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OFFICIAL REPORT  
(HANSARD)

**Monday, December 1, 2008**

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**Speaker: The Honourable Peter Milliken**

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# HOUSE OF COMMONS

Monday, December 1, 2008

The House met at 11 a.m.

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*Prayers*

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## GOVERNMENT ORDERS

• (1100)

[*Translation*]

### ECONOMIC AND FISCAL STATEMENT

The House resumed from November 28 consideration of the motion.

**Mr. Pierre Paquette (Joliette, BQ):** Mr. Speaker, I am very pleased to speak to the economic statement, because—as we have seen in Quebec in particular, but also in Canada—this statement has been unanimously condemned by political and economic commentators and the general public.

Everyone, except perhaps the Conservatives and the Prime Minister, expected that the Minister of Finance's economic statement would contain measures to deal with the financial and economic crisis and help the victims of this crisis. Instead, the statement is a series of financial measures that either are obvious or have no major impact on what people in the regions or in hard-hit sectors of the economy are going through. That was our first disappointment. I will come back to this, because the Bloc Québécois had made proposals to the government last week and even earlier, yet the government unfortunately ignored them, preferring to take an ideological, laissez-faire approach. Obviously, this was a major disappointment.

But what shocked us the most was that the economic statement not only included no measures to support the economy and help businesses, hard-hit sectors or victims of the economic and financial crisis, but it contained purely ideological attacks that had absolutely nothing to do with the economic situation we are going through. Obviously, I am referring to political party financing.

Why challenge rules on which we all agreed, including in 2006, when the Conservative government amended the political party financing legislation? It eliminated corporate contributions—a measure we supported—capped individual contributions at \$1,100 and kept the provision whereby political parties received federal funding pro-rated to the number of votes they received.

Why call all that into question now, when the Prime Minister, the Minister of Finance and the Leader of the Government in the House

of Commons were talking about cooperation and conciliation in the House? Why did they bring in such a measure, which was nothing more than a way of provoking the opposition?

As for suspending the right to strike of federal public servants, why was it important to introduce such a measure? First, they deny a basic right recognized internationally by an organization such as the International Labour Organization. Furthermore, just a few days earlier, it had been announced that an agreement in principle had been reached with the largest public service union, the Public Service Alliance of Canada.

Did they not only want to bring this union to its knees but also to crush it completely? That is exactly what they did and it was unacceptable to us and to the opposition parties, as well as to all unions across Canada.

In addition, and it is important to say it, that brings into question agreements already signed. It was announced in the economic statement that wage increases would be limited to 2.3% the first year, 1.5% the second and 1.5% the third. Yet, some unions negotiated in good faith with this government and secured increases greater than these.

Once again, this government has demonstrated that not only does it have an ideological agenda that it will use the crisis to advance but, furthermore, that it has nothing but contempt for the right to negotiate, the right to strike and finally, for the work that thousands of public servants do here, in Ottawa, and across Canada and Quebec.

One last item was extremely surprising and shocking, and once again provoked the opposition and Canadian and Quebec civil society: why take away the right of women to go before a court to redress wage discrimination under the right to pay equity? And why make this wholly subject to negotiation when we are talking about a right? Once again not only did they provoke the opposition but they violated the right of women to pay equity.

*Government Orders*

●(1105)

Unfortunately, it must be said that there is some method to these three provocations, particularly with respect to the opposition parties. The legislation on political party funding is an extremely important component of the democratic process. Were it not for that legislation, some parties would be unable to conduct a campaign or put their platform forward, as the Green Party did in the last election, for example. Certainly we are not Green Party supporters, but we in the Bloc Québécois are supporters of democratic discourse. Theirs is a vision that is entitled to expression in a democratic society and a vision that the Conservative government wants to stifle and prevent from being expressed in the public arena.

And so this is an attack on democracy. The same is true of the elimination of the right to strike, a right that is also a fundamental component of a democracy. It is also true in the case of pay equity: prohibiting women from going to court, for reasons that I am unable to discern, is also an attack on democratic processes, and in particular the opportunity to apply to the courts in order to exercise one's rights.

Plainly the government has stubbornly persisted in its approach of provoking the opposition, of provoking significant segments of civil society in Canada and Quebec. This is completely unacceptable to the opposition.

As I said earlier: fundamentally, there are several measures that should have been included in this economic statement. I would note that we presented a complete plan representing \$23 billion over two years. I will now explain the details. In that plan, we explained how these resources could be freed up by cutting bureaucratic spending in various areas. We do not object to rationalizing some spending that does not directly serve the public. However, that calls for a vision of what is useful to taxpayers, to our fellow citizens, and of what is in fact no more than a kind of self-perpetuating loop of spending by the Conservative government, by the federal government.

We therefore prepared a study with Jacques Léonard, the former chair of Quebec's treasury board. Considering all budget items, we identified places where there had in fact been an explosion in bureaucratic spending and where it would be possible to save about \$6 billion over two years, by our calculation. As well, there are some financial assets that the government is not currently using. For example, there is about \$42 billion in foreign exchange accounts, if I recall correctly. A portion of that money could be used.

We made a series of proposals to the government for freeing up the resources that are needed so that the federal government's debt would not increase. That is what we are proposing in this regard. Certainly there will be a deficit, in technical terms, because there will be more expenditures than revenue, but financial assets will be put to use. There is no need for that increased spending to cause any increase in the federal public debt.

We proposed three types of measures. First, we talked about measures that would not cost the federal government much, if anything at all. For example, eliminating the employment insurance two-week waiting period. The Minister of Human Resources and Skills Development—not the minister of Natural Resources, although last week she responded as though she were—told us that

every kind of insurance requires a waiting period or deductible. But we are talking about employment insurance. We are not talking about private insurance, but social insurance. In this context, not only is it wrong to say that all private insurances require either a waiting period or a deductible, but they are not even talking about the same thing; it is like comparing apples and oranges. In this context, social insurance should help people who are fired, laid off or otherwise lose their jobs. It should guarantee them a certain level of income as soon as they have lost their job. That is the principle we were defending, and it is completely reasonable. It does not mean increasing the number of weeks of benefits. Thus, eliminating the waiting period would not cost a cent.

As we have said many times, we want to see employment insurance improved, which might require a longer legislative process. However, it could have been announced during the economic update that the waiting period was eliminated, effective immediately.

Another element that could have been announced is a moratorium on the obligation for retirees to withdraw a certain percentage of their RRIFs. That would give them the chance to get through this period of crisis, during which the market has dropped by 40%, and they could hope that, when they do have to withdraw their savings, those savings would be intact.

●(1110)

The government would not be out much money. There is a short-term cost, of course, but if the government just waits for our retired citizens to replenish the savings in their RRIFs and see the shares they have in them go back up, the taxes that these retirees will pay to the federal government when the money is withdrawn will be greater. Ultimately, there will not be any net cost to the federal government. We proposed a series of measures in this regard that cost the federal government nothing or virtually nothing.

We also suggested a number of measures to help companies that are experiencing difficulties. I remember that there was a graph on page 28 of the finance minister's economic statement of October 2007 showing that almost all industrial sectors—with the exception of petroleum and coal and chemicals—had been declining since 2005. Regardless of the financial crisis, therefore, the Conservative government should have been intervening for at least a year or a year and a half now to help our manufacturing and forestry sectors. It was urgent a year ago and it is even more urgent to do so now. Not only were these industries in difficulty at a time when the economy as a whole was growing but they are in even greater difficulty today when our principal market—the United States—is partly closed to us.

*Government Orders*

We expected to see some of the measures that we proposed included in the economic statement. For example, we suggested a modernization fund, we called the Fonds corvée modernisation. If the Conservative government wanted to give it another name, that would have been all right with us. It is similar to the old Corvée-Habitation in the early 1980s in Quebec, when there was another major recession. The Government of Quebec, the unions and the construction employers' organizations agreed to create a fund to support residential and commercial renovation and construction. Corvée-Habitation proved very successful at a time when the construction industry needed stimulating in Quebec.

We could have the same kind of program, that is to say, a program for companies in the manufacturing and forestry sectors that want to modernize their machinery to be more productive and better equipped when the recession ends—in around 18 months or two years, we hope. We suggested that for every dollar a company invests, the federal government would cover 20¢ of it through this modernization fund. We calculated overall that a \$4 billion fund would make it possible for as much as \$24 billion to be invested in modernizing our equipment and our companies in the manufacturing sector.

We also proposed, once again, a refundable tax credit for research and development. The Standing Committee on Industry, Science and Technology has already unanimously adopted that proposal, and the Standing Committee on Finance also adopted it last spring. This kind of measure would provide support for businesses and sectors that are struggling, allowing them to modernize so they can remain competitive and improve their productivity in order to benefit from the growth that will result from the opening up of new markets.

Businesses would profit from such refundable tax credits. Consider, for example, Tembec, a company that invested another \$80 million in research and development. That might not be the case this year, but it was able to do so last year. Since it is not making any profits, it could have benefited from an injection of \$80 million to support its research and development efforts. Of course, if it had made \$40 million in profits, the tax credit would have been \$40 million. This tax credit aims to ensure that even businesses that are not turning a profit could benefit from the support of the federal government and all governments. I think it was an extremely important measure.

How do the Conservatives respond to all our suggestions concerning the economy, businesses and the struggling sectors such as manufacturing and forestry? They say they have reduced taxes on profits. I think it should be easy to understand that lowering taxes on profits does absolutely nothing to help a business that is not making a profit. Basically, all the Conservatives did was allow oil and gas companies and a few other big businesses that are not in trouble, but rather are growing, to benefit from tax cuts, to the detriment of our society as a whole and the sectors in difficulty.

We think it is extremely important to immediately announce very practical measures to help the struggling businesses and sectors, and of course, to support our entire economy.

●(1115)

Now, let us talk about the victims of the crisis. It seems as though the government does not care about them at all. People will be losing their jobs. Older workers will be losing their jobs.

Time and time again, we have asked for a new program like the former program for older worker adjustment. My colleague from Chambly—Borduas has led the charge on this issue. The Liberals abolished the program in 1998, and it was supposed to have been replaced by another program, but that never happened.

Of course, the Conservatives will say that they launched a pilot project or a program to retrain workers over 55. That is not what we are talking about. What we are talking about is a program that would enable older workers subject to massive layoffs to obtain financial support to bridge the gap between employment insurance and their pensions.

Here is an example from my riding. Two plants in Saint-Michel-des-Saints closed their doors simultaneously. They were the largest employers in the area—virtually the only employers, in fact. Both plants belonged to Louisiana-Pacific, and when they shut down, people had to turn to employment insurance.

An Ontario investor wants to buy the two plants, but would only partially restore operations. That means that not all of the former employees would find work. The workers are unionized, and they have a good collective agreement with the CSN, so the most senior workers would get priority. But maybe some of the 58- or 59-year-old workers would be prepared to give younger people a chance at the jobs if they were given a way to reach retirement with dignity.

What are the consequences of the lack of such a program? Younger people, who will not get jobs when the plants reopen, will leave the Saint-Michel-des-Saints region and go to Repentigny, Mascouche or Montreal. That means fewer children in the schools and fewer people shopping at local stores.

The Bloc Québécois has calculated that this kind of measure would not cost much—some \$45 million per year—and would support communities affected by closures and mass layoffs by providing people with a decent income after they have been laid off, spurring ongoing economic activity and ensuring a reasonable quality of life for everyone in the community.

As I mentioned, this measure would cost very little and would have allowed the government to give tangible assistance to individuals who have fallen victim to the crisis.

I am also thinking of another proposal made with regard to the guaranteed income supplement. At present, our seniors are concerned about their evaporating savings. Some are even more disadvantaged and are entitled to receive the guaranteed income supplement. The problem is that, from the time when the Liberals were in power, the federal government—and that is still the case with the Conservatives—has done everything in its power to hide this program. Consequently, in Quebec, there are about 60,000 individuals who are entitled to but do not receive the supplement. What we want is quite logical and a simple question of justice.

*Government Orders*

People who, at some point, realize that they have been entitled to the guaranteed income supplement should receive retroactive payments. Naturally, we should also ensure that the guaranteed income supplement provides them with an acceptable level of income. Formerly we referred to the poverty line, but now we use a more politically correct expression—the low-income cutoff. Let us not deceive ourselves: it means being poor. The guaranteed income supplement should be increased by \$110 per month.

Therefore I would like to move an amendment, seconded by the member for Saint-Bruno—Saint-Hubert.

I move that the motion before us be amended by replacing the words “take note of” with the word “condemn”.

I propose this amendment to the House. I thank the member for Saint-Bruno—Saint-Hubert for his support. This amendment will surely revolutionize Canadian parliamentary history.

• (1120)

[*English*]

**The Acting Speaker (Mr. Barry Devolin):** The Chair will take this under advisement. At this point I would like to proceed with questions and comments.

The hon. Parliamentary Secretary to the Minister of Finance.

**Mr. Ted Menzies (Parliamentary Secretary to the Minister of Finance, CPC):** Mr. Speaker, I thank my colleague for his intervention and also the Bloc for actually putting forward some suggestions. I think that is positive and I would remind other hon. members that the Bloc has at least put forward some positive suggestions. We will be looking seriously at those in our pre-budget process which, as the finance minister said, is ongoing. The minister himself will be travelling across the country preparing to listen to individual suggestions of how we can actually continue on what has been a good solid beginning, and how to help Canadians survive this economic crisis that the entire world is in.

