current government, a debt that I hope it loses in the courts, because it ought to be paid. It ought to be there for every unemployed worker who needs the money. That is what it is for.

Government Orders

For far too long, governments have been taking that money and using it for other things to make themselves look good, leaving unemployed workers and their families twisting in the wind.

Ms. Olivia Chow (Trinity—Spadina, NDP): Mr. Speaker, there is an insurance scam in this country. It is a sham for most workers. This insurance scam is actually a theft. It is highway robbery. It is a tax grab.

Normally when a person buys insurance, whether it is house insurance or drug insurance, there is an amount the person pays out to make sure there is a sense of security. If there is a theft in the house, if the house burns down, or if something happens, there is insurance to assist. Anybody who buys insurance expects that to happen.

However, that does not happen in the case of the Canadian scam we have, which is called the employment insurance scam. Do Canadians know what it is? It is a burden to the workers.

Yes, the Government of Canada will take the money. The Conservative government takes it now and before that the Liberal government did. Governments take the money for so-called insurance from the workers, but if the workers need it when they are in trouble, unemployed, sick, laid off or on maternity leave, most workers will not qualify. Actually, two out of three workers will not qualify.

Most people, then, ask why they are paying into this so-called insurance fund. In the mid-1990s, the Liberal government set it up so that the government would draw the money into general revenue. Then it would be given for corporate tax cuts and to deal with other matters. That is the workers' money. It is supposed to be theirs. It is their insurance. It is a cost for them with absolutely no return whatsoever to most of them. That is really very unfair.

I will give an examples of workers who need assistance. I recently came into contact with a family, a husband, a wife and a daughter, and unfortunately the daughter has a rare illness that requires her to be in the hospital quite often. The mother told me that she had contributed to employment insurance most of her life but for some reason she did not qualify. She said that her husband earns a good living, but they were really stretched. "This is supposed to be insurance," she said. When her daughter is sick, she needs to take time off to take care of her. That is supposed to be compassionate leave. She really should qualify, yet she does not.

There are other examples. Workers either do not work enough hours or do not have lengthy enough employment and therefore do not qualify. Many of these workers end up being forced onto welfare. They then feel that they are in a downward spiral of poverty. When we are receiving employment insurance, we do not feel that it is a handout. Why? Because it is our own money. If people have to go onto welfare, they feel they are depending on the state. It makes them lose confidence in themselves.

This bill in front of us actually legitimizes the \$54 billion surplus. With one stroke of a pen, it now will disappear.

Let us imagine what we could do with this money. We could, if we had a proper employment insurance program, generate all the funds from employment insurance premiums and that could then increase the percentage of unemployed Canadians covered by the

program from the current level up to a target of 80%. This would mean that most people who contribute would be able to receive the insurance for which they paid. When it was first set up, that was how the system was supposed to work.

• (1655)

We could reflect the realities of seasonal workers by using the best 12 weeks of employment to determine the EI benefit levels. We could phase in a decrease in the qualifier to 360 hours. We could support an expanded caregiver program where caregivers would receive up to one year of employment insurance while caring for sick or elderly family members.

We have an aging population. Many ordinary Canadians want to stay home and take care of their parents. They want to take some time off from work. They want to receive employment insurance, which they have paid into throughout their working lives, so that they can take care of their parents or other loved ones and yet we are saying no to compassionate care because of this EI theft.

For Ontarians it is particularly unfair. On average an Ontarian worker may receive only \$5,110 versus on average, \$9,070 in the rest of Canada. If EI were structured properly, each year Ontario workers would receive an extra \$1.7 billion but instead, the \$1.7 billion is being taken out of their contributions and given away.

Also the amount of \$2 billion which is being put into the reserve fund of the new arm's length agency is nowhere near enough. The Auditor General said that at least \$15 billion is needed. In fact, the Canadian Institute of Actuaries also said that \$15 billion is need and that the way the reserve fund is structured now, if more money is needed, it would have to be borrowed and interest would have to be paid. Again the taxpayers would end up footing the bill. That is grossly unfair.

We also have trouble with who is going to be on the board of directors. We are worried about the details of the plan. We believe that the \$54 billion should be given back to the workers.

If ordinary Canadians understood what is actually happening to their insurance money, they would be outraged. Insurance coverage should mean that if a person contributes, he or she should get it back. This extra penalty on workers is unfair, unjust and unethical. We have an opportunity to comprehensively reform the entire system. We should be fixing the system and providing benefits for workers who lose their jobs or become incapable of working through no fault of their own.

EI payments should never be seen as a hand out, just as house insurance or life insurance is never seen as a hand out. The policies were paid for completely with the hard-earned dollars of working Canadians.

That is why New Democrats are completely opposed to the budget implementation bill.

Government Orders

• (1700)

Mr. Pat Martin (Winnipeg Centre, NDP): Mr. Speaker, I thank my colleague for outlining some of the problems associated with part seven of Bill C-50.

My colleague pointed out how fundamentally wrong it is to deduct something from a person's paycheque for a specific purpose and then to use it for something completely different and for which the government was never authorized to use it. That goes beyond misrepresentation. It builds an expectation that workers will be covered for income maintenance should they be unfortunate enough to be laid off.

Would my colleague agree that this is a double insult? First, it is fundamentally wrong to take money off a worker's paycheque every week, and there is no choice because it is compulsory, and then use it for purposes the worker may not have ever authorized or approved. Second, it is a misrepresentation to say that a worker has insurance against unemployment and then when the worker becomes unemployed, in some cases, the worker has a less than 40% chance of being eligible for any benefits. A youth has only a 25% chance and a female youth has a 15% chance of qualifying for any benefits at all. What kind of an insurance policy is that? I would ask my colleague to expand on these two big lies associated with the EI fund in recent years.

Ms. Olivia Chow: Mr. Speaker, it is a great insurance scam and the Liberals and Conservatives are scam artists. That is what I see it as. Governments have been raking in this money by the shovelful. People should not have to grovel for that money, which is what is happening and it is their own money.

It is worse than a scam because people have no choice. They cannot shop around to get other employment insurance corporation anywhere else. They have to pay because the Canadian government says they have to. It is mandated. It is the only game in town.

That is why it is a complete scam for ordinary workers. It is unfair, unjust and unethical. This bill should be defeated. The Liberals should stand up for their principles.

• (1705)

Mrs. Irene Mathysen (London—Fanshawe, NDP): Mr. Speaker, I want to go back to something my hon. colleague said with regard to the Liberals and their treatment of the employment insurance fund.

I recall in 1997 the prime minister of the day standing up at a \$250 a plate luncheon and declaring that the Liberal Party had defeated debt and deficit in this country and that the people at the luncheon had made a great contribution. It is interesting that he neglected to talk about the thousands and thousands of Canadians who had lost their employment insurance benefits while I suspect that the people who could afford \$250 for lunch suffered not.

I was wondering if my hon. colleague could comment on that.

Ms. Olivia Chow: Mr. Speaker, I remember the despair on the faces of hotel workers who were laid off when the hotel industry suffered greatly during the SARS crisis in Toronto. Many of the workers had to sell their houses because they had no money to pay their mortgages. They said to me, "We have paid into this insurance. Why are we not qualified to get some of it back? It is our money".

They were desperate. They lost their homes. Some of them were in great despair. That is what happened to ordinary workers when they faced unemployment.

Mr. Paul Dewar (Ottawa Centre, NDP): Mr. Speaker, I want to thank my colleagues for their interventions. I think most people would be more than surprised to find out that probably the two most significant changes that have occurred with the Conservative government exist in Bill C-50. I say that because what we have in front of us is not a traditional budget bill. Bill C-50 has a couple of Trojan horses in it. One will irreversibly change our immigration system and the other will irreversibly change our employment insurance system.

In speaking of the changes to the Employment Insurance Act that are in front of us, it is interesting that the Conservatives previously had suggested that government should get out of the way of Canadian citizens and just let the invisible hand take over. We have seen that with the rhetoric and certainly the economic philosophy of those of the Calgary school. We have seen the government and its predecessor party advocate for that.

It is interesting what the government is doing. It is taking what was a social democratic idea, something that was a progressive idea and it is using a crown corporation to delegate away the authority, to delegate away the responsibility and to delegate away any efficacy of our employment insurance system. It is deft policy making on the one hand, but it is really absurd on the other.

We have a government with a philosophy of a certain school of economics that does not actually believe in crown corporations. If we actually got behind closed doors with some of our friends in the government, I think the truth would come out that if they had their way they would get rid of all crown corporations. I find it passing strange that the Conservatives are using the crown corporation structure with respect to the EI system. I guess they think that Canadians can be fooled, but I do not think that is the case at all.

Employment insurance, or unemployment insurance as we used to call it, came out of the Depression. In 1935 Prime Minister Bennett came up with the idea and was pushed by the predecessor party to the NDP, the CCF, to do something about the egregiously horrific situation of people suffering from unemployment. I could regale members with stories that were passed on to me from my mother and father who lived through the Depression. Their parents would help people at the back door by giving them food and supplies. People would go to the back door because they were too ashamed to go to the front door. This country built social programs to deal with that. That was in 1935.

When it was first brought in, an interesting thing happened from a constitutional perspective. It actually was one of the times we had to deal with the nature of our system. The relevant act was challenged and the unemployment insurance measures that were brought in 1935 were deemed unconstitutional, because unemployment was deemed the responsibility of the provinces. That constitutional crisis had to be dealt with and changes to the BNA Act were made in 1940, I believe.

Government Orders

Then we went forward with an unemployment insurance system in different capacities for many years. It got to a point where we saw the unemployment insurance system as a progressive way of dealing with downturns in the economy which happened from time to time. We would have a safety net along with our health care system and our pension system. Canadians were proud of it because we built it and supported it. There was a consensus on that.

Around 1990 we saw the first challenges to it fiscally with the previous Conservative government. There were cuts and again in 1993 and yet again in 1994. In 1996 the whole thing was revamped. The then Liberal government changed the name. The most recent way to deal with things is to change the nomenclature, never mind that the challenges to those who paid into it to actually qualify were undermined, but change the name and somehow people will not notice. Now the government is trying to change the administration of it to a crown corporation. It is delegating away the authority, delegating away the accountability and delegating away the ability for us to have a robust system. By 1996 with the previous Liberal government, we were dealt yet another death blow. There was another chink in the armour of our employment insurance program.

• (1710)

Many Canadians who paid into this system will never have to use it, which is the idea of insurance. We pay into it hoping that we will never have to use it, but we pay into it because we know that it should be there for people if they need it. What frustrates so many people is that they watched the previous government stand and take credit for slaying the deficit when in fact what it did was a shell game.

It was preposterous to see and it was horrible to watch as it claimed that it had done all the work when in fact all it did was bleed working Canadians of the money that they contributed to the employment insurance fund. Then it said, "Look, we have slayed the deficit", and along with that of course it downloaded responsibilities without money to the provinces.