However, Canada has been somewhat protected from that because of the economic stimulus that has already been put forward. Could the hon. member not recognize that there was economic stimulus, maybe not to the magnitude that we will have to see in the budget which we now have a date for, January 27?

My constituents, and I am sure his constituents, were asking for changes to the RRIFs. We put that in, a 25% reduction. Does the hon. member not recognize the fact that we put \$350 million into both EDC and BDC, and that they are important and quick stimulus pieces that we could put into this economic statement in preparation for our budget of January 27?

• (1125)

[*Translation*]

**Mr. Pierre Paquette:** Mr. Speaker, I thank the parliamentary secretary for his question. In my opinion, what we have here are two different economic philosophies. Like other conservative governments around the world, this Conservative government prefers to cut taxes whether the economy is growing or shrinking, even though tax cuts can be an attractive option at specific times of crisis.

For example, take the 2% reduction in the GST. It could have been a good way to stimulate consumer spending, but the government

made this cut when spending was already healthy. In a way, it even brought about the initial inflationary pressures we experienced last year. It should have waited to use this strategy, knowing that the financial crisis in the U.S. would affect our economy sooner or later.

As I said, this is not just the hallmark of this Conservative government, but of all conservative governments. The government has already used its big guns, and they are no longer available. The tax cut saved consumers billions of dollars, but came at a time when it was not needed. The government needs to realize that the measures it has taken in the past—which I do not agree with, but which are consistent with the Conservative philosophy—have not produced the expected results in the situation we are in now.

The same is true of the programs that are in place. Sure, it is great to increase funding for programs, but that will not cause a turnaround in industries and businesses, which are afraid of what the future holds. Much more than that is needed. That is the Bloc Québécois' philosophy: what is needed is a responsible approach, as well as something special to stir people's imagination and bring about a true industrial recovery, such as the modernization program, Fonds corvée modernisation, which I explained earlier.

[*English*]

**Hon. Larry Bagnell (Yukon, Lib.):** Congratulations, Mr. Speaker. You are doing an excellent job in difficult times.

It was great to hear the parliamentary secretary applaud the Bloc for providing suggestions, but if the government were to actually listen to these suggestions at a time of crisis, maybe we would not be into this crisis.

The RRIF suggestion is a good move but it is only 25%. Seniors will still have to take out 75% and will have to come up with the cash to pay their taxes. Where is that going to come from? They will have to sell securities at an all-time low rate.

During the last election Canadians were in crisis. I heard it on the doorsteps as I am sure the Conservatives did but now there is virtually nothing in the package. The Prime Minister of course precipitated this crisis with a couple of other major mistakes, things that were not even in the election campaign, namely, major changes to the electoral system and to collective bargaining. Fortunately, he has withdrawn those but my question is about the egregious mistake. There is no large step to deal with Canadians who are really worried about their futures, who are in need wondering how they are going to feed their families, and how they are going to survive on their fixed incomes at this time of need.

Does the member see any light of hope of that grievous problem being rectified so that we can get out of this crisis?

*Government Orders*

[*Translation*]

**Mr. Pierre Paquette:** Mr. Speaker, I would like to thank the member for his question.

Clearly, we all expected the federal government to use the economic statement to show us that it had a plan to deal with the crisis. What we got was a few insignificant, business as usual measures. The federal government's statement did not include a plan to get Canada out of this crisis, which will be getting worse over the next few months, nor did it include bold measures to help victims of the crisis.

As I was saying earlier, we cannot simply carry on as though all were business as usual. The crisis could turn out to be very severe. If we do not take significant action with strong measures right now, Canada will surely enter into a recession without the tools it needs to cope.

We need a three-pronged approach. First, we have to do something about the economy as a whole. Cutting federal spending will certainly not help the economy, but reallocating funds might. Second, we have to support struggling sectors and businesses to help them get through this crisis. Above all, we have to help victims of the crisis, including seniors and the unemployed. We put forward a whole series of proposals, including a one-year moratorium on RRIF withdrawals and increasing the age for mandatory RRIF withdrawals from 71 to 73. Many solutions have been put forward, but the political will has been patently lacking.

• (1130)

**Mr. Yves Lessard (Chambly—Borduas, BQ):** Mr. Speaker, I first want to congratulate my colleague from Joliette on his speech. As we know, he is also the House leader of the Bloc and I would describe the work he does as magisterial, since he also contributed significantly to the stimulus plan proposed by the Bloc, which has also been described as a positive plan by the hon. parliamentary secretary.

We must note, however, that in spite of our suggestions in response to the Conservatives' request, they have exhibited no interest to date in implementing any measure from our plan whatsoever.

My question to my colleague is this. I think he correctly pointed out that the economic stimulus plan proposed by the Conservatives is not really an economic stimulus plan. In fact, it has little to do with the current economic crisis, and the measures on which it is based are reactive rather than proactive.

In particular, I would like to hear my colleague on the aspect that concerns the people directly affected by the crisis. He touched briefly on that. He might perhaps come back to that in terms of the measures proposed by the Bloc for people who have lost their jobs. There are even people working full-time who have had to go to food banks so they can eat. I would like to hear my colleague on that point.

**Mr. Pierre Paquette:** Mr. Speaker, I thank the member for Chambly—Borduas for his question. This gives me an opportunity to add something to the debate that not much has been said about.

One of the problems that explains the current crisis is the rising income inequality in our societies—particularly in American society, but Canada has not escaped it.

At present, in the United States, the most recent statistics indicate that in 2006, the richest 1% of families had 23% of total American household income. We are talking about 1%. In 1980, before Mr. Reagan came to power, that same 1% had 8% of total income in the United States. The concentration of wealth in the United States is now nearly three times higher.

Do you know when the last time was, before 2006, when the richest 1% of families had more than 20% of total income in the United States? It was in 1928, just before the crash of 1929 and the Great Depression. Income inequality is another factor that explains the crisis. We have to tackle it by having a genuine employment insurance scheme, a good guaranteed income supplement, indexed benefit plans and support for families. This is completely missing from the Conservative vision.

[*English*]

**Mr. Bruce Stanton (Simcoe North, CPC):** Mr. Speaker, I am pleased to rise in the debate on the government's economic and fiscal statement delivered in the House Thursday last.

Mr. Speaker, I should also let the House know that I will be splitting my time this morning with the member for Barrie.

Certainly, the last several days since the statement was delivered by the finance minister have been filled with political intrigue and the kind of drama that one does not normally associate with Canadian politics to be sure. I am sure that political watchers and many more Canadians are captivated by the developments in the last few days. Aside from the spectre that has brought to the airwaves and print media these last few days, there is much at stake for all Canadians.

At home in my riding this weekend I heard from more constituents than normal. They expressed their concerns, their fears and their frustrations that the House is posturing toward the brink of an unknown path ahead. This is at a time when they look to us for stability and prudence.

It is no surprise that they are anxious. One only needs to consider the exceptional situation in which we in Canada and indeed the economies around the world find ourselves. We are facing an unprecedented deterioration in the world economy. The slowdown has been sudden and dramatic. No government and no economist could have predicted the speed at which it would intensify these last few months. The crisis has brought some of the world's largest economies, such as Japan and the United States, into recession.

Yet while we observe these developments around the world, our situation here in Canada is not quite as dire, at least not yet. We must be ready to respond, and as and if our economy weakens, we must take some solace in the fact that we entered this downturn in a much stronger position than most of our international partners.

*Government Orders*

It is a unique position to be in. While I can understand why the opposition parties and some commentators across the country are looking for massive bailouts and government interventions, let us remember that doing so would necessitate borrowing which would put the burden of these interventions on the next generation. That is something this government has signalled it would be prepared to consider doing, that is, running a deficit in the short term—

• (1135)

**Mr. Scott Reid:** Mr. Speaker, I rise on a point of order.

I apologize first to my colleague for interrupting him. I do so because the previous intervention from the Bloc Québécois was out of order.

The proposed amendment that would change the words of the motion from “take note of” to “condemn” is out of order, Mr. Speaker, because it changes the nature of the original motion and indeed goes beyond the scope of the original motion.

In reference to this I draw your attention to Beauchesne's, paragraph 579, on page 176 which states:

(1) An amendment setting forth a proposition dealing with a matter which is foreign to the proposition involved in the main motion is not relevant and cannot be moved.

As well, in support of the point I am making, I draw attention to Marleau and Montpetit, page 453, which states:

An amendment must be relevant to the main motion. It must not stray from the main motion but aim to further refine its meaning and intent.

Clearly the amendment does not do that. Marleau and Montpetit further states:

An amendment is out of order procedurally, if:  
it is not relevant to the main motion (i.e., it deals with a matter foreign matter to the main motion or exceeds the scope of the motion, or introduces a new proposition which should properly be the subject of a substantive motion with notice)—

None of these conditions having been met, the amendment is out of order, Mr. Speaker.

**The Acting Speaker (Mr. Barry Devolin):** I thank the hon. member for his intervention.

As I said a few minutes ago, the Chair has taken the proposed amendment under advisement. We are looking at it and will return to the House later with a position on that amendment.

Continuing debate, the hon. member for Simcoe North.

**Mr. Bruce Stanton:** Mr. Speaker, as I had indicated, a deficit in the short term is something the government has signalled it would consider. It is certainly a direction we do not take lightly.

Thanks to the fact that we have paid down debt by some \$37 billion since taking office, the country is in a position to respond. Going back further, Canadians have worked hard to pay down the national mortgage from its peak in the mid-1990s of about \$562 billion down to about \$457 billion today, this at a time when our economy experienced steady and almost unprecedented growth.

It is a path we must stay on over the long term. Because of this tremendous achievement, Canada is almost unequalled in its strong fiscal position. It gives us the ability to take the necessary steps in the months ahead to keep Canada's economy strong.

Canadians expect that part of a prudent way forward should also include tightening our own belts here in government. This is what families do when they are faced with an unexpected loss of revenue; they prioritize their spending.

Our economic statement of Thursday last addressed the direction of those spending changes. It certainly became clear over the weekend that some of the proposals forwarded on Thursday would not receive the support of members opposite. The government has listened and adjusted.

I think it is fair to say, based on the advice I heard from people in the riding this weekend—

• (1140)

[*Translation*]

**Mr. Pierre Paquette:** Mr. Speaker, I would like to apologize for interrupting my colleague, but it was apparently argued that the amendment I proposed, which was seconded by the member for Saint-Bruno—Saint-Hubert, could be ruled out of order. I would just like to bring to your attention that, on page 453 of *House of Commons Procedure and Practice*, Marleau and Montpetit state that:

An amendment must be relevant to the main motion. It must not stray from the main motion but aim to further refine its meaning and intent.

That is what my amendment does. In this case, the House received the report and took note. We feel that the House is able to judge the quality of the economic update, and that is why we are asking that it be condemned.

An amendment should take the form of a motion to:  
-leave out certain words in order to add other words.

That is the case here.

I would also like to say that, as to whether this censure could be considered a matter of confidence, there is a precedent from 1926 that is being studied carefully by constitutionalists right now. It is found on page 44 of chapter 2 in the same reference and I will quote this passage.

It retained the support of the House until June 1926 when the official opposition moved an amendment to a motion to concur in a committee report that amounted to a censure of the government; at that time, the King government was not able to command the support of the House on a series of procedural motions meant to set aside the censure amendment.

It is therefore not unprecedented that an amendment to a motion could become a motion of non-confidence. I am presenting this information because I want to be sure that you have all the necessary information to make your ruling, which, I believe will be that this amendment is in order and can therefore be put to a vote.

[*English*]

**The Acting Speaker (Mr. Barry Devolin):** I thank the hon. member. Before I deal with the substance of the member's point, I would like to make a comment. It is my intention in this chair to address my colleagues the majority of the time in their first language. However, when I am dealing with points of order and things like this that I am unfamiliar with as a new chair occupant, I hope that the member and other colleagues will indulge me if I use my first language until I am more comfortable with process.



*Government Orders*

Having said that, as I said previously, the Chair has taken this amendment under advisement. We will be returning to the House of Commons with a ruling on its admissibility. I encourage all of my colleagues to patiently await that ruling.

**Mr. Scott Reid:** Mr. Speaker, very briefly in response to my hon. colleague's observations, while I am sure they are well intentioned, I want to draw your attention to the fact that the initial motion does not ask the House to pass judgment on the fiscal update or indeed on the government. Therefore, asking it to pass judgment, as the amendment the member has put forward does, goes beyond the scope of the original amendment. That is the problem that is involved here. It is not that there are no mechanisms within this House by which actions of the government can be condemned and so on. It is just that there are none within this particular motion. That is what makes the amendment out of order.

There are a variety of other options available to the member. He is an experienced parliamentarian, and I suspect he knows those as well. However, I submit to you that the intervention he just made, while well intentioned, is in error in its facts.

[*Translation*]

**Mr. Pierre Paquette:** Mr. Speaker, I will be brief. According to page 453 of *House of Commons Procedure and Practice*, the criteria used to determine whether an amendment is out of order make no mention of the subjective nature of the amendment or the words that are replaced by the amendment.