When we look at the history that I have just provided, employment insurance came out of an experience in this country of the Depression. We had constitutional challenges to make sure it was congruent with our British North America Act and it was something that over time was built and changes were made. It has been challenged since 1990 in terms of the fiscal capacity of the fund and recently in 1996, it was raided and the name was changed.

We know that something desperate was going on with employment insurance, and I challenge anyone in this House to tell me that they went out on the doorsteps and campaigned to have the Employment Insurance Act taken out from the accountability of Parliament and thrown over to a crown corporation. There is not one. I see everyone looking down at their computers and their shoes with great interest at this point because they know that none of their constituents had a clue about this planned proposal.

Just like the changes to the Immigration and Refugee Protection Act, not one of these government members went out and talked to their constituents. There were no consultations. Not one of the government members, not one of the cabinet ministers or the Prime Minister, I could go through the whole list, consulted Canadians on this change. That is reprehensible.

We live in a representative democracy. We are supposed to be under the guise of responsible government and what we have is a government packaging together all of its changes, feeding them through in a budget, and hoping that no one will do anything. Of course, the official opposition will not do a thing. It will say, "Just wait until we are back in power with our God-given right to govern and we will change everything again".

The problem with that is that by the time the Liberals get there, there will be a crown corporation set up for employment insurance. It will be too late. There will be an immigration system that centralizes power in the hands of the minister, that gives temporary citizenship to employers to use people and then throw them on the scrap heap when they do not need them anymore, for places like the tar sands. Those things will have been done, and do not tell me that any government is going to come in there and put the genie back in the bottle successfully and without harm.

That is what we are talking about. We are talking about the breaking of a tradition, the breaking of trust, the breaking of a social contract between citizens and their government with this change in the bill, and at the end of the day, what we have done is say to Canadians that we do not care about them. Why? It is because we have foisted all of the responsibilities, fiduciary and otherwise, to a crown corporation that has no accountability here other than whomever the government decides to appoint to that board.

It is a sad day in this place. It is a sad day for responsible government and it is a sad day for everyday people when a government is allowed to do that. That is why this party and our members on this side of the House will gladly stand against the government, vote against this bill, and say to Canadians that when the election day comes, ask the government how it voted and what it did. Did government members look down at their shoes or did they look people in the eye and say, "Yes, we are going to represent you and do something in your interests?"

• (1715)

Mr. Pat Martin (Winnipeg Centre, NDP): Mr. Speaker, I have a comment and a question to put to my colleague from Ottawa Centre.

I was interested in the way he illustrated the fact that there are EI changes in the budget implementation bill that do not properly belong there and there are immigration changes in the budget implementation bill, which I view as a further Americanization of Canadian politics when all these extra things are stuffed into a budget bill. He called it a Trojan Horse. That is a good, graphic illustration to which Canadians could probably relate.

However, in the context of passing a budget implementation bill, which has a few goodies that the Conservatives are throwing out there to try to endear themselves to Canadians, in the same context, they are sneaking in these major policy changes. I would like to ask the hon. member about that from a process point of view.

I would also like to ask him about the Canadian Labour Congress analysis of the impact of the changes to EI, the most recent changes by the Liberals when they changed the number of hours needed to qualify, et cetera. What was the impact on his riding?

Government Orders

In my riding alone, those changes accounted for a loss of \$20.9 million a year worth of federal money that used to come into my low income riding that no longer comes in. I am asking if his riding, which is similar to mine in many ways, experienced a similar impact when the EI rules were changed?

Mr. Paul Dewar: Mr. Speaker, I was very deliberate in providing the analogy of a Trojan horse. What we have here is a budget bill and normally in a budget we will have economic measures, no question, and we hopefully have measures that will help governments. This government likes to have tax cuts, particularly for large corporations, and it gave away the store, actually, before the budget, in the fiscal update.

However, in the tradition of our Parliament and responsible government, we would have major structural changes, at least consultation and debate. Then we would have implementation. My colleague from Winnipeg is quite correct. The government has taken this playbook from another jurisdiction. It has bundled these altogether and will try to get them through quickly.

I recall a paper called, "Cycling into Saigon: The Conservative transition in Ontario". It was a policy paper about how the previous Conservative Ontario government of Michael Harris got its changes through. The philosophy was as follows: Do all the changes as quickly as possible, the quicker the better and the larger the better, because the public will not pay attention and the opposition will be in such disarray, it will not be able to oppose.

I think the Conservatives have been reading up on the playbook, and they certainly had a willing dancing partner, sadly. In one budget bill they propose to revamp our immigration system and our EI system so that we will not notice it.

The effects on my constituents are significant. You know my constituency fairly well, Mr. Speaker. I see you at events often in my constituency. It is very diverse with high needs. At times there are challenges with employment for many people, be it new Canadians or students. Recently, we had layoffs in the high tech sector.

As I said in my comments, these will bring irreversible damages at a time when we have more than \$50 billion in the fund, and instead of changing it progressively, creatively, we are simply robbing the bank, getting out of Dodge, and creating a new structure called a crown corporation to clear up all the details so that there are no fingerprints.

Let it be known, the fingerprints will be analysed. The DNA evidence is right here and we will make sure that Canadians are able to see it, come the next election.

• (1720)

Mr. Pat Martin (Winnipeg Centre, NDP): Mr. Speaker, I think you should call the cops. I think you should ask the Sergeant-at-Arms to go and find the RCMP because there is a robbery in progress as we speak going on in the House of Commons while I am standing here and while we are sitting here. The robbery I am talking about is numerically the biggest robbery in Canadian history. It makes the great train robbery look like nothing. It makes the Grenkow boys who had the gold heist at the Winnipeg airport seem like peanuts. We are talking about \$54 billion being swiped by

legislative decree as we speak. If people in the country knew they would be horrified. I am not exaggerating.

The EI fund has been a cash cow for successive governments for as long as I have been a member of Parliament. They have been using this money for all the wrong purposes. A previous colleague of mine explained how fundamentally wrong it is to deduct money from people's paycheques for a specific purpose and tell them it is for income maintenance if they should happen to lose their jobs. Then, to use that money for something else completely is just fundamentally wrong. It is not the government's money. The government should start from that basic premise. That pool of money is not the government's.

It was the Mulroney Conservatives who withdrew from the EI fund. The unemployment insurance fund used to be made up of money from the employer, the employee and the Government of Canada. In 1986, the Mulroney Conservatives stopped doing that. The government no longer paid anything into it, so it was 100% funded by employer and employee contributions at a ratio of 1:1.4. It simply is not the government's money to use unless it passes a bill. It can do anything. The Government of Canada's Parliament can pass legislation to make this its money but it should not. Morally and ethically it would be fundamentally wrong.

It is fundamentally wrong to balance the books on the back of the unemployed. It is almost cowardly when we think about it, of all the places governments could look for additional revenue to fund their fiscal agenda is from the unemployed. Almost no one qualifies for EI any more, that is why it is showing such a great surplus. Fortunately, we are in buoyant economic times as fewer people are applying for employment insurance although that is about to change given the layoffs in the manufacturing sector.

Let me tell everyone how Liberals balanced the books and what is wrong with that, and then explain why it is wrong for the Conservatives to do the same. The Liberals came up with \$100 billion worth of tax cuts and they brag about that. They say they cut more taxes than any government ever, \$100 billion worth, but let us look at how they paid for it. They took \$30 billion right out of the EI fund, so that is like an upside-down Robin Hood, robbing the poor to give tax cuts to the rich. Another \$30 billion they took from the surplus in the public service pension plan.

Just before he left politics in late 1999 and early 2000, Marcel Masse, the former treasury board president, the last thing he did on his way out, knowing full well the hue and cry would be deafening, was to rob, and I deliberately use this term, the \$30 billion surplus that was in the public service pension plan. The average beneficiary of the public service pension plan makes \$9,000 a year and they are female. The government could have taken that \$30 billion and doubled the annual pension of those beneficiaries currently, or improved the benefit package for future beneficiaries, or it could have shared it.

Government Orders

That is what is done in the private sector. When Bell Canada had a big surplus, union and management sat down and negotiated. Some went to benefits, some went to donation holidays and some went to the company. But no, the Government of Canada took it all. With the other \$40 billion, the Liberals engaged in program spending, the most ruthless, cutting, hacking and slashing of social programs in this country's history. That is how they came up with their \$100 billion in tax cuts.

● (1725)

Taking a page from the same book, the Conservatives find themselves wanting to spend money, trying to endear themselves by buying their way into the hearts of Canadians. Where do they look for money? They do not look at offshore tax havens. They do not look at perhaps having a tax on excess profits in the oil sector. They do not look at the tax fugitives who take \$7 billion a year of tax revenue out of our country, something they promised they would do when they were in opposition. They have left those tax havens alone and they have left the very rich able to expatriate their family fortunes and family trusts offshore. Not only the millionaires themselves never pay taxes in Canada again, but none of their progeny ever pay taxes in Canada again. These things have been exposed in the newspaper this past couple of weeks by Diane Francis, a right-wing Conservative journalist. She has condemned the government, to which I presume she sends money, for not acting on these tax havens, these tax fugitives.

It really begs the question why, now that they are in a position to do so, the Conservatives would have three budgets and one economic update and never touch this atrocious situation, leaving \$7 billion a year untouched? Instead, where do they look for revenue? They are taking it off of the backs of the unemployed. It is almost a cowardly thing to do.

I will tell members the impact the changes in employment insurance has had in my inner city riding of Winnipeg Centre, by some standards the lowest income riding in all of Canada.

When the government changed the system to the existing hour based system, it took \$20.9 million a year out of my low income riding of Winnipeg Centre. That would be like taking the payroll of four pretty major companies, a \$20.9 million payroll, from the poorest of the poor. It would be different if it took that from high income earners and they lost a couple of grand a year each.

However, the people who miss out on the income maintenance benefits of employment insurance are in desperate circumstances. They went from being marginalized and poor and getting by on EI, to abject poverty. The government has offloaded the income maintenance burden onto the province and these people on welfare.

That has been the experience with the brilliant social policy initiative of the management of the EI fund to day.

For years, we said EI should be a separate fund. I guess we have to be careful what we wish for because we were not specific enough as to what we wanted. The Conservatives are creating that separate fund. They are taking it out of consolidated revenue, as we have always maintained they should. They are putting it into this crown corporation. I do not disagree with that. However, they are taking \$54 billion of surplus that exists now and using it for whatever

general consolidated revenue spending they wish to spend it on. That is fundamentally wrong. It is morally and ethically wrong. I call it robbery, and I do not hesitate to put it in those terms.

We need a \$15 billion operating surplus, according to the Auditor General, to be safe. Otherwise we will fall into deficit with that fund if we have any kind of an economic downturn. Judging from the job losses in Ontario in the last 18 months and what could happen elsewhere in the country, as we turn our back on the manufacturing sector, we will need a robust employment insurance fund to provide income maintenance and bridge training to retrain the workers affected by that. The \$2 billion left in the fund would be gone in a minute.