In this case, “take note of” or “condemn”—I do not know the exact wording off the top of my head—is in order because it leaves out certain words and adds others. It is in keeping with the spirit of the main motion, which is to debate the economic statement. I simply wanted to draw to your attention all the criteria, which can be found on page 453.

• (1145)

[*English*]

**Mr. Joe Comartin:** Mr. Speaker, on the same point, I want to express our support for the amendment and make the argument that it is in order.

The attempt by the government to say that its motion does not require any opinion from this House is in fact not accurate. By our accepting it as a motion to take note of the content of the economic statement does call on this House to give an opinion. The amendment that has been proposed by the Bloc is completely in order. It is relevant. It is simply a different opinion from what the government is asking. By taking two words out and inserting one word, it is well within the scope of the amendment. It is likely that the result would be different but the intent of the motion is still there. The amendment is in compliance with that intent. It is the result that may be different from what the government is hoping for and wanted, but it is certainly within the rules as cited by my colleague, the member for Joliette, that this is relevant and proper and in order.

**The Acting Speaker (Mr. Barry Devolin):** I thank members. As I said previously, their comments will be given the consideration they warrant.

Continuing debate, the hon. member for Simcoe North.

**Mr. Bruce Stanton (Simcoe North, CPC):** Mr. Speaker, it is fair to say, based on the comments I heard from people in my riding, that Canadians do not want another election. With few exceptions, they would not accept an alternative government and prime minister that were not elected by the people.

Therefore, it is time to move ahead, take a collective breath and find the means and path to move forward in a strong and decisive manner. This, more than anything, is what I believe Canadians want us to do, especially at this delicate time for our economy.

Our newly elected government assembled Parliament quickly, a little over a month after the election. We laid out our agenda in the 40th Parliament in the Speech from the Throne. That agenda received the support of the House last Thursday. On the same day, the Minister of Finance delivered his economic and fiscal statement, a statement which informed Canadians about current economic conditions Canada was encountering, a statement that framed the government's intentions for the term ahead on matters of financial priority and plans.

The statement signalled a commitment to deliver additional measures in the months ahead to protect and strengthen our economy. It recognized that these additional measures must be done in concert with the provinces and with our G20 partners.

However, to put that current situation in context, and as I mentioned earlier, Canada is already in a much stronger position of all the G7 countries. We took action early, ahead of the curve, to bring stimulus to Canada's economy. We did this with tax cuts to individuals and businesses, which will total some \$31 billion next year, equivalent to 2% of GDP, equivalent to the recommended stimulus that all G20 countries have agreed to implement going forward. These are permanent, sustainable tax reductions that keep money in the pockets of Canadians and Canadian businesses this year, the year after and the year after that.

Since 2006, we have reduced the tax rate on new business investment to the lowest level in the G7 by 2010. We have made historic investments in job-creating infrastructure and invested in science and technology, education and training. On the infrastructure front, we have embarked on the largest infrastructure program since World War II. The depth of these interventions, the ones we have taken and are prepared to take, are unparalleled in the world's advanced economies.

History teaches us that government responses to these types of economic downturns are best to include stimulus in the form of investments like infrastructure, but also to keep credit available for consumers and businesses. Credit is an essential and integral part of the economy for it to function well.

In the last months we took prompt action to keep credit flowing without putting tax dollars at risk. We created liquidity for our financial institutions, building on the solid position our banking system already enjoys in the world.

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As the world economy deteriorates, however, there is little doubt that we are going to feel the negative impacts. Our forecasts show us dipping into recession this quarter and perhaps the first quarter of 2009. This is consistent with private sector forecasts also.

Even with these lapses in growth, the first in almost 18 years, Canada has among the best economic outlooks among industrialized countries. Therefore, part of a prudent way forward must also include prioritizing government expenditures in line with the priorities of Canadians. This will give us more capacity to invest in the economic futures of Canadians and our businesses without running up the national mortgage.

That is the approach we have laid out in the throne speech and in the economic fiscal update. It is an agenda to build on the hard-won success of our economy over the last decade or more, build on the sacrifices and determinations that individuals Canadians and innovative Canadian businesses have taken, the ingenuity they have shown to dig in, work hard and improve their lot in life.

• (1150)

At times like this we owe it to them not to squander Canada's strong position, but to stay on the course that has, in fact, delivered that position with fiscal discretion, paying our way and targeting our investments for the long-term competitiveness of the economy. This is how we can ensure Canadians will be afforded the greatest opportunity to earn a good living, support their families and realize their dreams and aspirations.

Let us get to work and do well by all of them now. We have not a moment to lose.

**Hon. Larry Bagnell (Yukon, Lib.):** Mr. Speaker, the last line was perfect; that we have not a moment to lose. People were expecting that in the economic update. Other countries in the world have taken this seriously. It is great to say that things look good in this area and are a bit better than in other countries, but that is not an answer to the seniors who are hurting, who are wondering how they are going to survive on their incomes, or to the thousands of people who have lost their jobs in this situation. It is not an answer to the thousands of Canadians who are wondering how they are going to pay their mortgages, or if they are going to have to move, or if they are going to be able to pay for their children's school supplies.

This whole constitutional crisis was precipitated by this lack of action. I hope the member is inside caucus pushing to accelerate items, to target and pick out those people in need, to analyze them, as an economic update should, and then provide significant actions so we can get out of this constitutional mess. More important, I hope there is a focus on Canadians in need and that some concrete, significant, major measures are taken to deal with the major crisis some individual Canadians are experiencing now.

**Mr. Bruce Stanton:** Mr. Speaker, there is no doubt we have to take a course that will be good for seniors and those who are displaced by the kind of shocks that may come Canada's way. However, we also must remember that massive interventions taken ought not to be taken lightly. The understanding, as we have learned from our history, is that we cannot make massive bailouts and interventions for the sake of making them. It has to be done in context with what the capacity of the Canadian economy already brings.

We have already indicated a willingness to do what is necessary to keep the economy strong. These are critical investments that we need to watch closely, and we have already taken measures ahead of this.

I urge the hon. member, as he encouraged me, to do what we have to do to work together on behalf of all Canadians.

• (1155)

[*Translation*]

**Mr. Guy André (Berthier—Maskinongé, BQ):** Mr. Speaker, I listened to my colleague across the floor talk a little about the economy and the importance of the economic statement. The problem is that this economic statement contains no real measures to support the economy. The election campaign just ended about a month ago. Throughout Quebec, we debated all possible measures and the needs of Quebec, including everything from the manufacturing and forestry sectors, to the issues facing older workers, which my hon. colleague just mentioned. The question of social housing was also raised, as were POWA, aboriginals and unemployed workers. Many things were discussed during the election campaign. We must support our industries and the sectors that are struggling or facing crisis situations.

Yet there is nothing within the economic statement that offers assistance and support to our industries. There is nothing in this statement to support the workers affected by the crisis. That is why we oppose this economic statement. A minority government was elected and it must listen to the other parties. In this House, however, it does not listen to the other parties or to the voters.

I would like to hear what my hon. colleague has to say about this.

[*English*]

**Mr. Bruce Stanton:** Mr. Speaker, the hon. member has spoken about some important interventions that probably will need to be taken without question. However, I differ with him on his comment that the economic statement did not talk to some of those measures. In fact, we spoke of looking at prioritizing our own federal spending to the tune of about \$15 billion over five years. This is \$15 billion worth of capacity that exists now, which could be invested in the right places to keep our economy strong. It is \$15 billion that we will not have to look to either in the form of raising taxes or increasing additional debt.

The Minister of Finance talked about emerging from this downturn in a stronger position. We can do that if we use our existing capacity so we can make those right investments. We can do that by cutting back on the things on which we do not need to spend money.

**Mr. Patrick Brown (Barrie, CPC):** Mr. Speaker, I am pleased to have the opportunity to rise in this chamber. My colleague from Simcoe North spoke eloquently. I have the pleasure of coming from the same region of Ontario as he does. He is an industrious advocate for our region. He has done some incredible work for Lake Simcoe, our regional airport and our local college. It is a pleasure to speak with him.

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On the situation of the economic and fiscal statement, it is very important to note the context that we are in, which is there has been an unprecedented deterioration in the global economy in a very short period of time. Nobody could have predicted the full force of the economic crisis. The cascading effects of the international credit crisis were sudden and devastating. Canada has not been immune to this, nor can it be.

Economic projections are much lower than at the time of our last budget. Forecasters now widely expect a recession with negative growth in the fourth quarter of 2008 and the first quarter of 2009.

We are fortunate to have a government that has taken steps previously, in anticipation of a potential slowdown, to guard against some of the larger effects we have seen in other countries.

In my riding I have seen some of the effects of the slowdown commencing. We have had a few plants inter-source. Faurecia shut down, and those job losses have been damaging to families. It is important to have a government, as we do, that guards against these potential losses and protects business. That has been the approach of our finance minister.

We made choices to help put Canada in a stronger economic position. In fact, since 2006, the government has reduced the federal debt by \$37 billion, an incredible figure. We have reduced taxes by almost \$200 billion over 2007-08. In the following years we will have reduced the tax rate on new business investment, leading to the lowest level in the G7 by 2010.

We have made historic investments in job created infrastructure. We have increased investment in science, technology, education and training. In terms of the infrastructure investment, a lot of governments talk about their support for infrastructure, but when it comes to seeing tangible projects around the country, it has been rare to see. It has been the opposite with our government. We have seen incredible infrastructure projects across the country, and I will mention a few of them.

In our region, three years ago, when the Conservatives were first elected, Barrie had no Go train service. The Conservative government invested \$8.3 million to bring it to Barrie.

We have also seen three infrastructure projects around Lake Simcoe, protecting the lake from phosphorous elements. We have also seen a new recycling plant built on Ferndale Drive in Barrie through a federal contribution. This investment in infrastructure is working. It is creating jobs in the region of Simcoe-Muskoka.

Our financial system is considered to be one of the most sound in the world. That statement was made by the World Economic Forum. The International Monetary Fund concluded Canada's financial system was mature, sophisticated, well-managed and able to withstand sizeable shocks. The reason for that is the strong steps taken by our finance minister.

We have acted to keep it that way. We have protected its stability so Canadian businesses and families will continue to have access to credit. Businesses need credit to invest or to meet their payrolls. Families need it to take out mortgages and loans. The government took steps to maintain the availability of longer term credit with the

purchase of mortgage pools through the Canada Mortgage and Housing Corporation.

Our government has also created the Canada lenders association facility. The facility offers insurance on a temporary basis on wholesale term borrowing by Canadian financial institutions. We have also increased authority for Export Development Canada and the Business Development Bank of Canada. Our sensible approach in Canada is paying off and protecting against the much more significant effects of the slowdown we are seeing in other countries.

I want to mention something that is very important, and I was eager and enthused to hear our finance minister say this when he gave the economic statement. The Canada health and social transfers will be protected. Provinces must be able to pay, especially when it comes to some of the largest expenditure items in their budgets such as health care and social services. This wise decision was not taken during the early to mid-1990s when Canada had a slowdown.

● (1200)

When the previous Liberal government was grappling with a difficult financial situation, it chose to balance its books on the backs of the provinces' health care and education budgets.

The effects of that choice were not right for Canada. Canada is still limping from the attacks on health care and education that took place under the previous government.

In my own region, the cuts to health care in Ontario by the Liberal government meant there were cuts across the board. A good example is that medical enrolment was cut at Ontario medical schools. That decision was affected by the cut to the Canada health and social transfer. Ontario has a huge physician shortage. It is acute in my region, and it exists because of those choices.

It is great to see a finance minister recognize how important our health care and education systems are in this country. It is reassuring to see they are not going to be touched.

Some of the members in the House are in the same chairs they sat in during the last slowdown. They are now talking about a coalition with the separatists. They might make those same immature choices that occurred during the last slowdown.

Our health care system cannot survive a difficult period again. It cannot afford another Liberal slash. The folks who work in the Royal Victoria Hospital in Barrie certainly cannot afford another vicious slash. It is great to hear that our finance minister is prepared to stand up and protect the Canada health and social transfer.

**An hon. member:** You can thank the NDP and Bob Rae for that.

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**Mr. Patrick Brown:** Yes, Mr. Speaker, it is obviously important to note that the person who presided over the cuts to health care and medical enrolment in Ontario during that period was the member for Toronto Centre. Scary as it might be, it would not be surprising if he ended up as a minister in a coalition government with the separatists. He may choose to continue the ravaging of health care in Ontario that he started.

Our economic and fiscal statement is taking steps to help Canadian seniors. Our seniors built this country. They deserve to live with dignity and respect.

Registered retirement income funds, or RRIFs, and their associated withdrawal requirements are of particular concern. Last year our government raised the age limit for converting a registered retirement savings plan and an RRIF from 69 years of age to 71.

This government is proposing a one-time change that would allow RRIF holders to reduce their required minimum withdrawal by 25% for this tax year. For example, an individual who would be required to withdraw \$10,000 from an RRIF in 2008 would see that withdrawal reduced to \$7,500.