The Conservatives are showing a surplus of \$750 million a month and they are only going to leave a \$2 billion surplus. They are taking the rest. That is not a per year surplus; it is a per month surplus. It is a cash cow. It is a licence to print money. It is a dream come true for a finance minister. It is like catnip for a finance minister. They cannot stay away from it, but they should because it is not their money. That is the most fundamental basic element the Conservatives seem to forget: it is not their money. They have no proprietary right to that fund. That is our money. It is not even the employers' money. It is all the workers' money because it is put in there for the benefit of the employees if they should be unfortunate to find themselves out of a job.

● (1730)

Mr. John Williams (Edmonton—St. Albert, CPC): Mr. Speaker, I listened with interest to my good friend speak about the employment insurance fund and what he perceives to be a dearth in the surplus. I thought it was rather cute when he said “send out the RCMP and the Sergeant-at-Arms to see if we can find this missing money”. He knows exactly where that money went, as we all do. It was spent by the Liberals.

Every year the Liberals used the money in general revenue, treated it as a tax revenue and spent it. It was spent on behalf of Canadians and now the money is gone and the coffers are empty. That is why we in the government have put forth a plan to kick-start this with a \$2 billion fund.

As the member already admitted himself, a \$750 million a month surplus is going into the fund. How much does he actually want to tax Canadians? Is this a notion that Canadians are a bottomless pit when it comes to paying tax so he can boast about having all this money sitting in a bank account? We would rather see the money in the pockets of Canadians. We want to see that the fund is protected and there for them should they ever find themselves unemployed.

I thought it was rather cute when he pleaded ignorance as to where the money had gone. Does he acknowledge that the money was spent by the Liberals, that it is gone now so therefore the fund has to be rebuilt?

Mr. Pat Martin: Mr. Speaker, that money exists as a debt to Canadian workers and that debt is just as real as any other debt of the Government of Canada.

Government Orders

It was under the Conservatives in 1986 when the money was directed into the consolidated revenue fund. When workers were told the money would be deducted from their paycheques, there was an expectation, a promise made, that it was for the specific purpose of income maintenance should they become unemployed.

If the Conservatives were looking to roll back taxes, they could have rolled back some of the tax cuts they gave to corporate Canada, which does not need them by the way. The richest and most successful corporations in the country were the beneficiaries of most of the tax cuts. Why did the Conservatives not look there instead of unemployed workers? If the Conservatives wanted to harvest a few dollars out of the existing system, they could have asked Exxon or Shell for some of that money back. They were high-grading when they needed it the least.

I recognize that successive governments have used the EI fund as a cash cow since at least 1986. It has fallen into deficit and into arrears a couple of times over the years, but the cumulative total of deficit has been \$11 billion and the cumulative total surplus has been \$54 billion. No matter how we add it up, that is a lot of money owing to Canadian workers, either as improved benefits for when they are unemployed, or changing the eligibility rules so if someone becomes unemployed, they might actually qualify for some benefits, as most currently do not, or a premium holiday for both the employer and employee. That has been done. The government has ratcheted down the premiums a number of times.

The fact remains that over that period of time more money went into the fund than was paid out and it was not the government's money to use. It was morally and ethically wrong for the government to use it for anything else.

• (1735)

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, as the member knows, the auditor general is the one who directed the government of the day, Brian Mulroney's government, to incorporate the deficit at the time in the unemployment insurance fund into the consolidated revenue fund because the government had to be accountable for the operation of it.

Something went wrong somewhere, and maybe the member wants to comment on it. Premiums up until—

The Acting Speaker (Mr. Royal Galipeau): The member for Winnipeg Centre has 30 seconds.

Mr. Pat Martin: Mr. Speaker, I wish I had more time to listen to what my colleague from Mississauga South had to say.

I understand that the premiums exceeded the need, but only because the benefits were ratcheted down so drastically. The guy that I beat, David Walker, the parliamentary secretary to the minister of finance at the time, devised a scheme where nobody qualified any more. It is not hard to show a surplus—

The Acting Speaker (Mr. Royal Galipeau): Resuming debate, the hon. member for Rimouski-Neigette—Témiscouata—Les Basques.

[*Translation*]

Ms. Louise Thibault (Rimouski-Neigette—Témiscouata—Les Basques, Ind.): Mr. Speaker, the more this government introduces legislative initiatives, the more I realize that it is incapable of

proposing a really good measure for our people, our workers in particular. It is not capable of that because the only thing it considers to be a social measure is cutting income taxes and taxes in general. It is turning a long awaited measure that would be a step in the right direction into a real crime meant only to please businesses, in that contributions would be reduced.

For more than 10 years, people who are concerned about social justice have been calling for an independent employment insurance fund. For a long time now, the federal government has been collecting employment insurance contributions from employees and employers, restricting eligibility for benefits and using the money for other purposes.

In addition to causing endless frustration among the workers and a good number of colleagues here, such the hon. member for Acadie—Bathurst and the hon. member for Chambly—Borduas, who are worried about this situation, this reprehensible behaviour by the government has created a double standard.

First, employees and employers pay far too much for what they get in return. Then their benefits are reduced.

Access to these benefits is also being limited more and more, especially for seasonal workers who work in necessary jobs that vary from season to season.

Year after year, the government has used the surplus created in this way to balance its budget and create astronomical surpluses that it then used to pay down the debt, as everyone knows.

The result is as follows: \$54 billion that belongs to the people who contributed—not to pay down the debt—has been used for other purposes, while there are pressing needs in employment.

The Conservative government has finally reacted and decided to create a Canada employment insurance financing board. It was a good idea, but behind the terms healthy management and good governance lie intentions that will not really help workers.

Cutting EI contributions will not help workers. The government is obviously trying to convince us that it will—and this is not the first time—but does paying a dollar less every week matter to a worker who receives \$100 less in benefits because of a bare-bones calculation? In reality, this calculation is of much more benefit to businesses and regions experiencing full employment, like Alberta. Is anyone here surprised?

The only way to help workers is to provide benefits that ensure a decent income for seasonal workers who are supporting families and for older workers who get laid off and have to make it to retirement with no hope of receiving any income other than employment insurance and, unfortunately, welfare.

The only way to help workers is to transfer funds for employment programs to Quebec—in our case—for workers in seasonal and precarious jobs.

Government Orders

Creating a Canada employment insurance financing board is a step in the right direction only because it will finally put an end to the theft of people's contributions. That being said, the government has no intention of reimbursing the \$54 billion by applying it to employment programs or worker assistance, and that is unacceptable.

The new board will not be giving that money back to workers. In fact, should a recession or massive layoffs occur, it will have to borrow from the consolidated revenue fund. So there is that whole borrowing problem. What will happen? Who will have to pay when there is a liability? Unfortunately, once again, the workers are the ones who will pay.

This is what they are calling improved management and governance, which the government promised on page 6 of its *Budget in Brief*.

An actuary will determine the contributions to be paid. Only \$2 billion will be kept in reserve, and employment programs will in the hands of the Minister of Human Resources and of businesses that will pay as little as possible.

• (1740)

This vision will be enshrined in legislation, and this crown corporation will not have to answer to Parliament.

As for Bill C-50 on the budget, I want to bring up a point that has to do with part 7, concerning the board's duties and restrictions, so to speak.

According to clause 36 of this part, “the Governor in Council [the cabinet], on the joint recommendation of the Minister and the Minister of Finance, may make regulations...respecting the investments...the limitations—” and other revenue. I would like to know how this clause 36 will work with subclause 4(c), which states that the object of the board is to manage any amounts paid to it. Who will do what?

We are talking about transparency and good management. Does this not strip the board of its essential role? Does this not strip it of the great transparency and also the great responsibility it is supposed to have? Is it an independent entity? I get the impression that sometimes it is, sometimes it is not.

Also, what about the auditor general's recommendation that there should be an adequate reserve, estimated at \$15 billion, I believe?

In conclusion, as we can see, the Conservatives are trying to make it seem as though they are responding to a legitimate demand, and have concocted a bill that is unacceptable on at least two points, not to mention that they did not address all the demands for the redistribution of wealth. In particular—and this topic is close to my heart—they have not attempted to help poor seniors get out of poverty.

[*English*]

Mr. Paul Dewar (Ottawa Centre, NDP): Mr. Speaker, I thank the member for her intervention and particularly for the following phrase.

[*Translation*]

She said that the Conservatives “have concocted a bill that is unacceptable”. It is a good turn of phrase and I agree with her.

[*English*]

This is an unacceptable change to a program when we consider what the Canadian population expects of the government. In fact, if we take this out of the annals of governance in terms of public administration, if we were to posit this whole equation in the private sector, because I know that is something the government likes to do, would it be acceptable to have any successor to a previous plan benefit to the degree that this plan will benefit?

We wipe out, *tabula rasa*, all the benefits that have been paid in by the previous payers to an insurance system and hand over to the new corporation no liabilities, saying to the members of this plan that there is a new owner in town and they do not have to worry about it. I would appreciate receiving the member's comments. If this had been attempted in the private sector, what does she think would have happened?

• (1745)

[*Translation*]

Ms. Louise Thibault: Mr. Speaker, I would like to thank my colleague for his question. I said, and he understood, that for me as well as many other members in the House, this is completely unacceptable.

As to how this would go over in the private sector, I would say that in the private sector there would at least have been provisions under the Bankruptcy and Insolvency Act. At the very least, the organization would have declared bankruptcy, and it would have been done in a transparent and open manner. And in terms of solvency and the remaining assets, the creditors, in this case, the workers, could have decided to recoup as much as they were able. The process would have been extremely rigorous.

Here, however, everything is dismissed. Our colleague says that everything will be handed over from one entity to another and that it will be *tabula rasa*. They will create something new, and they are using this as an excuse to illegitimately, needlessly harm workers.

And that alone, along with the points raised by the member and his NDP colleagues and those I humbly raised myself, makes this absolutely unacceptable.

The Acting Speaker (Mr. Royal Galipeau): The member for Acadie—Bathurst.

There are two minutes left, one minute for the question and one minute for a response.

Mr. Yvon Godin (Acadie—Bathurst, NDP): Mr. Speaker, my question is for the member for Rimouski-Neigette—Témiscouata—Les Basques.

I stated clearly in my speech that what is happening today is that the federal government is taking \$2 billion from the \$54 billion in the existing employment insurance fund or from general funds to transfer the \$2 billion to the crown corporation it is creating.

Does my friend agree with me that this evening we are witnessing the biggest theft of workers' money in Canadian history?

Government Orders

What is more, when workers need money for the employment insurance fund because of economic problems, they are going to have to borrow their own money and pay interest.

That said, there is no difference between the Liberals and the Conservatives, especially considering that since this afternoon, we have been discussing the history—

The Acting Speaker (Mr. Royal Galipeau): There is one minute left for the member for Rimouski-Neigette—Témiscouata—Les Basques, who has the floor.