On top of the \$2 billion increase to the borrowing authority of Export Development Canada, the finance minister has also planned for a \$350 million equity injection that would support up to approximately \$1.5 billion in increased credit for Canada's export business. That should be applauded by all members in the House who are concerned about Canada's export business.

The export sector has been hit hard by the financial crisis. EDC will now be able to add to the nearly \$80 billion in exports and investments it helps make possible for Canadian enterprises, including \$4 billion for the auto sector alone.

This government will move forward quickly on the securities regulation front. Our cumbersome and unwieldy system of having 13 security regulators is a glaring flaw in Canada's world-leading approach to promoting financial stability.

This government came to office looking years down the road. Our country is better off today thanks to that approach.

On October 14 Canadians chose a Conservative government to deal with the economic crisis facing the world. I am pretty sure that when Canadians went to the ballot box, they did not pick a Liberal-NDP-Bloc Québécois government. If the rumours are correct, this *coup d'état*, this non-election, this takeover of democracy, would certainly misrepresent the views of Canadians.

We will deal with these economic challenges in a way that protects Canadian families, in a way that Canadians asked of us and expressed by their opinions at the ballot box. Our plan demonstrates restraint and respect for Canadian tax dollars. It forces governments and politicians to cut back before asking ordinary Canadians to tighten their belts.

The Conservative government's economic plan will reform global finance, ensure sound budgeting, secure jobs for Canadian families and communities, expand investment and trade, and make government more effective.

● (1205)

**Mr. Brian Murphy (Moncton—Riverview—Dieppe, Lib.):** Mr. Speaker, I agree with my colleague on one aspect, and that is with respect to the regulation of securities throughout this country. The provinces have a lot of work to do on that.

With respect to his rhetoric about a coalition government and what Canadians did not choose, I am pretty sure that Canadians, or at least the Progressive Conservatives in my riding, did not choose a Reform-Alliance-Progressive Conservative government.

We have to wait and see what happens. We have to understand that parties change. I would have thought those members would know more about parties changing their titles and working together than anyone else.

I have a serious question. It is a very simple one. The member went on many times about the many Liberal governments in the past and the correction that had to be made for the deficit that was left them. Can my colleague admit to the House and to the public what the Mulroney deficit was, and how long it took to get rid of the Mulroney Conservative deficit?

**Mr. Joe Comartin:** Mr. Speaker, I rise on the same point of order. I did not have this precedent when I argued earlier. It is on the same issue, the issue of whether the amendment is in order. I want to draw the Speaker's attention to a motion that was brought by the current Prime Minister on April 22, 2005, when he was in opposition.

The main motion before the House was a concurrence motion. The now Prime Minister moved an amendment at that point that the motion not be concurred in and be sent back to committee. That is very similar to a change in the format of what we are speaking about today. In that case the deputy speaker, who was in the chair at the time, ruled the amendment in order.

● (1210)

**Mr. Patrick Brown:** Mr. Speaker, it is interesting to hear my colleague from the Liberal side of the House talk about debt. We are certainly very well aware that it took a Conservative Prime Minister to provide real action to reduce the Canadian debt. The \$37 billion paid down during the last three years under this government is a noteworthy figure. It is a record debt repayment.

We have seen a real change in the approach to debt compared with what happened in the past. Every year the Liberal Party would blow \$5 billion, \$6 billion, \$7 billion at the end of the fiscal year on whatever project was its whim. Instead of having these massive surpluses that Liberals blow in a short period of 30 days on whatever project appeals to them in the winds of change that week, it is a much more prudent approach to pay down the Canadian debt, and that is the approach taken by this government.

I appreciate the member's raising the issue of debt, because that is certainly one of the reasons Canadians rewarded the Conservative Party when they increased and strengthened this minority government.

**Ms. Olivia Chow (Trinity—Spadina, NDP):** Mr. Speaker, seniors are worried. They are watching their retirement savings disappear because of stock crashes.

They have been saying they need a two-year moratorium on the withdrawal of RRIFs, that is, registered retirement income funds. That is not in the statement.

Some seniors are concerned that their pension funds could be in jeopardy because some of these companies may have trouble. When action is taken to support these companies, seniors want a condition to be in place to make sure that their pensions are safe. That is also not in this economic statement.

Many seniors have been working for quite a while and are facing layoffs. They want the employment insurance to which they have been contributing to actually work for them, because it is, after all, an insurance. They want to get some of that insurance back when they are unemployed. That is also not in this economic statement.

Those in desperate situations want a slight increase in the guaranteed income supplement. That is not in this statement either.

What is in the statement is that the Conservative government expects to save over \$15 billion over the next five fiscal years under the new expenditure management system.

My question is twofold. First, can the member give us examples of how and where they are going to find \$15 billion in cuts, and in which departments? I thought every country in this world was contributing money for an economic stimulus package, not cutting money. This is a cut of \$15 billion.

Second, what is also in the statement is that the government is going to sell some real property. I would like some examples. Is it the CN Tower, or perhaps some real estate in Barrie? Which properties are going to be sold, and what kinds of programs are going to be cut as a result of the \$15 billion expenditure management system review?

**Mr. Patrick Brown:** Mr. Speaker, on the topic of deficits and economic statements, it is interesting to hear the NDP provide lectures, given their record when in power in Ontario. During that time Ontario's economy took a devastating hit from the NDP's spending spree and the cuts they made to essential services. I note on infrastructure that it was the NDP government that actually cut GO train service to the Simcoe-Muskoka area when it was in power. I can tell members that was the wrong approach. Cutting infrastructure spending at the time of a slowdown was a foolhardy act by the Ontario NDP government of the time, and right now that approach certainly would not be right nationally. That is why it is fantastic that our finance minister wants to accelerate infrastructure spending and help rejuvenate the Canadian economy.

In terms of seniors, I would like to mention to my colleague, the member for Trinity—Spadina, that it was a Conservative government that actually created a cabinet minister for seniors' issues,

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thereby recognizing the importance of seniors and the role government has in standing up for seniors and protecting them.

I would suggest that two financial concerns exist today for seniors. The first is the impression that assets in RRIFs must be sold to meet withdrawal requirements. The second has to do with the recent drop in the market value of some of those assets. Our finance minister has made it clear to financial institutions that they should either accommodate in-kind transfers of those assets at no cost or offer another solution that would achieve the same result.

To help seniors cope, the economic statement proposes a one-time change that would allow RRIF holders to reduce the required minimum withdrawal by 25% for this tax year. This measure would mean that seniors would be under less pressure to withdraw assets at a time when those assets are at a low point in their market value, another fact that highlights how this Conservative government is standing up for, and protecting, Canadian seniors.

● (1215)

[*Translation*]

**The Speaker:** Order. The period for questions and comments is now over.

Before continuing, I would like to inform the House of the Speaker's opinion of the amendment proposed by the hon. member for Joliette. I must indicate that I have given consideration to the amendment and I have an opinion to express to the Chamber regarding its admissibility.

First, I must mention the quote from Marleau and Montpetit to which the hon. member for Lanark—Frontenac—Lennox and Addington referred previously in the House. I will again quote the text from page 453:

An amendment must be relevant to the main motion. It must not stray from the main motion but aim to further refine its meaning and intent. An amendment should take the form of a motion to:

A list of what may be proposed by an amendment follows.

I must also cite a ruling I gave in 1999, when I was Deputy Speaker:

I am sure the hon. member is aware that virtually any motion, except I believe an adjournment motion, put to the House is amendable. There may be a few others that are listed in the standing orders that are not but there are not many.

A motion, even on a take note debate, it seems to me is an amendable motion. It may be that the question is not put but that is in accordance with the rule adopted by the House in relation to this debate. Accordingly amendments are amendments. As long as they are relevant to the main motion and do not contradict the main motion and as long as they are not repugnant to it generally they are ruled to be in order.

In my opinion, the proposed amendment, which replaces the words "take note of" with the word "condemns" is not relevant to the main motion. In my opinion, this motion contradicts the main motion. Therefore it is not in order at this time.

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[English]

**Hon. Wayne Easter (Malpeque, Lib.):** Mr. Speaker, I usually say that it is great to have the opportunity to speak to some issues but it is with a great deal of sadness that I speak to this take note debate which now states:

That the House take note of the Economic and Fiscal Statement tabled in the House on November 27, 2008.

It is with some sadness because it is what could have been. We could have had a stimulus package, the politics could have been cut out of it and the Prime Minister could have fostered co-operation but none of that happened at a time when the world is in a global economic crisis and Canada, although its foundations are relatively good, thanks to previous governments mainly, will certainly feel the impact of that.

We should have been debating a stimulus package. The PM should have been honest when he spoke of co-operation in the throne speech. We have seen none of that. Instead, we are having a take note debate because the Prime Minister, under his authority, moved back the ways and means motion a week and suspended, to a great extent, the opposition day where there might have been, not necessarily so, but might have been a confidence motion come forward.

We see what is happening here. We saw some of it over the weekend with the propaganda machine that the Prime Minister is so good at fostering. The propaganda machine has started to roll out and change the focus, which is that this is about gaining power when it is really about the economic situation, the stimulus that is needed and the dictatorial and ideological approach by the Prime Minister. I think we will see the propaganda machine big time, and the Prime Minister's initiative to see if he again can rechange the focus.

Under the cover of the economic crisis, the government tried to weaken political dissent in the country. The Prime Minister's ploy on political party funding, which really makes democracy work and allows the people of Canada a political voice on all sides, was just a ploy to divert attention from the other aspects of the downgrading of government and erosion of rights. Simply put, political funding inclusion in the statement was to provide cover for the other measures he was taking. He attacked collective bargaining by taking away the right to strike and eliminating pay equity was unconscionable but does fit with his personal ideology.

How could anyone even suggest that taking money out of working people's pockets would in any way improve the economy?

The issue is jobs, economic stimulus. It is and should be about the economy, not about taking money out of working people's pockets and taking fundamental Canadian rights away, which is what the economic statement suggested it would do.

Here are the facts on the economic statement. Having made pledges of co-operation at the G20, with the premiers and to the opposition parties, he then unilaterally introduced an economic statement inclusive of the ways and means motion that subverts democracy, attacks public servants, undermines fundamental rights, such as pay equity and collective bargaining, fabricates the financial numbers to show a fictional surplus, targets the sale of the people's

assets and fails to provide a stimulus package. That is really what the economic statement did.

Let me turn to another voice on the farcical economic statement that has turned an economic crisis into almost a political crisis.

● (1220)

Don Martin, who is sometimes quite friendly with the Conservative Party of Canada, in a commentary in *The Ottawa Citizen* on Friday, had this to say:

The true horror wasn't in the let's-pretend numbers contained in the much-dreaded fiscal update from Finance Minister Jim Flaherty. Those were fluffed to give the delusion of deficit-free, rising-revenue fiscal stability, subject to so much imminent change as to be almost meaningless.

It's the nightmarish aftershock from a sneaky, ill-timed, irresponsible government move to eliminate the \$1.95 annual per-vote public subsidy to political parties....

Prime Minister Stephen Harper put away his friendly sweater vest and, in an epic mistake that might only be resolved if his Conservative government does an uncharacteristic retreat, pulled on his brass knuckles in an ugly bid to inflict knockout blows on his political rivals.

He went on to say:

While not as politically egregious, the fiscal update was almost as pointless as Harper's move to use his economic update as stealth cover to sabotage his political opponents.

The fiscal update's numbers are mostly carved in cotton, a document of denial because it represents a snapshot of circumstances today without taking into account any downside developments to come.

It's not until you reach the very last page of the background material under the heading of "Risks to Fiscal Projections" where everything in the document is put to a harsh reality check.

● (1225)

**The Speaker:** Order, please. I hesitate to interrupt the hon. member but he is an experienced member and he knows that referring to members by name is unparliamentary. Even though he was reading extensively from an article that appeared somewhere, he should not use a member's name. He ought to refer to him by title or constituency, and I urge him to restrain himself in that regard.

**Hon. Wayne Easter:** Mr. Speaker, I apologize. I can see, extensively, why the members opposite do not want that name mentioned, even if it is in a quote. I accept your point.

Through his economic statement, the finance minister shows that he is a stranger to the truth. In his economic statement, the Minister of Finance, as Don Martin said, fudged the numbers to a great extent.

I will now turn to James Bagnall who also wrote an article in *The Ottawa Citizen* on Friday. He stated:

Such is Canada's strength among the G7 nations that [the Minister of Finance] is forgoing a significant boost to spending on roads and other public works projects, thought necessary by some to offset the deterioration in economic growth.

He went on to say:

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In view of the financial turmoil in other countries, it is a remarkable record. And it would be nice to see [the Minister of Finance] give credit where due. Canada's solvency owes a great deal to Jean Chrétien's Liberal government. Because Chrétien acted in the mid-1990s, [the Minister of Finance] has a range of options to combat a declining economy. [The current leader of the official opposition's] Liberals and the rest of the Opposition in Parliament are angry he is not taking advantage of them.

He is talking about the foundation that is due to a previous prime minister and his minister of finance.

Mr. Bagnall goes on to state:

By 2008, federal debt levels had tumbled more than \$100 billion. The government is now paying about \$30 billion per year on interest payments compared with \$46 billion in 1995.

Canada's books are solid at the right time.