Ms. Louise Thibault: Mr. Speaker, I thank my friend from Acadie—Bathurst for his question. As I said earlier, I listened carefully to what he said this afternoon, and I agree with him that this is completely unacceptable.

We are going to see two sad things today. We are going to see what my friend is referring to. I will be the first to celebrate if everyone in this House votes, but I believe that we are going to witness a sad sight, as legitimately elected members choose to abstain by being absent or remaining seated.

I believe that the least members could do is to rise in this House to vote for or against a bill that directly affects millions of people.

Mr. Peter Julian (Burnaby—New Westminster, NDP): Mr. Speaker, I rise in the House today to speak in opposition to Bill C-50 and in favour of the amendments presented today in this House, especially those concerning employment insurance.

I would like to take a moment to talk about the work done by the hon. member for Acadie—Bathurst, as he has been working very hard ever since coming to the House on June 2, 1997. Today is the anniversary of that date. Since then, he has worked relentlessly for an employment insurance system that protects workers across the country. It is important to commend his work.

• (1750)

[*English*]

The question is, what do the Conservatives propose to do in Bill C-50?

We talked earlier today about the immigration provisions. That portion of the bill should be entitled the indentured servitude act. It essentially would bring foreign workers into Canada who would have no rights.

These provisions we are talking about now are the legalized theft provisions of Bill C-50. Let us go back a few years. We had the Liberals stealing from the unemployment insurance budget and basically taking billions of dollars of money from unemployment insurance.

That money could have gone to the unemployed workers, of which there are so many, an increasing number in this country. I will come back to that in a moment.

The Conservatives, of course, do not like this. They do not like being connected to criminal acts, but this is legalizing a theft that occurred under the Liberal regime and that the Conservatives have perpetuated. There is no doubt about this.

Essentially—

The Acting Speaker (Mr. Royal Galipeau): The hon. member for Hull—Aylmer is rising on a point of order.

[*Translation*]

Mr. Marcel Proulx (Hull—Aylmer, Lib.): Mr. Speaker, I am usually very tolerant and can overlook many things, but the fact that the member is trying to directly or indirectly insult us is too much. I would ask that you call the member to order and that he be reminded to use more parliamentary language from now on.

Mr. Yvon Godin: Mr. Speaker, if the Liberals cannot accept the word “steal”, perhaps we could say that they “took without asking”. This evening, it is the Conservatives who will vote on their side and take this \$54 billion from workers.

The Acting Speaker (Mr. Royal Galipeau): The hon. member for Hull—Aylmer will see that, since the Speaker is standing at the moment, it would be a good time for him to sit down.

I heard the two points of order, which are in fact further subjects of debate rather than points of order.

[*English*]

I am sure that the hon. member for Burnaby—New Westminster is going to come to more parliamentary language, but I also noted that when he spoke he did not address any of the objectionable words to any individual member of the House. We will just leave it at that and I hope the hon. member for Burnaby—New Westminster will understand the goodwill that I am offering him and take it as an invitation for improved parliamentary language.

[*Translation*]

The hon. member for Hull—Aylmer for a short remark.

Mr. Marcel Proulx: Mr. Speaker, I would like to point out that the Just for Laughs comedy festival is in Montreal.

Here in the House of Commons, there is language that can be used and language that cannot be used.

The Acting Speaker (Mr. Royal Galipeau): I thank the hon. member. I have already reacted and I believe that will suffice.

The hon. member for Burnaby—New Westminster.

[*English*]

Mr. Peter Julian: Mr. Speaker, it is very clear that the Liberals do not like the characterization of what they did with employment insurance. However, it is not a laughing matter for the hundreds of thousands of working people who have been denied employment insurance benefits because of the Liberal government's actions and now the current Conservative government's actions.

I would think that everybody in this House, if they were in touch with their constituents on Main Street, would understand if we were to call this the false premises act. Essentially that money was collected under false premises in a fraudulent way. When we say that money will be redirected to support those who are unemployed and then we take that money and apply it to general revenues, that is a false premise. Hundreds of thousands of workers and working families have been impacted by that decision.

Government Orders

The Liberals do not like being reminded of their record, but in this corner of the House the NDP speaks the truth and we are bringing up that record, and we will not let them forget it. However, we also will not let the Conservatives get away with what is clearly contrary to the practices as even covered by the Auditor General.

The Auditor General says that the actions proposed in Bill C-50 are not appropriate, that there must be a larger reserve put aside for the money that was collected under the pretense that it would go to help working people in this country. We have a situation where only one-third of unemployed women can actually claim employment insurance. That is a devastating situation for people who are unemployed in this country. Who are these people? Let us talk about the facts.

We had a debate last Wednesday night with the Minister of Finance and he was unable to even acknowledge the reality that Statistics Canada tells us about working families in this country. Two-thirds of working families are earning less now than they were back in 1989. The wealthiest of Canadian families are doing better than ever. They now take half of all the income in this country and their income has skyrocketed over that same period.

When we talk about middle class families earning between \$40,000 and \$60,000 a year, they have lost a week's income each and every year since 1989. Lower middle class families earning between \$20,000 and \$40,000 a year have lost two weeks of income. Try getting by with no paycheques for two weeks. We have a profound understanding of what working families are living through.

The poorest of Canadians, including unemployed Canadians, have seen a devastating fall in income. They have lost a month and a half of income since 1989 for each and every year. We are talking about a catastrophic fall in income and the Conservatives are doing absolutely nothing to address this fundamental economic problem in this country.

What do they do? What is their solution? It is more and more corporate tax cuts. They just shovel the money off the back of a truck to the wealthy corporate sector, the most profitable corporations in the country. CEOs are doing well and that is all the Conservative government responds to, the agenda of corporate CEOs, not to the agenda of working families that are struggling to make ends meet, that are working longer and longer weeks and harder and harder, 200 hours on average. Canadian families are working more and more while at the same time earning less and less.

Perhaps the most insulting aspect of this is when the Minister of Finance stands in this House and says that jobs have been created in this country. We know what kind of jobs they are but the Minister of Finance could not even respond to that last week.

He and his government have kicked good manufacturing jobs out the door, family sustaining jobs paying over \$20 an hour, on average \$21 an hour, and they have created part time and temporary jobs that pay barely better than minimum wage.

The government, far from being proud of its economic record, should hang its head in shame for what it has done to the working people of this country. We have lost hundreds of thousands of jobs in a hemorrhaging of our manufacturing sector that is without precedence in Canadian history. What it has given us are temporary

and part time service industry jobs that pay minimum wage. They do not come with pensions or any sort of benefits.

This hits younger Canadians particularly hard. Right now we have record levels of student debt that the Conservatives have done absolutely nothing about. Young Canadians see themselves going into a job market where there are low entry level wages and jobs that have no pension benefits. They can see, after working a 40 or 45 year career, retiring with no company pension.

• (1755)

What do the Conservatives offer? They offer the false pretense of taking \$54 billion from the employment insurance fund and tucking it away, not putting it in any sort of debt reserve, not responding to the needs of Canadian working families, but tucking it away and putting \$2 billion aside. That is less than 2¢ on the dollar that they are putting aside.

In this corner of the House we say, no, that is not appropriate accounting practices, which is what the Auditor General says, and it is not at all in the interests of working families who have struggled for 20 years while corporate executives have been given anything they want from the former Liberal government and the current Conservative government.

The Liberals and the Conservatives do not like their actions being characterized as a false premise. They do not like their actions being characterized as taking the money for one reason and then diverting it without consulting the public and without responding to the need in working communities from coast to coast to coast, but that is what has happened.

It is a false premise for the government to pretend it is doing something for working families when it essentially takes \$52 billion away that came from hard-working families from coast to coast to coast. It is unfair and inappropriate and we are voting no.

• (1800)

[*Translation*]

Ms. Louise Thibault (Rimouski-Neigette—Témiscouata—Les Basques, Ind.): Mr. Speaker, I would like to ask my colleague a question about a specific point.

The budget speech announced the establishment of a board that was to be an independent crown corporation. I would like to know if my colleague has concerns about this as I do. On the one hand, they are talking about an independent corporation. On the other, under clause 36, part 7 of the bill we are discussing and that would establish this board, “The Governor in Council, on the joint recommendation of the Minister [of Human Resources and Social Development] and the Minister of Finance, may make regulations... respecting the investments...the limitations...[and] prescribing anything—”

Although the powers of the board are specified at the beginning of this part, at the same time, the end indicates that these will be made upon the recommendation of these two ministers. These two ministers will readily make a recommendation.

According to my colleague, to what extent will they interfere with a board that is supposed to be independent? Does my colleague have serious doubts, as I do?

Government Orders

Mr. Peter Julian: Mr. Speaker, I completely agree. The member has raised some very good questions.

Basically, that is what we think. We also pointed that out earlier today when we talked about immigration provisions. The minister is giving himself a lot of powers, the power to cross names off waiting lists, which are growing longer by the day. The minister will have the power to simply cross names off the list. The Conservatives would rather deal with management issues that way than bring in good management practices. “Good Conservative management practices” is something of an oxymoron. This plan will not work.

We are seeing exactly the same thing with these provisions in Bill C-50, that is, the concentration of powers in the hands of ministers who have already made it clear that they do not have the public interest at heart. They are taking money that honest Canadians contributed to an employment insurance system that no longer exists for two thirds of people who find themselves out of a job. Basically, this problem will not be solved by concentrating powers in the hands of ministers.

That is why the NDP is saying no to all of these measures. We will vote in favour of the amendments to Bill C-50 to fix these detrimental aspects.

Mr. Yvon Godin (Acadie—Bathurst, NDP): Mr. Speaker, I have a question for my NDP colleague.

The member for Hull—Aylmer was insulted by the language used in the House of Commons. Does he not think that workers should feel insulted to see the \$54 billion completely wiped from the government's books today, with \$2 billion invested?

Today, the Liberals did not even bother rising in the House to defend workers. Soon, in half an hour, we will see whether the Liberals will rise in the House to vote to protect the employment insurance fund.

Mr. Peter Julian (Burnaby—New Westminster, NDP): Mr. Speaker, that is just it. The Liberals spoke out against all the changes to the Immigration Act. They stood up in the House one after the other and said they did not like these changes in the bill, but they will vote in favour of it. They are going to allow these immigration changes to go through.

It is exactly the same thing when it comes to the changes to employment insurance. The crime was committed when money was taken and not provided to the unemployed. Now, we are in a situation where the Liberals can stand up in this House and vote against this bill, but we know that the Liberal leader will vote in favour of any Conservative bill if it is a confidence vote.

We are in a situation where this minority government, with the weakness of the Liberal leader, has turned into a majority government. Unfortunately, this comes at the expense of all the workers in this country, people who just want to contribute to their community, work, and whenever possible, have a springboard between jobs. This will not happen because of the Liberal leader and the Conservative government.