However, the Minister of Finance failed to recognize why that is so. Later in my remarks I will point out that not only did the government have a good financial foundation in the beginning, it undermined that financial foundation regardless of the propaganda that has been spun today by the Parliamentary Secretary to the Prime Minister when he said that it was their good management of the economy that got them to this stage with decent fundamentals.

The fact is that the decent fundamentals were, as is stated in James Bagnall's article,:

Canada's solvency owes a great deal to Jean Chrétien's Liberal government. Because Chrétien acted in the mid-1990s, [The current finance minister] has a range of options to combat a declining economy.

That is what the Minister of Finance should have done. He had a solid foundation. He had a fiscal capacity turned over to him by the previous government. He failed to seize on that capacity and instead played the ideology game. He attacked public servants, pay equity and political dissent in the country, and failed to bring in an economic stimulus package when the ability to do it was in this country better than any other country in the world.

I want to be clear in terms of what the Minister of Finance did. In this particular economic statement, the finance minister is a stranger to the truth. In terms of the way this action unfolds, the Prime Minister, through his actions, has shown that he is a Prime Minister who cannot be trusted.

• (1230)

However, today, the Prime Minister tries to buy time and put his propaganda machine into full gear, attacking the idea of a coalition and worse, fabricating the history of how our financial position got to where it is, more stable than other countries in the world. Let me put it this way. Over the last two years, the Prime Minister and the Conservative government have managed to move Canada from being the financial envy of the industrialized world to being on the brink of deficit financing.

What concerns me about the economic statement is that when we go through it, we find that he is projecting small surpluses out into the future, but how is the Minister of Finance projecting that into the future? They are going to sell off some Canadian assets. When we ask officials what Canadians assets are going to be sold to get to that \$2.6 billion, which happens to match the amount that they need to show a surplus, they cannot say.

Was the Prime Minister right during the election that this is a good time to buy? Is the Minister of Finance saying to the rest of the world, "Come to Canada. The auctioneer is the current Prime Minister and we will sell off the people's assets?" They are not the government's assets. They are the people's assets that the Prime Minister is saying he will sell to show a fictional surplus in the budget through his Minister of Finance's economic statement, at fire sale prices.

Now is the time for honesty. Now is the time for the government to be straightforward and lay out its fiscal position, admit to the fact that it has the biggest spending budget in Canadian history, and that taking about \$12 billion annually through the GST cut did nothing to stimulate the economy. We are seeing the effects of that. What it sure did was take away the ability of the federal government to do what it ought to do for Canadians in a time of economic turmoil.

In two years, we have moved from being a strong, central government in this country, holding the financial resources to assist in troubled times, to a weakened centre with the cupboards bare.

Why did the Minister of Finance not, in his economic statement, admit to that fact? We could have accepted that. That is the reality. This is the time for government and leadership to be honest and straightforward with the fiscal position of the country. We have to assist Canadians in terms of economic stimulus and other programs, to assist our forestry, manufacturing, automotive and farming industries, and to assist our seniors in terms of their pensions. That is what needs to be done and the government has failed in the statement. Whether the direction came from the Prime Minister or straight from the Minister of Finance, I do not know, but what the government tried to do was misrepresent the numbers, play politics, and drive ideology over good economic common sense.

We know that this particular Minister of Finance has a record elsewhere, and the province of Ontario has suffered because of the minister's record in that province. I as a parliamentarian and Canadian do not want to see this Minister of Finance do to Canada what he did to Ontario. That is why the opposition parties are challenging the government in terms of its lack of stimulus and co-operation. The government does not even seem to care if it breaks the law on that side of the House. I spoke on that point in a point of privilege on Thursday morning.

The member says I am looking pathetic. Is there just no law? Is there nothing the government on that side will not do? It cannot even allow democracy to work in terms of elections within farm organizations. It has to try to influence it using franking privileges of the House. Mr. Speaker, that question of privilege is before you. My point is, just like the financial statement in which it fudged the numbers, no law seems to matter in other areas as long as the Prime Minister gets his ideological point of view.

*Government Orders*

The fact of the matter is, with this economic statement, no longer do we have the prudent planning with financial reserves to partner with industry and provincial governments to fight issues and dilemmas as we did in the past, as we did with SARS, BSE and other issues. Now, we have a global economic crisis that is impacting Canada. It is strange how the Prime Minister finally seemed to realize that after the election, but would not admit it before. The difficulty is that the Government of Canada has been weakening our ability with our financial reserves to be able to take on those challenges all along. Now, when the government has an opportunity in its economic statement to come clean and give this place the right numbers, the honest numbers so that we know what we were dealing with, it fabricates them to a great extent.

In two short years, we have seen the government undermine our opportunities. As I indicated, we have seen a lot of propaganda coming out from the government this weekend, and that will be the kind of game I think it will play over the coming weeks.

• (1235)

Let me close by saying that the government has brought forward a fiscal update that has demonstrated that it clearly has no understanding of nor interest in the growing economic crisis which all other industrialized countries have been responding to and responding to aggressively.

The Minister of Finance claims that he can maintain a surplus in the face of this crisis and that, to put it mildly, is a deception. Conservatives ran up a \$6 billion deficit and are using it as an excuse to make ideological cuts to essential government services, sell government assets, and cut the paycheques of public servants. It did not have to be this way.

The Minister of Finance could have been honest and clear, put forward an economic stimulus package, co-operate with leadership in the G20 as he claimed he would do and did not, co-operate with the premiers as he claimed he would do and did not, and co-operate with the parties in the House which in the throne speech the Prime Minister claimed he would do. It is a sad day when we have this kind of economic statement and ideological agenda put forward by the Prime Minister and the Minister of Finance, when we know it could have been so different.

The bottom line is that the Prime Minister has clearly lost trust with us in the House over this measure and I believe he has lost trust with Canadians. It could have been so different.

• (1240)

**Hon. Stockwell Day (Minister of International Trade and Minister for the Asia-Pacific Gateway, CPC):** Mr. Speaker, I have a couple of quick questions.

The member opposite mentioned the political subsidy to parties and tied that to democracy. Does he realize that was a very recent introduction into our political system by former Prime Minister Chrétien? Does he not think that democracy flourished fairly well for 140 years without it or was there no appreciable democracy before the tax-forced subsidy?

Could he also comment on the effect of this coalition talk over the weekend? This is an economic question that relates directly to the update. The Toronto Stock Exchange, in closing on Friday, had six

days of gains and improvements, and over the weekend with the coalition discussions it has turned negative.

In that context, can he explain how he can look people in the eye and say that he is going to build a coalition that relies specifically on the support of people who are trying to tear the country apart? That would be the Bloc Québécois. Does he think that has any impact at all in a positive or philosophical way or, in fact, a moral way with his own political persuasions? Could he explain that to us, please?

**Hon. Wayne Easter:** Mr. Speaker, the minister knows that the political subsidy is beside the point. That is not the issue. If that were the Prime Minister's goal, he should have campaigned on that issue.

Yes, it is a new initiative and it is done in many countries around the world, but foregoing union and corporate funding was part of the package that Prime Minister Jean Chrétien brought in to ensure that other parties would have the ability to represent people's voices in Parliament or, indeed, be funded. I heard one individual on CBC this morning who was saying that he does not like any of the parties but felt his \$2 should go toward the Green Party for its stand on its environmental views, so it could do its research and put forward its arguments, maybe not in this place but in the public arena, to foster that economic argument.

It is interesting how the Minister of International Trade tries to turn this around and say it is the coalition idea that is having an impact on the market. The fact of the matter is that the big issue that the markets were looking for was some credibility in terms of the economic statement. Let me quote what Jeffrey Simpson said in the *Globe and Mail* on Friday, November 28. He stated:

Instead of heeding the advice of economists everywhere that the economy needs stimulus, he [the Prime Minister] got his Minister of Finance to present a budget that offered cutbacks and tiny surpluses that absolutely no one believes will be realized.

Every credible economist and journalist in the country is saying that the economic statement means virtually nothing. If that side of the House would take responsibility for its actions and inactions, it would be a good start to making this place and this country work.

• (1245)

**Mr. Dennis Bevington (Western Arctic, NDP):** Mr. Speaker, I would like to question my hon. colleague in terms of his talk about deception in this economic statement.

In its economic statement the government talks about the vast amount of infrastructure money that was put into the economy over the last two years, yet it includes the money the system did not allow to be put in place, the \$3 billion outstanding with the municipalities. The failure of the government to design and deliver programs in a successful fashion has meant that that infrastructure money is not available to municipalities and further stimulus will leave the municipalities behind the game. They will simply have to catch up with the \$3 billion of expenditures they already have on the books before they can go ahead with new expenditures.

Does the member think that the government, in its document, is telling the true story of what is going on in this country?



*Government Orders*

**Hon. Wayne Easter:** Mr. Speaker, as I said earlier, the Minister of Finance is a stranger to the truth. We have seen a lot of this fiction from the government since it has taken power and indeed it is fiction. The government, in putting out its message, tends to talk about monies that it has spent. It may be monies it has booked but it certainly has not spent the monies. I think that is my hon. friend's point.

Even setting that aside, the problem now is that the Prime Minister has no plan. The Prime Minister at the earliest claims that he will begin to respond to the economic crisis in some as yet unclear manner, and not this year but next year. We have had two months of no action. For two months the economy has been without direction nor has there been the acknowledgement that the federal government will do the job it should and bring forward assistance. Those are the facts. That is the reality.

The Conservatives talk about spending. They announce spending. I have had that happen in my own riding. Everyone knows the beef and hog industry is in trouble. The Conservatives announced \$6 million, and we appreciated that at the time, for assistance in terms of a plant in Prince Edward Island. However, 18 months later, only a dribble of that money came out.

That is not what it takes. Talking about it is not going to stimulate the economy. Government action and real dollars will stimulate the economy. That is what we need from the government, not rhetoric, not an ideological agenda, not an attack on pay equity and labour unions, not an attack on the political process. What we need is economic action and dollars going into the economy, whether it is in infrastructure, the automobile industry, the manufacturing industry, the fisheries industry, the forestry industry, or securing seniors' pensions.

That is what we need. We need some action and some real money. That will stimulate the economy and it will help. There will still be difficult times. We do not need to just talk about it. We need to see the plan. The government should lay it out and let us get with it.

**Mr. Brian Murphy (Moncton—Riverview—Dieppe, Lib.):** Mr. Speaker, I want to ask my friend if he thinks the party over there, whose last experience with deficits during the Mulroney years brought in a whopping total deficit of \$42 billion, is fit to manage the crisis that we are getting into economically.

The member did not have enough time to expand on the buyers' market it is for assets. I know he is from a small place in P.E.I. and does not know about big cities like Moncton but he knows that in hard times one does not get good prices for what one is selling. Is that not what the government is doing? Is it not a fire sale?

● (1250)

**Hon. Wayne Easter:** Mr. Speaker, I will let the Moncton comment slide. To buy quality potatoes, all the member needs to do is go to Prince Edward Island and we will sell him a bag or two.

The fact of the matter is that the government is not fit to manage the economy. We have seen that with the economic statement. We have seen how the Conservatives have handled the finances of the nation over the last two years, taking what was the biggest surplus transferred to an incoming government in Canadian history, going with the biggest spending budget ever in Canadian history and

squandering those finances away on ideological agendas of the Prime Minister.

Even during the good times we have seen cuts made to literacy and to the arts. We know the Conservatives are not fit to manage the economy in the good times. They are certainly not fit to manage the economy in the bad times.

The Prime Minister had an opportunity to come forward with a plan to show that he was not ideologically driven, to show that he was interested in the workers, the families, the communities and the businesses in this country, but he failed to do that in his economic statement. As a result, he broke his trust with the Canadian people and with this Parliament.

**Mr. Leon Benoit (Vegreville—Wainwright, CPC):** Mr. Speaker, this is a sad day for Canada. Over the past three days we have heard opposition members of Parliament declare that they will throw aside the results of an election held just six weeks ago and gang up and vote down this Conservative government in a raw and pure lust for power, nothing more. They would replace this government with a coalition of their own making rather than have a government of the people's making. That is what they are talking about, as unbelievable as that sounds to Canadians. The opposition members say that they know better than Canadian voters, who made their decision just six short weeks ago, and because the opposition members know better, they are going to grasp the reins of power and completely push aside the democratic process strictly out of a lust for power, and this in Canada.

There is so much more that could and should be said about this, but what great plan would the proposed unelected government they are talking about put in place to justify, at least in their own power crazed minds, this unprecedented action?

Today, in the little time I have, I will go through the eight points the Liberal finance critic presented as his economic plan once this coup has taken place. I will demonstrate that in fact this and so much more has already been done by the Conservative government. We are not just talking about it. It is not just a plan. Much more has been done. On top of that, other things have been promised. Of course, whatever action is necessary has been pledged by the Prime Minister and the finance minister.

The Liberal finance critic, in an interview on the weekend, put forth his eight point plan for the economy, his justification for overthrowing the elected government of this country.

The first point is that he said he would work co-operatively with all members of Parliament from all parties to seek their input as we move forward.