● (1805)

[English]

The Acting Speaker (Mr. Royal Galipeau): Resuming debate. Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. Royal Galipeau): The question is on Motion No. 6. 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 nays have it.

And five or more members having risen:

The Acting Speaker (Mr. Royal Galipeau): The recorded division on Motion No. 6 stands deferred.

[Translation]

The recorded division will also apply to Motions Nos. 7 to 20.

The recorded divisions stand deferred until after the time provided for government orders at 6:30 p.m. today.

* * *

[English]

AERONAUTICS ACT

The House resumed from November 2, 2007 consideration of the motion that Bill C-7, An Act to amend the Aeronautics Act and to make consequential amendments to other Acts, be read the third time and passed, and of the amendment.

Hon. Shawn Murphy (Charlottetown, Lib.): Mr. Speaker, I am pleased to rise in the House today to speak to Bill C-7, An Act to amend the Aeronautics Act and to make consequential amendments to other Acts.

The bill is very similar in most respects to its predecessor, Bill C-62, which was introduced in the House in September 2005 by the previous Liberal government. Therefore, the bill and its predecessors have been kicking around for approximately three years now. For those who doubt the Conservative government's approach to environmental issues, and that list is growing every day, I would remind them of the government's unusual commitment to recycling, that is to recycle legislation from the previous Liberal government. This is a situation which reminds me of an old saying “Imitation is the sincerest form of flattery”.

Government Orders

Unfortunately, the previous Bill C-62 died on the order paper with the dissolution of Parliament, without having gone beyond first reading. Bill C-6, which was the predecessor to Bill C-7, was introduced before prorogation by the minister of transport in April 2006 and came up for a vote at second reading. Members of the Bloc Québécois and the New Democratic Party did not vote in favour, yet Bill C-6, which is now Bill C-7, still passed 195 to 71. Then it was sent to the House transport committee for further study and deliberation.

In preparing for these brief remarks, I reviewed certain segments of *Hansard*. I talked to some members of the transport committee and I was encouraged by the work that the committee did. I was very encouraged by the actions of the Bloc Québécois, which originally voted against the bill. After hearing from many witnesses, that party proposed amendments in committee, which addressed its concerns. When the bill came back to this assembly, the Bloc at that time voted for it. That is the manner in which the House ought to operate and that is the manner in which our committee system ought to function.

Members of the New Democratic Party, on the other hand, were unable to convince committee members of the merit of its concerns or arguments and amendments and it voted against it, instead of respecting the work done at committee. The NDP members moved a hoist amendment. Essentially they have taken their ball and gone home. If they cannot have their own way, no one can. In effect the work done by the parties that represent in excess of 80% of Canadians, as per the results of the last federal election in January 2006, is being stalled by the New Democratic Party.

Marleau and Montpetit teaches us:

The hoist amendment originated in British practice, where it appeared in the eighteenth century. It enabled the House of Commons to postpone the resumption of the consideration of a bill.

An analysis of hoist amendments moved in the House of Commons since Confederation shows that the cases in which this procedure has been used fall into two specific periods. The first was from 1867 to about 1920, and the second from 1920 to the present day.

The first hoist amendment was moved on November 28, 1867. Prior to 1920, it was the government, not the opposition, that used hoist amendments most often. Because the House had only a little time for government business during the short sessions of that era, the government sometimes felt obliged to dispose of a great number of private Members' bills by using the hoist procedure so that it would have more time to devote to its own legislation.

Since 1920, the period set aside for government business has grown to take up the largest share of the time in the House, and hoist amendments have gradually come to be used almost exclusively by the opposition.

● (1810)

From an examination of the precedents, it is clear that hoist amendments were moved to motions for second and third reading during periods when there was considerable tension between the parties. Those amendments rarely passed: of the scores of cases recorded in the Journals, only four succeeded. In each of those four cases, the hoist amendment was moved by the government with the intent of defeating a private Member's bill.

As members can see, in order to block the work done by the other parties, and not only the other parties but by Parliament itself, the New Democratic Party had to invoke an obscure parliamentary tactic, which is a rarity in the House and these times.

Again, dealing with the bill itself, it was dealt extensively and at length by the transport committee. I congratulate all members of that committee. The committee did its job. It took the appropriate time to consider, to deliberate on the bill, amendments were moved, debated,

some were passed, some were not passed. That is the way the committee system should work.

There is a lot of noise in the House. I can hardly hear myself. Is there anyway you can restore order, Mr. Speaker?

The Acting Speaker (Mr. Larry Bagnell): Could members please keep the noise down so the member can speak. Thank you.

Hon. Shawn Murphy: Thank you, Mr. Speaker. I appreciate that.

During the 38th Parliament, I think the committee spent most of its time on this legislation, and I congratulate the members for that.

We have a situation now, as everyone in this assembly knows, wherein a lot of the committees are breaking now. They are not working at all. A certain matter comes before the committee, it is moved, a majority of the members of the committee vote in favour of it and then the Conservative Party filibusters it or, in one case, the chair walked out. We had the Cadman affair and the in and out election scandal.

I assume by the end of this week we are going to have, if the situation involving the previous minister of foreign affairs comes before a committee and if the other situation involving the leak on the NAFTA issue during the democratic primaries in the United States comes before the committee, two additional committees in the House dysfunctional.

However, going back to the legislation, this is a complex change in the whole system of aeronautic oversight, bringing us in line with emerging international standards, standards, which are mandated by the International Civil Aviation Organization. It states that each member country must establish a safety management system. I believe those systems have to be in place by the year 2009. Under that general oversight system, each company must implement a safety management system that is acceptable to the regulatory body in that country.

Work has been ongoing. This is not starting now. I believe the Department of Transport started it at least five years ago. Initial work went on. Some pilot projects with certain companies in certain regions were implemented. It is an ongoing process.

The Office of the Auditor General did an extensive performance audit on this work. It was released in the March 2008 report of the Auditor General. I believe five recommendations were made to the Department of Transport. I would not consider that a bad report. I would not consider it a good report. However, it did make some good recommendations as to this ongoing work, which is basically a change in the safety methodology as to how the Department of Transport undergoes it.

However, as I pointed out previously, the bill has been with this assembly for three years now, in various forms. The committee listened to the stakeholders and it deliberated and debated every aspect of the bill over what I consider to be a very extended period of time. Prior to prorogation, when the bill, at that time was known as Bill C-6, the committee began hearings on February 12, 2007, and concluded in June of that year, after devoting 17 meetings to the legislation.

Government Orders

In the 38th Parliament, it was the single piece of legislation to which the committee devoted the largest amount of time, which is apparently a rush job. Again, I want congratulate the committee for the excellent work it did on the legislation.

The committee during its hearings heard from the International Civil Aviation Organization, Transport Canada, the Department of National Defence, the Transportation Safety Board of Canada, the Air Transport Association of Canada, the Aerospace Industries Association of Canada, the Air Canada Pilots Association, the Canadian Business Aviation Association, airline companies both big and small, Teamsters Canada, Union of Canadian Transportation Employees, Justice Virgil Moshansky from the Dryden air crash review, and the list goes on.

After these presentations, amendments were made to Bill C-7 by all members and a majority of these amendments were passed in committee, based on the testimony that came forward from the many stakeholders and other witnesses, who presented before the committee.

• (1815)

Some of the key amendments to the bill made by the committee were: providing a definition to explain safety management system and updating the International Civil Aviation Organization's standards. There have been several amendments made to the Aeronautics Act over the years, but none of these amendments actually seemed to address the matter of bringing Transport Canada's standards and regulations up to the ICAO standards. The amendment was put forward by the Bloc, NDP and Liberal members of the committee.

Another amendment was having the minister be responsible for the development and regulation of aeronautics and the supervision of all matters related to aeronautics. Therefore, making aeronautical activities meet the highest safety and security standards.

Finally, ensuring that regulatory oversight is not replaced by safety management systems, so that safety management systems that have to be implemented by each company that operates in the aeronautics industry in Canada, whether it be the carriers, the maintenance companies or the suppliers would have an additional layer of safety available to Canadians who use the airplanes.

The facts speak very clearly, the number of people using airplanes in Canada is increasing dramatically. I believe the last figure we have is for the year 2006. In that year there were 99 million passenger flights taken in Canada, which was a 6% increase over the previous year, 2005. Industry estimates indicate that that will increase by about 40% between now and 2015. There is a tremendous challenge out there for our regulatory authorities.

Back to Bill C-7. I submit that this bill was under extreme scrutiny from all members of Parliament on this particular committee. Safety was the fundamental question addressed by members on the committee when examining this bill.

The new safety management system addressed in Bill C-7 focused on ongoing improvements to safety measurements in the aeronautics industry. Safety management systems would allow companies to have an internal way of operating which will enable employees to report safety violations confidentially within the company.

I should point out that was a point of contention within the committee debates, whether it should be confidential or it should be open. Finally, it came down that it should be confidential because of course we knew that employees would fear losing their jobs or being reprimanded by management for reporting safety violations. That ties in with the recent whistleblower legislation that was introduced. These matters can be dealt with confidentially.

We do not want people to be allowed to abuse the system. If they were involved in any way with the violations of any safety code, we certainly would not want them being allowed to report that violation in a confidential manner.

With Bill C-7, Liberal members on the committee felt it was necessary to have an environment that would encourage people to come forward voluntarily in reporting safety errors, which would therefore create an effective preventive system against any future aviation accidents.

In addition, Liberal members wanted to ensure federal representation would always be present to guarantee the regulatory process would still be in place. A safety management system is not deregulation in Bill C-7. Members on the committee made certain when examining the bill that Transport Canada would have regulatory oversight of that particular industry.

That is why, in my humble assertion, this bill really ought to have received royal assent last June. That is why I am surprised to see the bill still here in this House. The NDP has now decided it is not willing to support Bill C-7, despite hearing a number of witnesses and stakeholders in committee and despite the desire of members to have this bill go forward in the House.

• (1820)

Committee members have done a good job. The motion we are debating today is with respect to Bill C-7. It is, in my view, just another attempt by the NDP to filibuster in the House to delay the bill, to see it not come to a vote. I hope it comes to a vote soon. I do hope that the House can move forward on Bill C-7 and allow all members to vote on the bill as soon as possible.

Mr. Peter Julian (Burnaby—New Westminster, NDP): Mr. Speaker, the member opposite neglected to mention something that I think is pretty important for the folks who are actually following the file on Bill C-7.

He mentioned Justice Virgil Moshansky. He mentioned the Canada Safety Council, Teamsters Canada and the Canadian Union of Public Employees. What he did not mention is that these people are opposing the bill. They are trying to stop the bill in its tracks because they believe it fundamentally endangers the Canadian public. Both groups that represent flight inspectors raised concerns about the bill. The Canadian Federal Pilots Association, people who determine safety in our skies, is adamantly opposed to the bill. That would have been an important point to mention.

For the past year and a half the Liberals have been propping up the Conservatives by voting for anything that the Conservatives put forward. This is not a confidence vote. I would implore my Liberal colleagues to actually think of the public interest this time.

Government Orders

I would ask them to also think about the fact that the SMS has already been implemented in another sector, business aircraft, and there has been an escalating accident rate. There have been two high profile crashes that caused death through A. D. Williams.

According to this legislation a safety audit is supposed to be undertaken. We just found out through access to information that Transport Canada has no record of any safety audit being done with the company that has now had two high profile crashes causing death. While this hoist motion has been in place, we have learned that the SMS system not only has contributed to a higher accident rate but is not being effectively monitored.

Does that, hopefully, change the member's mind from this effort by the Liberal Party to drive over a cliff with the Canadian travelling public in the backseat of its car?

• (1825)

Hon. Shawn Murphy: Mr. Speaker, as I pointed out in my remarks, the committee devoted 70 meetings to this hearing. There was a whole host of stakeholders and witnesses, and some were opposed but most were in favour. Some had concerns but that is why we had many amendments. Most of the amendments that were made by the Bloc Québécois, the New Democratic Party and the Liberal Party were passed, and form part of the legislation now before the House. The committee has done its work. We should move forward with the bill, have a vote, and see if members of Parliament support it or not.

To the credit of the Office of the Auditor General it did a performance audit, and I have it in my hand, about what is going on at Transport Canada. It had a number of concerns and it made a number of recommendations and suggestions. The Department of Transport agrees with the suggestions that the Office of the Auditor General made and that will move forward as well.

As I indicated previously, with the increase in the number of people travelling by planes there has to be, and this is following what is going on around the world, a change in the methodology of safety. This is not deregulation. The primary regulatory requirements have to continue to be within the Department of Transport.

Mr. Don Bell (North Vancouver, Lib.): Mr. Speaker, I sat as a Liberal member on the transport committee that considered the bill. As the member for Charlottetown has stated, extensive time was spent on this. I am just wondering if he has any further comments on the fact that aside from wanting to ensure that this SMS is not replacing regulatory requirements but complementing safety regulations—

The Acting Speaker (Mr. Royal Galipeau): The member for Charlottetown has 30 seconds to respond.

Hon. Shawn Murphy: Quite briefly, the simple answer to that question is that there is no movement here to deregulate the industry. This is not complementary. The Department of Transport is, and shall remain, the body responsible for regulating that particular industry.

• (1830)

BUDGET IMPLEMENTATION ACT, 2008

The House resumed consideration of Bill C-50, An Act to implement certain provisions of the budget tabled in Parliament on February 26, 2008 and to enact provisions to preserve the fiscal plan set out in that budget, as reported (without amendment) from the committee, and of the motions in Group No. 2.

The Acting Speaker (Mr. Royal Galipeau): It being 6:30 p.m. the House will now proceed to the taking of the deferred recorded division on the motions at report stage of Bill C-50.

When we return to the study of Bill C-7, there will be five minutes left for questions and comments for the hon. member for Charlottetown.

Call in the members.

• (1850)

[*Translation*]

The Speaker: The question is on Motion No. 1. The recorded division will also apply to Motions Nos. 2 to 5.

• (1855)

(The House divided on Motion No. 1, which was negated on the following division:)

(*Division No. 119*)

YEAS

Members

André
Asselin
Bachand
Bell (Vancouver Island North)
Bevington
Black
Blais
Bouchard
Brunelle
Carrier
Chow
Comartin
Cullen (Skeena—Bulkley Valley)
DeBellefeuille
Deschamps
Dion
Freeman
Gaudet
Goodale
Guimond
Ignatieff
Julian
Laforest
Lalonde
Layton
Malo
Martin (Winnipeg Centre)
Masse
McCallum
Ménard (Hochelega)
Nadeau
Ouellet
Perron
Plamondon
Proulx
Redman
Savoie
St-Cyr
Stoffer
Thi Lac
Basques)
Turner

Angus
Atamanenko
Barbot
Bellavance
Bigras
Blaikie
Bonsant
Bourgeois
Cardin
Charlton
Christopherson
Crowder
Davies
Demers
Dewar
Duceppe
Gagnon
Godin
Gravel
Hall Findlay
Jennings
Karygiannis
Laframboise
Lavallée
Lessard
Marston
Martin (Sault Ste. Marie)
Mathysen
McDonough
Ménard (Marc-Aurèle-Fortin)
Nash
Paquette
Picard
Priddy
Rae
Roy
Siksay
St-Hilaire
Stegdi
Thibault (Rimouski-Neigette—Témiscouata—Les
Vincent

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NAYS

Members

Abbott	Ablonczy
Allen	Allison
Ambrose	Anders
Anderson	Baird
Benoit	Blackburn
Blaney	Boucher
Breitkreuz	Brown (Leeds—Grenville)
Brown (Barrie)	Calkins
Cannan (Kelowna—Lake Country)	Cannon (Pontiac)
Carrie	Casson
Chong	Clement
Comuzzi	Cummins
Davidson	Day
Del Mastro	Doyle
Dykstra	Emerson
Epp	Fast
Finley	Fitzpatrick
Flaherty	Fletcher
Galipeau	Gallant
Goldring	Goodyear
Gourde	Grewal
Hanger	Harper
Harris	Harvey
Hawn	Hearn
Hiebert	Hill
Hinton	Jaffer
Jean	Kamp (Pitt Meadows—Maple Ridge—Mission)
Keddy (South Shore—St. Margaret's)	Kenney (Calgary Southeast)
Khan	Komarnicki
Kramp (Prince Edward—Hastings)	Lake
Lauzon	Lebel
Lemieux	Lukiwski
Lunn	Lunney
MacKay (Central Nova)	MacKenzie
Mayes	Merrifield
Miller	Mills
Moore (Port Moody—Westwood—Port Coquitlam)	
Moore (Fundy Royal)	
Nicholson	Norlock
O'Connor	Obhrai
Oda	Paradis
Petit	Poilievre
Preston	Rajotte
Reid	Richardson
Ritz	Scheer
Schellenberger	Shipley
Skelton	Smith
Solberg	Sorenson
Stanton	Storseth
Strahl	Sweet
Thompson (New Brunswick Southwest)	Thompson (Wild Rose)
Tilson	Toews
Trost	Tweed
Van Kesteren	Van Loan
Vellacott	Verner
Wallace	Warawa
Warkentin	Watson
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PAIRED

Members

Albrecht	Batters
Bezan	Bruinooge
Clarke	Crête
Devolin	Faillie
Guay	Lemay
Lévesque	Lussier
Menzies	Mourani— 14

The Speaker: I declare Motion No. 1 defeated.

[English]

I therefore declare Motions Nos. 2 to 5 defeated.

[Translation]

The next question is on Motion No. 6. The vote on this motion also applies to Motions Nos. 7 to 20.

[English]

Hon. Jay Hill: Mr. Speaker, I think were you to seek it you might find unanimous consent to apply the results of the vote just taken to the motion presently before the House.

The Speaker: Is there agreement to proceed in this fashion?

Some hon. members: Agreed.

(The House divided on Motion No. 6, which was negated on the following division:)

(Division No. 120)

YEAS

Members

André	Angus
Asselin	Atamanenko
Bachand	Barbot
Bell (Vancouver Island North)	Bellavance
Bevington	Bigras
Black	Blaikie
Blais	Bonsant
Bouchard	Bourgeois
Brunelle	Cardin
Carrier	Charlton
Chow	Christopherson
Comartin	Crowder
Cullen (Skeena—Bulkley Valley)	Davies
DeBellefeuille	Demers
Deschamps	Dewar
Dion	Duceppe
Freeman	Gagnon
Gaudet	Godin
Goodale	Gravel
Guimond	Hall Findlay
Ignatieff	Jennings
Julian	Karygiannis
Laforest	Laframboise
Lalonde	Lavallée
Layton	Lessard
Malo	Marston
Martin (Winnipeg Centre)	Martin (Sault Ste. Marie)
Masse	Mathysen
McCallum	McDonough
Ménard (Hochelega)	Ménard (Marc-Aurèle-Fortin)
Nadeau	Nash
Ouellet	Paquette
Perron	Picard
Plamondon	Priddy
Proulx	Rae
Redman	Roy
Savoie	Siksay
St-Cyr	St-Hilaire
Stoffler	Telegdi
Thi Lac	Thibault (Rimouski-Neigette—Témiscouata—Les
Basques)	
Turner	Vincent
Wasylycia-Leis— 83	

NAYS

Members

Abbott	Ablonczy
Allen	Allison
Ambrose	Anders
Anderson	Baird
Benoit	Blackburn
Blaney	Boucher
Breitkreuz	Brown (Leeds—Grenville)
Brown (Barrie)	Calkins
Cannan (Kelowna—Lake Country)	Cannon (Pontiac)
Carrie	Casson

Government Orders

Chong	Clement
Comuzzi	Cummins
Davidson	Day
Del Mastro	Doyle
Dykstra	Emerson
Epp	Fast
Finley	Fitzpatrick
Flaherty	Fletcher
Galipeau	Gallant
Goldring	Goodyear
Gourde	Grewal
Hanger	Harper
Harris	Harvey
Hawn	Hearn
Hiebert	Hill
Hinton	Jaffer
Jean	Kamp (Pitt Meadows—Maple Ridge—Mission)
Keddy (South Shore—St. Margaret's)	Kenney (Calgary Southeast)
Khan	Komarnicki
Kramp (Prince Edward—Hastings)	Lake
Lauzon	Lebel
Lemieux	Lukiwski
Lunn	Lunney
MacKay (Central Nova)	MacKenzie
Mayes	Merrifield
Miller	Mills
Moore (Port Moody—Westwood—Port Coquitlam)	
Moore (Fundy Royal)	
Nicholson	Norlock
O'Connor	Obhrai
Oda	Paradis
Petit	Poilievre
Preston	Rajotte
Reid	Richardson
Ritz	Scheer
Schellenberger	Shiplay
Skelton	Smith
Solberg	Sorenson
Stanton	Storseth
Strahl	Sweet
Thompson (New Brunswick Southwest)	Thompson (Wild Rose)
Tilson	Toews
Trost	Tweed
Van Kesteren	Van Loan
Vellacott	Verner
Wallace	Warawa
Warkentin	Watson
Williams	Yelich— 114

PAIRED

Members

Albrecht	Batters
Bezan	Bruinooge
Clarke	Crête
Devolin	Faille
Guay	Lemay
Lévesque	Lussier
Menzies	Mourani— 14

The Speaker: I declare Motion No. 6 defeated. I therefore declare Motions Nos. 7 to 20 defeated.

Hon. Jim Flaherty (Minister of Finance, CPC) moved that the bill be concurred in.