*Government Orders*

That unelected gang has certainly demonstrated that, have they not? They have demonstrated clearly that they will not work with Conservative members of Parliament. They have demonstrated, in fact, that the members of Parliament they will work with are the separatists, the very people they promised they would not form a coalition with, and the socialists. The leader of the official opposition also said during the election campaign just six weeks ago that he would never form a coalition with the socialists either. That is how they will work with other members of Parliament. That is the first point of the Liberal finance critic.

The second point is that he said he would “work with finance department officials to thoroughly evaluate the financial position of Canada”.

The finance minister has already done this and he presented it in last Thursday's economic and fiscal update. His highlights were presented on page 82 of the 132 page document that he presented to this House of Commons. Of course, the opposition did not want to see this document. They did not want to hear about this document, and I know they have not read this document. We know that, for example, the socialists, the New Democrats, got caught in a secret plot to get together with the Bloc to form a coalition with the Liberal official opposition. They did not care what was in the fiscal update. They did not read the 132 page document that lays out the situation.

I am going to highlight and quickly summarize some of the points in this economic and fiscal update.

Number one, the government is planning on balanced budgets for the current year and the next five years, although given the downside risk, balanced budgets cannot be guaranteed.

Number two, weaker economic growth has significantly reduced expected revenues.

• (1255)

The third point in this summary of the fiscal and economic update is that program expenses in 2008-09 are expected to be lower than projected in budget 2008, but in 2009-10 they are expected to be higher than projected in the budget, largely reflecting increased transfers to persons and other levels of government. Public debt charges are lower than projected in both years due to lower projected interest rates.

The fourth point in the summary, a document that the opposition did not bothered to read and did not listen to when presented by the finance minister, is after taking into account the actions proposed in this economic and fiscal statement, the projected surplus is \$0.8 billion for 2008-09. We know, from the release of the third quarter results today, that they demonstrate a 0.3% surplus for the third quarter. We know we will not be in deficit for this fiscal year. What are opposition members talking about when they are talking about the danger of these deficits? We might be in deficit in future years, depending on the amount of stimulus required. The Minister of Finance and the Prime Minister made that abundantly clear.

The fifth point is the tax burden, as measured by total revenue as a share of gross domestic product, which is projected to decline from 15.8% in 2007-08 to 15.2% by 2013-14, its lowest ratio in nearly 50 years.

The sixth point in the summary of the government's fiscal and economic statement, which the members opposite did not bother to listen to or to read, is program expenses are projected to increase temporarily from 13% of GDP in 2007-08 to 13.4% in 2009-10, reflecting weaker economic growth. Over the medium term, program spending is projected to grow in line with the economy.

The seventh point in the summary is public debt charges are projected to be relatively flat as a share of GDP over the forecast horizon at about 2% before falling to 1.8% in 2013-14.

This is only a summary of the 132 page document presented by the finance minister last Thursday, the plan that the opposition members apparently want to throw away and replace it with their eight points.

Furthermore, the details of each of these highlights start on page 84 of the document, if the members opposite care to finally have a look at the document, which is a good piece of work.

The third point that the finance critic for the official opposition said would be part of their eight point plan, is:

—would continue to work with the top economic thinkers and business and labour leaders in Canada and bring them together formally for an immediate summit to determine how far we can go.

The opposition members are talking about just now starting the planning, something our government has been working on for two years. This has already obviously been done. For example, the finance minister indicated in his speech, and it is laid out in detail in this 132 page document, which the opposition members do not want to read or hear about, the projections of four private sector organizations. They developed their own fiscal projections based on existing policy. These four organizations, which opposition members dismiss out of hand, are the Conference Board of Canada, the policy and economic analysis program of the University of Toronto, Global Insight and the Centre for Spatial Economics.

The opposition members have said again in speeches today that there are no experts who would agree with what we have put forth. That is clearly wrong, and I know all of us as members of Parliament go to our people, to our business leaders in our own communities and to labour leaders to get their opinions on what should happen in this very difficult time. Again, this third point is another bogus point.

I quote again from the finance critic for the official opposition when he states, “An increase and an acceleration of infrastructure measures”. This is his fourth point. Where has the critic been? Our government has already brought in unprecedented federal infrastructures investments in past budgets. It also promised to accelerate this spending to provide further stimulus.

• (1300)

We are truly ahead of the curve and, in fact, every other top economic power is envious of the actions we have taken and the position in which we are in our country. That is the reality.

*Government Orders*

For example, our government has put in place a long-term infrastructure plan, the building Canada plan, which provides an historic investment of \$33 billion over seven years. That is a lot of stimulus. We have made the gas tax fund permanent, something the former government refused to do. That is ensuring about \$2 billion more for infrastructure in 2009-10 and each year thereafter, not temporary spending.

We have established public-private partnership Canada, which is a crown corporation to manage and encourage public-private partnerships. In other words, further investment, government investment, will be leveraged with private investment as well, something, if the finance critic were being honest with himself, I would be very surprised if he would not admit we have done what he said he would do in that fourth point.

In the Speech from the Throne, the government said:

Public infrastructure is vital not only to create jobs for today, but also to create the links between communities and regions to help generate jobs for the future. Our Government is committed to expediting our Building Canada plan to ensure that projects are delivered as quickly as possible.

We had our vote on that after the finance minister presented his fiscal and economic update. What was the result of that? It passed in the House, so the members opposite know about this, but they ignore it. The opposition finance critic in his eight points completely ignores it.

I want to talk a little more about some of the things our government has done to deal with the fourth point the opposition finance critic has put in place.

The fact is other leading economies are copying action taken by this government over the past three years, and here is proof. The United Kingdom has just cut its value-added tax, its GST, something this government has done, starting in our very first year in office about three years ago. In the United States, president-elect Obama, who campaigned in his presidential victory for increasing taxes to the American people, now has reversed his position in line with the action taken by the Canadian government. He has decided he will lower taxes to the American people.

All the leading economies are promising more spending on necessary infrastructure and an accelerated spending on infrastructure, something we have been doing over the past three years. We clearly have been ahead of the curve on these things.

The fifth point by the official opposition critic is "an increase in support for Research and Development". I cannot go through the long list of increases in research and development spending and support for research and development. I will mention only three key items.

As a result of the 2008 and previous two budgets, the government will invest an additional \$850 million in 2009-10 alone in support of the objectives of the strategy, including improvements in the scientific research and experimental development tax incentive program. This includes specific investments of \$250 million in the automotive sector.

The members opposite stand in the House and say we have done nothing for the automotive sector. This is one example which is

critical and is certainly a very positive move, ignored by the opposition finance critic.

Budget 2008 provides \$250 million over five years in support of strategic large-scale research and development projects in the automotive sector, which I mentioned earlier, to develop an initiative for greener and more fuel efficient vehicles. On top of this is the \$1.5 billion to Genome Canada and various other spending on ongoing research projects.

• (1305)

I will quote number six of the eight point so-called plan laid out by the official opposition finance critic over the weekend:

—working with provinces to improve programs for Canadian workers to train and retrain as part of life-long learning to help them cope with current and future economic realities...

Those members have to know that the government is already, first, investing in education and training by providing long-term support for post-secondary education, introducing the new Canada student grant and modernizing the Canada student loans program. They have chosen to ignore this.

Second, the government is implementing the Canadian experience class and streamlining Canada's immigration system to better respond to the needs of the Canadian labour market.

Third, the government is making significant investments in labour market training so training and skills development opportunities are more widely available to Canadian workers.

The list of other actions we have taken in terms of research and development and training goes on: \$1 billion for the community development trust; \$3 billion over six years for the new labour market agreements to address the gap in labour market programming; and on and on. I do not have time to read them all.

Quoting his words again, number seven reads:

—working with manufacturing, forestry and auto sector leaders to develop measures that help strengthen their position during this crisis.

Once again, being a leader in the world's strongest economies and far ahead of opposition parties, our government has already done this and has promised to do more in the future.

In budget 2008 our government's actions to implement the "Advantage Canada" framework have delivered important benefits for manufacturers and processors by helping them to better invest and compete, specifically through over \$9 billion per year in tax relief by 2012-13, including broad-based tax reductions as well as a temporary accelerated writeoff for investments in machinery and equipment used in manufacturing and processing.

*Government Orders*

We have provided \$1.3 billion per year in additional funding to provinces in budget 2007 for post-secondary education and so on and another \$1.5 billion over three years from budgets 2006 and 2007, clearly shooting down the seventh point by the opposition critic.

The eighth point is to “convene an immediate First Ministers conference to partner with provinces”. The Prime Minister has promised to do that and that will happen. Action has been taken already.

All eight points in the Liberal finance critic's statement that he made over the weekend have been acted upon and so much more has been done.

Those members talk about stimulus and this is what the Conservative government has done for stimulus.

Besides all the things I have mentioned, we are actively protecting the Canadian banking system and the Canadian credit market by injecting tens of billions of dollars in liquidity to ensure people in businesses can get the credit they need. This was announced shortly after the election. Up to \$75 billion of credit could be made available by banks through CMHC if they so chose to take advantage of that. This provided credit that is much needed by the Canadian people.

I have a motion I would like to move, but before I do that I want to point out briefly the impact of what the irresponsible opposition wants to do.

I was in my constituency over the weekend and met with 300 people at one meeting and 400 at another. They all wanted to talk to me. They cannot believe the opposition would throw aside democracy and for a raw lust for power take over the reins of government.

One of the sad byproducts of this irresponsibility is that in my constituency and across the west, the ugly head of separation is being raised again. I have never seen it at this level before, in boardrooms, in kitchens, in schools, everywhere. That is the result of the opposition's irresponsibility. Those parties do not care.

I see my time is up. I therefore move:

That this question be now put.

• (1310)

**Mr. Paul Szabo (Mississauga South, Lib.):** Mr. Speaker, probably the most critical failure of the government has been the failure to have the confidence of the chamber. It is directly rooted in credibility.

**An hon. member:** Oh, oh!

**Mr. Paul Szabo:** Mr. Speaker, a member wants to comment but we are debating something different now. The member should know that the economic statement included financial projections.

**An hon. member:** Oh, oh!

**Mr. Paul Szabo:** Mr. Speaker, if the member would like to have the floor, then he should identify himself and explain to the House why he should have the floor, rather than interrupt another hon. member who has been given the floor.

The growth rate included in the projections in the economic statement was 0.3% for next year. No organization, no public sector forecaster, not even the OECD has numbers anywhere near that. It was clearly an effort to fudge the numbers. That has been proven by the Parliamentary Budget Officer who has the same information from the same finance department showing that the performance is much worse.

Why is it that the government continues to be an incredibly unreliable source for the truth?

**Mr. Leon Benoit:** Mr. Speaker, the opposition members are clearly grasping at something so they can justify their talk of putting aside democracy and taking over the reins of power in an unelected fashion. Clearly, that is why the member would ask a question like that.

All of the numbers in the economic and fiscal update were provided by the finance department. The member is questioning the credibility of our well-respected, worldwide respected finance department. That is just absurd.

That is where the numbers came from, as well as from four private sector forecasters.

**Hon. Wayne Easter:** Your fiction.

**Mr. Leon Benoit:** Mr. Speaker, a member said that it is our fiction. I read the list of the four well-respected groups.

**Mr. Yvon Godin (Acadie—Bathurst, NDP):** Mr. Speaker, on September 9, 2004, a letter was sent to Her Excellency, Right Hon. Adrienne Clarkson, which stated, “As leaders of the opposition parties, we are well aware that, given the Liberal minority government, you could be asked by the Prime Minister to dissolve the 38th Parliament at any time should the House of Commons fail to support some part of the government's program. We respectfully point out that the opposition parties, who together constitute a majority in the House, have been in close consultation. We believe that, should a request for dissolution arise this should give you cause, as constitutional practice has determined, to consult the opposition leaders and consider all of your options before exercising your constitutional authority. Your attention to this matter is appreciated”.

The letter was signed by the leader of the opposition at that time, who is the current Prime Minister, the leader of the Bloc Québécois, who is the current leader of the Bloc, and the leader of the New Democratic Party, who is the current leader of the NDP.

What is the difference? The Conservatives have said that we are attacking democracy today, but they did it with us on September 9, 2004, three months after the June 2004 election. What is the difference today?

• (1315)

**Mr. Leon Benoit:** Mr. Speaker, that is the type of straw of desperation the opposition members are grasping at to justify their position.

The reality is, if they wanted to vote this government down, they could have voted against our Speech from the Throne, which they did not. They supported it. If they want to vote against our economic statement and go to an election, which is what was being talked about, they are free to do that. Canadians are tired of elections. Six weeks ago they elected us to govern this country with a near majority, with a stronger level of support than last time. If the opposition members want to go to an election, they can choose to do that.

However, I want to say we never talked about a coalition. We would never get in bed with the separatists and we would certainly never get in bed with the socialists and have the leader of the socialists as finance minister of this country. That is absurd.

**Mr. Brian Storseth (Westlock—St. Paul, CPC):** Mr. Speaker, I would like to congratulate my hon. colleague from Vegreville—Wainwright on the excellent speech he gave in the House recently. He talked about several numbers and refuted the opposition critic on several of his points. He did an excellent job of that.

He talked about something that none of the opposition members have talked about. He said that rather than stay in Ottawa hatching backroom deals, he has been in his riding. I would be interested in his expanding on what he is hearing from his constituents on this economic update and how it is affecting their lives.