The Speaker: The House has heard the terms of the motion. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

Hon. Jay Hill: Mr. Speaker, again I think if you were to seek it you would find unanimous consent to apply the results of the vote just taken to the motion presently before the House, in reverse.

The Speaker: Is there unanimous consent to proceed in this way?

Some hon. members: Agreed.

Hon. Karen Redman: Mr. Speaker, we are in agreement to proceed in the following way, but I would point out that the member for Halton has left the chamber, so that is one less Liberal.

Mr. Yvon Godin: Mr. Speaker, regarding the member she just referred to, it was more important to answer a phone call instead of voting.

The Speaker: I see the problem is resolved. The member is back.

Is there unanimous consent to proceed in this way?

Some hon. members: Agreed.

(The House divided on the motion, which was agreed to on the following division:)

*(Division No. 121)***YEAS**

Members

Abbott	Ablonczy
Allen	Allison
Ambrose	Anders
Anderson	Baird
Benoit	Blackburn
Blaney	Boucher
Breitkreuz	Brown (Leeds—Grenville)
Brown (Barrie)	Calkins
Cannan (Kelowna—Lake Country)	Cannon (Pontiac)
Carrie	Casson
Chong	Clement
Comuzzi	Cummins
Davidson	Day
Del Mastro	Doyle
Dykstra	Emerson
Epp	Fast
Finley	Fitzpatrick
Flaherty	Fletcher
Galipeau	Gallant
Goldring	Goodyear
Gourde	Grewal
Hanger	Harper
Harris	Harvey
Hawn	Hearn
Hiebert	Hill
Hinton	Jaffer
Jean	Kamp (Pitt Meadows—Maple Ridge—Mission)
Keddy (South Shore—St. Margaret's)	Kenney (Calgary Southeast)
Khan	Komarnicki
Kramp (Prince Edward—Hastings)	Lake
Lauzon	Lebel
Lemieux	Lukiwski
Lunn	Lunney
MacKay (Central Nova)	MacKenzie
Mayes	Merrifield
Miller	Mills
Moore (Port Moody—Westwood—Port Coquitlam)	
Moore (Fundy Royal)	
Nicholson	Norlock
O'Connor	Obhrai
Oda	Paradis
Petit	Poilievre
Preston	Rajotte
Reid	Richardson
Ritz	Scheer
Schellenberger	Shiplay
Skelton	Smith
Solberg	Sorenson
Stanton	Storseth
Strahl	Sweet
Thompson (New Brunswick Southwest)	Thompson (Wild Rose)
Tilson	Toews
Trost	Tweed
Van Kesteren	Van Loan
Vellacott	Verner
Wallace	Warawa

Adjournment Proceedings

Warkentin
Williams

Watson
Yelich— 114

NAYS

Members

André
Asselin
Bachand
Bell (Vancouver Island North)
Bevington
Black
Blais
Bouchard
Brunelle
Carrier
Chow
Comartin
Cullen (Skeena—Bulkley Valley)
DeBellefeuille
Deschamps
Dion
Freeman
Gaudet
Goodale
Guimond
Ignatieff
Julian
Laforest
Lalonde
Layton
Malo
Martin (Winnipeg Centre)
Masse
McCallum
Ménard (Hochelaga)
Nadeau
Ouellet
Perron
Plamondon
Proulx
Redman
Savoie
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Angus
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Bonsant
Bourgeois
Cardin
Charlton
Christopherson
Crowder
Davies
Demers
Dewar
Duceppe
Gagnon
Godin
Gravel
Hall Findlay
Jennings
Karygiannis
Laframboise
Lavallée
Lessard
Marston
Martin (Sault Ste. Marie)
Mathysen
McDonough
Ménard (Marc-Aurèle-Fortin)
Nash
Paquette
Picard
Priddy
Rae
Roy
Siksay
St-Hilaire
Telegdi
Thibault (Rimouski-Neigette—Témiscouata—Les
Vincent

PAIRED

Members

Albrecht
Bezan
Clarke
Devolin
Guay
Lévesque
Menziès

Batters
Bruinooge
Crête
Faille
Lemay
Lussier
Mourani— 14

The Speaker: I declare the motion carried.

ADJOURNMENT PROCEEDINGS

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

• (1900)

[*English*]

AIRBUS

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, on a couple of occasions the question has been posed to the Prime Minister about what the delay is in calling the public inquiry into the Mulroney-Schreiber affair.

It was back on November 12 that the former prime minister acknowledged he had accepted money from a certain person, Mr. Schreiber, and the very next day the Prime Minister—

The Acting Speaker (Mr. Royal Galipeau): I am sorry to interrupt the hon. member for Mississauga South. There is a lot of noise in that corner over there. I need quiet because we have work to do here.

The hon. member for Mississauga South has the floor.

Mr. Paul Szabo: Mr. Speaker, on November 12, Mr. Mulroney issued in a statement:

—I have come to the conclusion that in order to finally put this matter to rest and expose all the facts and the role played by all the people involved, from public servants to elected officials, from lobbyists to the police authorities, as well as journalists, the only solution is for the government to launch a full-fledged public commission of inquiry which would cover the period from 1988 to today.

Only then will the whole truth be finally exposed and tarnished reputations restored.

The ethics committee conducted hearings into this matter and agreed. In fact, the very next day, the Prime Minister himself acknowledged the need for the public inquiry and told Canadians that there would, in fact, be a public inquiry.

Before the ethics committee finished its hearings, it issued two reports. One was simply to reaffirm its request that a public inquiry be called. A second report was issued that the committee had finished its witness phase of the hearings and encouraged the Prime Minister to move forward with the appointment of a commissioner.

On April 2 the committee issued its final report and tabled it in the House. That is two months ago. The Prime Minister promised a full public inquiry back on November 13.

Our final report was issued on April 2. That is a full two months to the day that the committee completed its work and is waiting the commencement of the inquiry.

We are told that there are some problems trying to find somebody to do the job. The Prime Minister made that indication back in November. He also said that he would follow Dr. Johnston's recommendations with regard to the scope and terms of reference. He has had two reports from Dr. Johnston on that already. There is absolutely no reason whatsoever that we should not have the appointment of a commissioner.

Just like in the legal sense, justice delayed is justice denied. This is an important matter that was dealt with by a parliamentary committee. We take the Prime Minister at his word and we ask again, when will the commissioner be appointed so that a full inquiry can be undertaken?

Mr. Tom Lukiwski (Parliamentary Secretary to the Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Mr. Speaker, it is fairly well known, and we have stated it on a number of occasions, that an inquiry will be held, but of course it has to be done in a proper manner.

Right now, we are examining and determining the terms of reference. We are looking for an individual who may be a suitable commissioner to head up the inquiry. However, we will not rush into things until they are done correctly.

Adjournment Proceedings

What we have seen, quite honestly, is the Ethics Commissioner making a ruling on the admissibility of a certain member, the member for West Nova, who participated in the ethics committee inquiry of the Mulroney-Schreiber affair. In other instances, that inquiry, chaired by the hon. member for Mississauga South, on many levels, was nothing more than a gong show.

We do not want to enter into a situation like that. When we have an inquiry, it will be done properly and by using taxpayers' dollars, it will be done for the benefit of all Canadians.

Again, I have to point out some of the absurdities that we saw coming out of the ethics committee inquiry into the so-called Mulroney-Schreiber affair because not only did we have an opportunity to actually shed some light and put a good face on Parliament but all we had was political opportunism.

I would point out one glaring example where the hon. member for Honoré-Mercier asked a question of one of the witnesses and it was later found out that this question was written by a member of the media.

To make things worse, the member himself went on national television on the *Mike Duffy Show* and denied that he had taken a question from members of the media. He said, "I write my own questions". Later we found out through an internal investigation by CBC that that was completely false. That member lied on national television because, in fact, that question was written by a member of the media.

This was just a microcosm of some of the things that happened during those committee meetings that actually brought more shame, I believe, to the institution of Parliament. When we have the inquiry, it will be done properly for the benefit of all Canadians.

• (1905)

Mr. Paul Szabo: Mr. Speaker, the Prime Minister promised a public inquiry. He also indicated that he would follow the recommendations of Dr. Johnston. Dr. Johnston has done his job. He reported on April 4, almost two months ago. The member said that the government is going to start the process of looking. The Prime Minister promised last November that there would be a public inquiry. Why is it that the government is just starting to look around to see how it might do this?

It is very clear from the answer that the parliamentary secretary just gave to this House that the Conservatives are stonewalling this process. They are concerned that Dr. Johnston has put them in a hole that they cannot get out of. It is very clear that the subsequent revelations of Senator Lowell Murray with regard to the activities of Mr. Mulroney with regard to ACOA and the Bear Head project in fact contradict Mr. Mulroney's testimony on many counts. The member may say it was a gong show, but it did show that money was taken by the—

The Acting Speaker (Mr. Royal Galipeau): The parliamentary secretary has the floor.

Mr. Tom Lukiwski: Mr. Speaker, once again, this is nothing more than an example of the official opposition members trying to create a scandal where none exists. This is even more desperate than their normal line of attack. Now they are going back 15 years to try and

somehow, through guilt by association, smear the current government with the actions of a former prime minister.

We have seen time and time again, and it was exhibited again tonight, that those members do not have the courage of their convictions. Even though they criticize the government, how many of them actually show up for votes on confidence matters? By my count today there were 11. If the Liberals truly believed that there was anything wrong with the so-called Schreiber-Mulroney affair, they should have the courage of their convictions and stand in this House when they should, and take the opportunity during confidence motions to bring down this government and let the people decide the fate of this government in the next election. They will not do that. They will never ever do that.

AIRBUS

Mr. Brian Murphy (Moncton—Riverview—Dieppe, Lib.): Mr. Speaker, I am pleased to rise in the adjournment proceedings to take up a question that I asked of the then minister of foreign affairs. The golden boy that he was was asked a simple question about whether there was any contact between ministers or government representatives and Mr. Mulroney that may have been organized or facilitated by Mr. Mulroney. We found out that Mr. Mulroney met in private with the former minister of industry, now the former minister of foreign affairs.

We asked at that time whether that would be part of the public inquiry. The answer, simply put, by the former minister was that we are trying to make up stories and there were never any meetings and that scandals were being made out of thin air.

Now the fish has been hooked and there is an actual scandal involving that minister and it is time to follow up on the question: Did Mr. Mulroney meet with the former minister? It is time to come clean about that meeting. Why this question is more pertinent now than when it was asked and not answered is that the credibility of the two participants in the meeting is highly an issue now.

There is no doubt that Mr. Mulroney was less than truthful when he gave evidence about what he did with the money that he received. There is no doubt that Mr. Mulroney was less than truthful about the total sum of money he received. There is no doubt now that Mr. Mulroney told his closest highly paid professional spin doctors something different from what he eventually told the public. There is no doubt that Mr. Mulroney told Norman Spector, his chief of staff, that Bear Head in Cape Breton was dead, yet he let one of his closest friends, Fred Doucet, the lobbyist, bill the entire year's worth of lobbying activities in pursuing Bear Head. Mr. Mulroney has a serious credibility issue. In a court of law and in this House the credibility of the party should always be an issue.

Then we move to the minister, the other party in this meeting that took place in Montreal regarding, I would expect, the interests of Quebecor. The upcoming issues with respect to wireless telecom and deregulation in general might have been very much of interest to Quebecor. I cannot fault Mr. Mulroney and his employers wanting to know about that. I can fault, however, the then minister of industry for meeting with such a high level representative of such a high stakes player in the private sector with respect to telecom.

Adjournment Proceedings

The former minister says that nothing ever happened, that it was a scandal made out of thin air, but he has credibility issues too. That former minister kept on insisting that he did not know of any potential security breach until media interest arose and the story was sparked. He stated that he thought there was nothing wrong with the private affairs that he was conducting as they were.

We all know that a former famous Liberal prime minister said that the state has no place in the bedrooms of the nation. We also know now, which may be the Prime Minister's contribution to that legacy in rule, that the papers of state have no business in the bedrooms of former ministers' girlfriends.

What is really at issue and what I would like to have an answer on is what happened at that meeting? Why would the government accept at face value the word of the two participants whose credibility is seriously at issue?

● (1910)

Mr. Colin Carrie (Parliamentary Secretary to the Minister of Industry, CPC): Mr. Speaker, it is no secret that Mr. Mulroney knows the hon. member for Beauce. The member for Beauce was crystal clear. Any contact with Mr. Mulroney in the time period in question would have been of a social nature.

Once again, the opposition is desperate to create a story where there is none.

Mr. Brian Murphy: Mr. Speaker, just to assuage my imagination and the imagination of the Canadian people and hundreds of writers who are on this story, perhaps the government could table documents with respect to the meeting, the calendar of the former minister, what was intended to be discussed, whether Quebecor figured in any of the briefings to the minister at the time with respect to the important issues in play. It would be very important for the Canadian people to know whether the minister knew anything of Mr. Mulroney's business when he agreed to meet with him socially, in private, in a Montreal restaurant.

Mr. Colin Carrie: Mr. Speaker, the member does have a wonderful imagination because the member for Beauce was very clear. Any contact with Mr. Mulroney at the time period would have been social. Once again, this is a smear campaign.

I would like to quote what his colleague, the member for Kings—Hants, said about Mr. Mulroney.

In the June 8, 2000, *Hansard*, he said:

Canadians need bold, visionary, courageous leadership similar to the leadership of the previous government under the Progressive Conservatives and the leadership of Brian Mulroney.

In the December 10, 2002, *Hansard*, he said:

The member should not be criticizing those policies but should be waking up every morning and thanking God that there was a Progressive Conservative government that had the vision, foresight and wisdom to do that which his government would never have had the ability to do.

In *The Record*, December 5, 1998, he said, "It demonstrates globally he is the most respected PM we've [ever] had in...30 years".

In the May 30, 2002, *Hansard*, he said:

Mr. Mulroney's speech provides valuable lessons to the Liberal government in managing international relationships as well as in leadership, integrity and courage.

● (1915)

AUTOMOTIVE INDUSTRY

Ms. Martha Hall Findlay (Willowdale, Lib.): Mr. Speaker, we find ourselves in difficult times in a number of sectors including the automotive sector. I would like to about what the current government is planning to do, given these challenges.

All of us should be concerned about the economic challenges facing the country as it adjusts to the rapid and unexpected rise of the Canadian dollar. Because of high commodity prices and a falling U.S. dollar, we have seen a historic rise in the value of our currency. This challenge combined with higher energy prices, the United States struggling with the subprime mortgage crisis, and increased competition from emerging economies has created a perfect storm that is hammering our export sectors. Manufacturing, forestry, tourism and other vital industries are struggling, and again I would like to stress, our automotive sector.

We have a government that pretends there are no problems in the current economy. We have the current finance minister who only a couple of weeks ago said that the Canadian economy is growing in every sector, only to discover that in fact in the first quarter of this year, although the American economy grew, the Canadian economy shrank.

It is not the government's role to run business; we acknowledge that. That is the job of business. But the government does have a role in creating an environment where businesses can prosper and where businesses themselves can be encouraged to invest in the infrastructure, the equipment, the new and green technologies that can help them make cars that are more competitive and more in demand.

The government's answer is, "We do not think there is a problem. The Canadian economy is growing. Ontario"—which is in fact significantly reliant on the automotive sector—"is the last place to invest". The current finance minister and indeed other ministers have criticized Ontario on a number of fronts. The finance minister has criticized Ontario for not lowering corporate taxes, which already are lower than the current federal corporate tax rate. Overall there is a general environment of criticism, of throwing stones. There is a complete lack of cooperation with provincial and municipal governments and indeed with any of the other stakeholders. The Conservative government has done nothing other than pretend that the problem does not exist.

The Liberal proposal, on the other hand, which we refer to as the advanced manufacturing prosperity fund, is a billion dollars that would support major investments in manufacturing and in R and D facilities that would serve as an anchor for clusters of economic activity. In order to receive AMP fund investment, facilities would have to satisfy three criteria. They would have to leverage significant private investment and in so doing create jobs. They would have to be in anchor facilities that would attract significant secondary industries, supplier services and other support businesses. They must help position Canada as a leader in the manufacture of greener technologies and products. The AMP fund is designed indeed to help Canada become a champion of the green industrial revolution. All of our manufacturing sectors would benefit from this. But again, no.

Adjournment Proceedings

The government certainly had shown a surplus. Before the budget was proposed we as Liberals had asked that at least \$7 billion of the \$10 billion allocated to debt be put into infrastructure. That was not done. I would like to ask the government—

The Acting Speaker (Mr. Royal Galipeau): The hon. Parliamentary Secretary to the Minister of Industry.

Mr. Colin Carrie (Parliamentary Secretary to the Minister of Industry, CPC): Mr. Speaker, I would agree with the member that there is a perfect storm, the perfect storm created by her Liberal Party's inaction.

Since we have been in office, this Conservative government has been committed to the automotive sector. We have fostered growth, innovation and competitiveness and created jobs for Canadians.

Unlike the Liberals, who turned their back on the auto industry and oversaw the largest layoffs in Canadian history, this Conservative government is making Canada more competitive.

The auto industry is Canada's largest manufacturing sector and a key driver of innovation. The federal government respects and appreciates the significant contribution that the industry continues to make to employment and economic growth here in Canada.

We can be extremely proud of our industry and the recognition it has received through quality and productivity awards.

We are also aware of the challenges facing the Canadian automotive industry in light of increased global competition, the appreciation of the Canadian dollar and rapidly evolving technologies. The industry faces accelerating demands to implement the latest design and engineering technology and to bring new products to market. However, changing technologies are also providing us with opportunities to be world leaders in our areas of strength.

The federal government's strategic economic plan, Advantage Canada, creates that positive environment by lowering taxes, by cutting red tape, by investing in critical infrastructure and by creating the best educated, most skilled and most flexible labour force in the world. We have been in power only two years but we have and will cut taxes by nearly \$200 billion over this and the next five years, including over \$1 billion in tax relief for the auto sector.

We have provided \$33 billion in funding toward long term infrastructure projects. The Windsor-Detroit gateway is absolutely critical to a viable automotive sector in Canada and it was ignored by the previous Liberal government. Our government is delivering on that front. We are building an infrastructure advantage by removing barriers to the cross-border flow of vehicles and automotive parts.

This government is also committed to improving our environment while at the same time ensuring our policies do not negatively impact competitiveness. The Minister of Transport recently announced fuel consumption regulations will be benchmarked against a stringent, dominant North American standard taking into account the integrated nature of the North American automotive industry.

On safety regulations, we have been working closely with industry setting out a mutually agreed upon plan of action toward greater regulatory compatibility within North America. Just recently, a first, we announced the harmonization of Canadian bumper

standards. This initiative alone will save manufacturers hundreds of millions of dollars and it is something the Liberals did not get done.

Additionally, the government's new science and technology strategy sets out a policy framework that has received wide acclaim, both in Canada and internationally.

We have committed new resources and redirected existing resources to create a coordinated automotive R and D plan with industry and key players. We believe that R and D is critical now more than ever, pushing forward the frontiers of knowledge. It is the lifeblood of innovation and the key to success in a knowledge economy.

Budget 2008 also committed \$250 million to the automotive innovation fund that will lever private sector R and D and innovation, with particular emphasis on strategic, large scale projects to develop innovative and more fuel efficient vehicles. This is an initiative the Liberals have refused to support. Shame on them.

Unlike the Liberals, who want to bring forth a carbon tax that would cause more job cuts, more uncompetitive environment and challenges to working Canadians, this Conservative government is making our industry more competitive today.

The days of Liberal inaction and rhetoric are over. This government is committed to working with industry to implement policies that support a competitive and innovative Canadian auto industry.

● (1920)

Ms. Martha Hall Findlay: Mr. Speaker, I do not know how the member opposite can possibly say everything that he has been saying with a straight face in the face of hundreds of thousands of jobs having been lost in the manufacturing sector and a shrinking Canadian economy.

We are hearing all of the rhetoric about what has been proposed and what has been planned but I would suggest that there are a lot of people in the automotive sector who would like to actually know where the cheques are and where the action really is.

I will go back to the question of infrastructure. We have heard a great deal of talk and much ballyhoo about an investment of \$33 billion but very little of that is new money. Almost all of it is a continuation of much needed Liberal programs. The majority of the rest is a continuation of originally announced Liberal initiatives. Only \$1.3 billion of all of the announcement can even remotely be categorized as new money, and that is spread over seven years. This is simply not enough.

Adjournment Proceedings

Mr. Colin Carrie: Mr. Speaker, unfortunately, the member has not done her homework. If she had done her homework she would know that in 2004, CAPC, the Canadian Automotive Partnership Council, sent out a scathing report against the Liberal inaction on the automotive sector. It asked for five things and the Liberals delivered absolutely zero on those five. In just two years we have addressed all five things that it asked for.

After years of Liberal neglect, the member is maybe ignorant about her level of her hypocrisy. Unlike the Liberals “head in the sand” approach that saw record job layoffs throughout central Canada, this Conservative government acknowledges the sectoral restructuring.

The Conservative auto plan has four pillars. If she had paid attention in the House she would know that. We have a strategic economic plan that has lowered taxes, cut red tape for the first time,

invested in critical infrastructure and supported Canada's skilled labour force.

Budget 2008, which she did not support, committed \$250 million to an automotive innovation fund. What she just asked for we have done. This fund would lever private sector funding for green vehicle production. It also committed further funding to support—

• (1925)

The Acting Speaker (Mr. Royal Galipeau): A motion to adjourn the House is now deemed to have been adopted.

[*Translation*]

Accordingly, the House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24 (1).

(The House adjourned at 7:25 p.m.)

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