**Mr. Leon Benoit:** Mr. Speaker, I can tell from the question that the member has been in his constituency talking to his constituents about this instead of hatching up a deal in a backroom, as the three opposition parties have been doing.

Almost to a person my constituents are saying that this is the most ridiculous thing they have ever seen in Canadian politics. They cannot believe this third world measure of throwing aside a democratically elected government and putting an unelected government in place through a backroom deal is happening.

Unfortunately, the talk of separation in my constituency has risen in leaps and bounds. In fact, it was almost completely gone because people appreciate the government they are getting from the Prime Minister and the Conservative Party. The last thing they want is for a coup to actually take place, but if it does, I am extremely concerned that the separatist sentiments may be more than just talk this time.

**Hon. Wayne Easter (Malpeque, Lib.):** Mr. Speaker, there were a lot of strange things the member mentioned in his speech, especially the fiction of this economic statement.

He mentioned the vote on the Speech from the Throne and that we supported it. Yes, we did. Why? Because at that time we actually believed that the Prime Minister would co-operate and make this Parliament work. That is what he said to the premiers as well. What the Prime Minister did through this economic statement clearly violated that trust of co-operation with the opposition parties. He came in with what is clearly a document of fiction.

Let me move to the point on coalitions. Whether that side of the House believes it or not, the majority of Canadian votes happens to be on this side of the House. The government has 22% of eligible voters' support.

### *Government Orders*

Let me quote what the Prime Minister said on coalitions some time ago. In a letter to the then governor general, Adrienne Clarkson, he said:

We respectfully point out that the opposition parties, who together constitute a majority in the House, have been in close consultation. We believe that, should a request for dissolution arise this should give you cause, as constitutional practice has determined, to consult the opposition leaders and consider all of your options before exercising your constitutional authority.

That is a quote from a letter written by the current Prime Minister. The member tried to talk about that being fiction a minute ago. The Prime Minister wrote that letter in support of a coalition.

• (1320)

**Mr. Leon Benoit:** Mr. Speaker, he is another opposition member who is desperately grasping at straws to justify what is an unjustifiable position.

In fact, what happened back then was the Prime Minister, after a budget had been presented, made a decision to try to topple the government and go to an election. That is totally different from what the opposition members are doing. There was never any talk of a coalition. If opposition parties choose now to topple the government and go to an election, let the people have a say on that. They may not be tolerated well in bringing on another election, but if they want to do that, they can do it. That is the democratic thing to do.

They do not care about democracy. They are grasping. They have such an untamed lust for power, they will do anything to get it. That is what they are doing.

**Mr. Dennis Bevington (Western Arctic, NDP):** Mr. Speaker, I will be splitting my time with the member for Acadie—Bathurst, a fine member of the House of Commons and one who still holds our great trust as whip of our party.

I want to thank the constituents in my riding. I have not had an opportunity to do so since I was elected, and before any further action in the House, I would like to make sure that they know I appreciate their efforts in supporting me in my re-election. It was an interesting election. It was called at the last moment by a government that wanted to avoid the approaching economic crisis. I would also like to thank the Prime Minister, along with members of his cabinet, who took the time to visit my riding and spend some time there the week before the election. I would suggest that people would want to come back when there is not an election going on and try the fishing. They are likely to get a bigger catch that way, and they will probably enjoy themselves tremendously. The Northwest Territories is one of the finest places for fishing in the world.

My riding is a special place. It got attention in the throne speech because we know there is development ahead in our riding. There is ongoing development that has great potential but it also presents great challenges to our population. We need to understand how to regulate that well and how to get the advantage out of that development just as all the other provinces have gotten advantage from development to build their societies in a fashion that fits their population.

*Government Orders*

We face tremendous challenges of lack of proper infrastructure. We are expected to move into the 21st century of resource extraction, huge developments, but we do not even have proper roads yet. In the spring one of our main highways into the Northwest Territories was shut down for a month because the road base had completely deteriorated. We cannot even upgrade and maintain our roads because we are a small population over huge amounts of territory and those costs are escalating all the time. We in the Northwest Territories understand about the lack of infrastructure and the problems that it presents for many societies just as much as people in cities where overpasses are falling down and proper transit is not yet in place.

We are also experiencing rapidly increasing costs. They have been tempered somewhat by the lowering of the price of crude oil in the world, but that is a temporary aberration. We are sure to return to the point where the cost of living in the north will continue to escalate without the kind of green infrastructure and investment in renewable energy and energy efficiency that can make a reasonable and affordable society in the north.

We are also facing tremendous impact from climate change. I had an opportunity to have discussions with people who are studying permafrost. Over the eight years they have been studying permafrost in the southern Dehcho region of the Northwest Territories, there has been a 20% decline in the permafrost within the boreal forest in that region. That changes many things when it comes to infrastructure, road building, and many of the other things we need to accomplish in the north. It also points to the tremendous changes we are experiencing in the north and the continuing great need to take hold of those issues.

Corporations working in the north are experiencing downturns. We are seeing layoffs in our diamond mines, especially in the expansion of the existing mines. We are seeing layoffs with many of the subcontractors who are working for these mines. We are seeing layoffs in the exploration companies that are looking for new resources across northern Canada. We are seeing layoffs in the aviation industry. This is a key indicator of the kind of activity that is going on. This is taking place right across northern Canada.

• (1325)

We are seeing a downturn in the economy. It is one that poses very much a problem for the future of Canada. Without exploration or opportunities to understand what we have, we are going to find ourselves falling behind in our main business which is resource development. That is what we do in the north and is likely what we will continue to do.

The corporations do not need tax cuts. They need infrastructure investment which would reduce their costs, reduce their environmental footprints, and make a better place for the north.

The economic and fiscal statement failed to meet the needs that are in front of us. Why? It is misleadingly optimistic and does not address the real issues ahead of us. We are in a resource-based export economy. Commodities have just suffered their largest downturn in over 30 years. This happened within the last four months. The impact on manufacturing and forestry in the country was ongoing and continues for a number of years, and matches the more

immediate economic impacts that we are seeing in every other industrialized country.

The true problem in our economy will come after many other economies that have more secondary production have seen downturns. Our downturn is yet to come, so we must be very careful with what we are doing.

The contraction in the world economy will hit us harder and will be more apparent in the months to come. This does not come forth in the document before us. It does not speak to the future of the country. It makes these projections based on error.

We need our own plan for reinvestment. The government cannot leave this to the private sector through its tax cuts and expect that the kind of infrastructure that is required for the growth of all of us will take place. We need to change as well our directions in infrastructure. We need to make investments in infrastructure that will lead us to a greener future. We cannot look on this downturn as simply a matter of surviving and moving on with the same economy that we have. We need to change. We need to move ahead with a new vision for the country.

What else is wrong with the statement? Many of the issues presented in the economic statement were of a partisan, combative and petty nature. While some of these have been withdrawn, they leave all of us in the opposition assured of our opinion that the Conservative administration cannot be trusted.

How can we trust the government for a substantive, effective and timely economic intervention in a budget that is going to come a little later on when it presents this kind of case to us today, when it shows its nature, to cloud the very important economic issues that are in front of us with these petty little games that it has chosen to play? I think all Conservative members understand what I am talking about.

We need a Parliament that works, a Parliament that can deliver results and that can bring us all inside. We do not need this kind of action in Parliament. I saw this for the last two and a half years. I saw the bullying that went on. I saw the way that the government developed its majority through badgering rather than through co-operation. I do not see this changing. I was hoping for change when I came into this Parliament. I was hoping that the government would give us real direction for co-operation. Instead, what we saw was more of the same, the same kind of treatment that made us tired of this place in the last Parliament, made us realize that instead of co-operating, we were into confrontation on so many issues. Really, as Canadians, we had no reason for that.

We need an attitude change in this Parliament and the only way that we, as the opposition right now, can accomplish that is the direction in which we are moving. If we can do this, we can deliver results for the country. We can make a difference for the country. Without it, it will be more of the same.

• (1330)

**Mr. Paul Szabo (Mississauga South, Lib.):** Mr. Speaker, I thank the member for his constructive and thoughtful input into this debate on the economic statement. He made a number of statements relating to what we have seen in this Parliament since January 2006 when the Conservatives first took office.

*Government Orders*

It was a minority Parliament and this is a minority Parliament. People know that a minority Parliament requires co-operation and consultation to make it work. It has not happened. What we have had is campaigning rather than governing on behalf of the Conservative Party.

There is an undertaking to have a budget maybe sometime at the end of January. This is not going to happen early enough. I think we need to do some things, like get on with the infrastructure funding, and get on with key sector support for manufacturing, auto, forestry, et cetera. These are the kinds of things that are going to either reduce imminent job loss or are going to create opportunities for job creation.

I wonder if the member agrees that we need either a mini-budget or something else from the government very quickly to say how it is going to put the interests of the people ahead of its political—

**The Acting Speaker (Mr. Barry Devolin):** The hon. member for Western Arctic.

**Mr. Dennis Bevington:** Mr. Speaker, I agree totally. We need a strong message right now. We need to know that the government is willing to invest heavily in the right sectors to make the right differences. We need an indication of that.

To his other point about the partisanship, the Conservative government wants to cut out the federal financing for parties. Well, in the previous two years when it took its party money and invested it in TV ads slamming the new Liberal leader, slamming him mercilessly, it used those public funds for partisan purposes.

What political parties should be using federal financing for is to develop their positions, to develop interest across the country in the political process, that is what it is for. What these guys did in the last Parliament was unconscionable.

**Mr. Merv Tweed (Brandon—Souris, CPC):** Mr. Speaker, I listened with great interest to the member's comments. I have listened to the comments that have been passed back and forth here.

It seems hard for me to understand. I know the member's leader is talking about withdrawing the \$50 billion in tax credits for businesses that are actually asking for it as part of a stimulus to create the jobs that we are trying to save in Canada. It just strikes me as awkward that we put forward a \$50 million package to encourage business to keep growing, to stimulate business, and now the leader of the New Democrats wants to remove it.

Where do we draw the parallel of how he would help industries? We know that the automotive industry is looking for billions of dollars in bailouts right now. If he were to withdraw corporate benefits that actually create jobs that they are hoping save, how would the member balance that out for the people of Canada?

• (1335)

**Mr. Dennis Bevington:** Mr. Speaker, I have already argued that so many times in the House that I do not want to get into it again. The point is that tax cuts of a billion dollars provide about 5,000 to 6,000 jobs in this economy, investing it in infrastructure is about 11,000 jobs, and investing in green infrastructure is probably 14,000 jobs per billion dollars.

When we look at what we require to make our companies competitive, to make them productive, I think infrastructure investment, careful delineation of that along with particular incentive packages for industry to invest in the right directions, those are the things that are more important than tax cuts right now.

**Ms. Olivia Chow (Trinity—Spadina, NDP):** Mr. Speaker, this economic statement is missing the child. It used to be, for instance, as in the last budget, that there would be a reference to children. This statement has nothing that would provide child care support or an increase in the child tax benefit. It seems like children have been forgotten again.

**Mr. Dennis Bevington:** Mr. Speaker, the economic stimulus in the service sector is even better. When we talk about jobs created for dollars invested, we are really talking about a very attractive proposition. I think those sorts of ideas have to be put forward as well. Our party has those ideas, and we will put them forward.

[*Translation*]

**Mr. Yvon Godin (Acadie—Bathurst, NDP):** Mr. Speaker, I would like to begin by thanking the people of my riding of Acadie—Bathurst for having given me their support and confidence for the fifth time. My gratitude is sincere.

I would also like to thank the member for Western Arctic, who is sharing his time with me so that I can talk about the economic and fiscal statement.

When I was first elected in 1997, I was elected for one reason, as many Canadians know. At the time, I was elected because previous governments had, since 1986, chosen to transfer money from the employment insurance fund to the consolidated revenue fund. Once they started transferring money from the employment insurance fund to the consolidated revenue fund, the EI fund became the government's cash cow, as I have always said.

At the time, governments could not resist the idea of using the surplus in the EI fund to balance the budget and achieve a zero deficit at workers' expense. After that, it was hard to make them listen to reason and put the employment insurance system back to the way it was.

During the most recent election campaign, I was a candidate, and I also watched the news. I remember hearing the current Prime Minister of Canada, who was also Prime Minister during the campaign, tell Canadians that they should not be scared of him, as some people suggested. The Prime Minister added that even if he were to be re-elected as the head of a minority government, he would work with Parliament and the opposition. That is what he said during the election campaign.

Personally, I got the feeling that he was trying to lull people into believing that they had nothing to fear from him as Prime Minister, but I did not believe him.

*Government Orders*

The day after the election, the Prime Minister said on the radio that Canadians and Quebecers had chosen a minority government that now promised to go back to Ottawa and work with the opposition for the good of our country. Today the Conservatives are asking what the opposition wants. They say the only party that has given the government any ideas on the economic statement is the Bloc Québécois. Everybody knows, though, that the leader of the New Democratic Party, as well as the leader of the Liberal Party, met with the Prime Minister and shared his ideas about the economy. In one way or another, everyone has shared his or her views on the economic statement, whether in discussions or on a piece of paper.

I would go even further. In view of the fact that the Prime Minister and the finance minister are leading a minority government, did they go to the opposition to find out what it wanted to see in the economic statement?

The day after the election, the Prime Minister said that he would work with the opposition. That is not what has happened though. It is just like what happened two and a half years ago. Since January 2006, it has always been his way or the highway. If the opposition did not like his way of governing, it could just go ahead and trigger an election and vote against the Conservatives.

This time, though, I think he pushed the wrong button. There were two buttons, and he wanted a repeat of what happened over the last two years: my way or the highway. He never thought in his economic statement about the problems facing Canada, all the closings of paper mills, whether in Newcastle, New Brunswick, or in Miramichi, whether in Bathurst, Dalhousie, New Richmond or Abitibi, whether in northern Ontario or in the Prince George region. He never thought of that. No. The Conservatives said instead in their economic and financial statement that they would freeze the salaries of public servants and take away their right to strike.

• (1340)

What did these people do to the government? Why take the right to strike away from the people who serve our country?

There is something else too: they are going to look into selling our crown corporations. They do not say which ones. Is it Canada Post, which does such a good job in our country? Is it Radio-Canada? Is it the CBC? Are those the ones they want to sell or privatize? Is that the direction they are going but do not want to tell us? For my part, I am not interested in that.

I am more interested in having crown corporations and people who represent the citizens of Canada. Air Canada was sold, and that was a mistake. CN was sold, and that was a mistake. Petro-Canada was sold, and in my view, that too was a mistake. What do the Conservatives want? They do not believe the federal government has responsibilities toward the people of Canada. They think the federal government is here just to pass legislation. That is what they think, but it gets worse.

What does putting 14-year-olds in prison have to do with an economic and financial statement? When the Prime Minister rose to deliver his address in response to the Speech from the Throne, already he was getting into controversial waters: he was talking about putting 14-year-olds behind bars. What does that have to do with today's economy? We know perfectly well that instead of

putting our young people behind bars, we should be investing in the regions, we should be investing in our municipalities, we should be investing in rural regions and making sure that our young people do not end up behind bars. But none of that is there, there are no investments. Instead, we are going to build prisons and lock our young people up in them. I am not in favour of that.

The infrastructure of our municipalities is suffering today. Bridges have to be built all across Canada. In Quebec, for example, there were problems in Laval: a bridge collapsed and people lost their lives, and so today bridges have to be replaced everywhere. Why would we not be investing in our people and our infrastructure, instead of simply handing money to this bank and that bank? Why are we not committing funds to build infrastructure, to create jobs and to make sure that our people can earn money and pay their debts, their mortgages and so on? Why not, Mr. Speaker? Why are we not moving in that direction instead?

On the weekend, I was looking at a table of all the countries that have allocated money because of the economic slowdown. The United States has done it, England has done it, France has also done it. Canada: zero, absolutely nothing.

What is being done to provide assistance for childcare? You will ask me whether this is something that should be in an economic or financial statement. Yes, because today, both parents have to work. We have to have childcare spaces so we can send our children there, where they will be cared for safely by people who are well paid. Instead, what the Conservatives chose to do was to give every family \$100 per child. And then, in March, when people file their tax returns, they will be giving that money back to the government. That is what the Conservatives have done. That is not the system people want.

I am proud and hopeful that we will move in the right direction, and that the majority in this Parliament will be able to lead this country, once and for all, with the welfare of all Canadians and working men and women and ordinary people in mind, and not just for those who make millions of dollars at the expense of the poor.

• (1345)

[English]

**Mr. Patrick Brown (Barrie, CPC):** Mr. Speaker, has the member from the NDP taken into consideration what economists and investors are saying right now?

*The Canadian Press* stated that uncertainty in Ottawa “could send financial markets and the loonie...even lower”. This was according to economists.

Economists say the uncertainty plaguing the political scene could send financial markets and the loonie sinking even lower amid growing economic tumult.

“If we don't know who the government will be, markets tend to be a little more unsettled and foreign investors in particular are not going to be comfortable investing in a place in which the leadership is unknown,” said Eric Lascelles, an economist with TD Securities.

Canada's main stock index, the S&P/TSX composite, fell more than 725 points halfway through the trading day Monday as the Liberals and NDP worked to firm up details of a potential [coup d'état].

Why would the NDP member imperil jobs at this time? He is listening to economists saying this and he is seeing the effects on the market. At the same time, I—



*Government Orders*

[Translation]

**The Acting Speaker (Mr. Barry Devolin):** The member for Acadie—Bathurst.

[English]

**Mr. Yvon Godin:** Mr. Speaker, the member asks if I have listened to the economists. I was pretty pleased when I heard Mr. Drummond, the vice-president of the Toronto Dominion Bank and one of the top economists in the banking industry, say that the government should make changes to the employment insurance system to help people who have lost their jobs because it is hard on the economy. We should not transfer people from jobs to welfare. We should keep them in the labour market. They should be able to get a job one day and not just go on welfare and not go back to work.

Why did the Conservative Party not listen to that well-respected economist and make changes to the employment insurance system when it looked at its future fiscal projections? Why did it not take that into consideration when most workers across the country have requested changes to the employment insurance system? Only 32% of women qualify right now for EI and only 38% of men. Why does it not listen to the economists? We have listened to them.

[Translation]

**Mr. Bernard Patry (Pierrefonds—Dollard, Lib.):** Mr. Speaker, I would like to thank the member for Acadie—Bathurst for his very energetic speech. He spoke at length about employment insurance, but I would like to know if the member saw any positive measures for the seniors and homeless in our country in the Minister of Finance's economic update?

**Mr. Yvon Godin:** Mr. Speaker, I would like to thank the member for his question. There is absolutely nothing in this update. The government wanted to attack workers by freezing salaries or taking away their right to strike. It wanted to create a political crisis instead of dealing with the economic crisis.

I sometimes meet seniors at home. For the ones who worked in the woods or in the fishing industry and who have no pension fund—maybe not those who were lucky enough to have a pension fund or something similar—there is absolutely nothing for them. There is nothing in terms of a supplement to help these people.

Poor people have told me that it has come to the point where even the food banks are wanting. Christmas is not yet here, and they are already empty and unable to help people. That is where the Conservative government has brought us.

• (1350)

[English]

**Mr. Dean Del Mastro (Parliamentary Secretary to the Minister of Canadian Heritage, CPC):** Mr. Speaker, when I ran for election in 2006, and, of course, in 2008, I ran on a banner called “Stand up for Canada”. I believe I took on a position of standing for this great nation in standing in the House.

I heard a tape of the hon. member's leader talking about how his party plotted and planned with a party committed to the destruction of this country. Why does the member not believe in Canada in the same way I do? Why would he line up with those who would choose to destroy our great nation?

[Translation]

**The Acting Speaker (Mr. Barry Devolin):** The member for Acadie-Bathurst has the floor to answer briefly.

[English]

**Mr. Yvon Godin:** Mr. Speaker, on September 9, 2004, the leader of the Conservative Party, who is the Prime Minister of this country, signed a letter with the leader of the Bloc Québécois, who is here today, requesting the Governor General to consider asking the opposition parties, which had the majority, to form the government at that time. At that time it was good for the party of the member opposite to deal with the separatists.

I have the letter in my hand. As a matter of fact, Mr. Speaker, if you agree, I will table the letter. If the House agrees, I will table the letter.

**The Acting Speaker (Mr. Barry Devolin):** Is there unanimous consent to table the letter?

**Some hon. members:** Agreed.

**Some hon. members:** No.

**The Acting Speaker (Mr. Barry Devolin):** I heard some disagreement. This concludes questions and comments.

Continuing debate. The hon. member for Eglinton—Lawrence.

**Hon. Joseph Volpe (Eglinton—Lawrence, Lib.):** Mr. Speaker, I imagine that you, like those who are in the gallery today and those who are watching this on TV, must be impressed with the way some of the opposition members are responding to the government's proposed economic update. I think people will probably be looking at the reasons that the opposition members seem to be so full of vigour, energy and insight in terms of what must be done to what the government has called a crisis, an emergency in the economy of this country and elsewhere.

I know, Mr. Speaker, you and others who have followed the press, the media—

**An hon. member:** Even when they stole from Canadians?

**Hon. Joseph Volpe:** —who have followed studiously what is happening to the economy on which we depend for an ongoing standard of living and quality of life—

**An hon. member:** People who steal from Canadians and people who want to divide them. Shame on you.

**The Acting Speaker (Mr. Barry Devolin):** Order, please. I would remind hon. members of this chamber to demonstrate the kind of mutual respect that we had discussed last week and refrain from carrying on these conversations in the chamber. If members want to have a conversation, they can do so in the lobby.

My apologies. Continuing debate with the hon. member for Eglinton—Lawrence.

*Statements by Members*

**Hon. Joseph Volpe:** Mr. Speaker, I know a lot of that reaction was not in response to the nuggets of wisdom that are about to unfold in this home, in this House. I say home because it is a House that belongs to all Canadians and they look to all of us, whether we are on the government side or the opposition side, for solutions to the problems that they individually face and that they collectively must resolve.

What are some of those problems that they were looking to see us resolve? We had an economic update shortly after an election that gave each member in the House a mandate to seek solutions. Members will notice that I said every member of the House. It is an obligation that is incumbent upon each and every one of us, one that can weaken not shirk. We cannot shirk the responsibility to seek those solutions.

The government has a very special privilege and that is to make the first offer, to suggest a direction in which we must go. It does not have to do it by groping in the dark, no. It has the examples that the rest of the world has put before it over the course of the last several months.

We need go no further than immediately to the south of us where the Americans chose Barack Obama because he promised to come forward with a solution or a series of solutions, a package that all Americans could buy into, not only domestically and individually but as those who would want to lead the world toward recovery, to assume the mantle of leadership that was so lacking in the world.

I might add, as a bit of a side note, that the Americans were not without culpability on their own. They share some of the reasons for the conditions we currently face today. However, governments get elected to seek solutions and to offer them up. In fact, the government proposes and this House disposes. The House was prepared to dispose with issues that would give an indication of the way forward.

We had an economic statement given to us last week in the context of the American example of \$700 billion in stimulus to address the financial crises that they faced. The president-elect came forward with an indication that there would be an additional \$800 billion in infrastructure dollars in order to address the issues of the day. The Americans were prepared to spend \$1.5 trillion in order to kickstart an economy that is slowly but surely descending to depths that Americans cannot afford and that Canadians and others around the world cannot brook.

The Europeans followed suit very quickly and collectively. Members will notice how quickly they came to a decision. Disparate governments from disparate and diverse countries immediately came forward with \$300 billion euros, which is like \$450 billion, for infrastructure acceleration in all countries.

What was our response? Mr. Speaker, I know you are looking for that word “tepid”, but I dare say that if you were to describe our responses as tepid, then you would really have put your toes in scalding water because the word “tepid” is an exaggeration.

Was it a cool response? No, it was not. In fact, there was no response at all by the government. The economic update offered no solutions. I see that the Minister of Foreign Affairs is paying attention. I know he will agree with me that China is looking at the

situation worldwide and so dependent on manufacturing that it can absolutely not afford to stand by idly. It offered a \$600 billion infrastructure acceleration program and manufacturing assistance program in order to meet the challenges of the day.

• (1355)

We have not talked about social programs. We have only talked about the reaction of governments, some elected, some not, to an emerging situation that the Prime Minister has described as emerging, critical and requiring some essential decisions that would be to the advantage of our collective good.

Therefore, we wait and we wait with bated breath.

Last week we heard an economic update that said absolutely nothing in terms of proactive decisions in order to kick-start the economy, to get engaged in manufacturing, to address the issues of financial shortfalls and, in fact, to address the issues of standard and quality of living of Canadians everywhere.

Worse, there was a deliberate decision in the economic update to demonstrate not only a stinginess of thought, but a certain lethargy of cranial capacity to address the issues that relate to each and every one of us as members of Parliament in our capacity to do the work that Canadians elected us to do.

There can only be one response to such dismissive behaviour in the House by members of Parliament to a government that will not—

**The Acting Speaker (Mr. Barry Devolin):** I rise at this time to interrupt debate. The member for Eglinton—Lawrence will have approximately 12 minutes after routine proceedings to tell us the rest of that story.

At this point I will begin statements by members with the hon. member for Tobique—Mactaquac.

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## STATEMENTS BY MEMBERS

• (1400)

[*English*]

### THE ECONOMY

**Mr. Mike Allen (Tobique—Mactaquac, CPC):** Mr. Speaker, when it comes to protecting Canada's economy, actions speak louder than words.

While opposition parties talk down Canada's economy and scheme to exploit a global recession for their own political gain, we are injecting \$200 billion back into the Canadian economy through lower taxes for people and business.

While the NDP was spending weeks scheming with the separatists about ways to manufacture a political crisis, we were protecting Canada's financial system by injecting \$75 billion into Canada's credit markets, guaranteeing loan insurance and making it easier for business to obtain loans.

*Statements by Members*

While the Liberals, NDP and separatists are negotiating a backroom deal that would allow them to seize power without earning it in an election, we are accelerating investment in infrastructure, protecting seniors and working with the provinces and our G20 partners to inject even more stimulus into the Canadian economy.

While the Liberals and NDP are proving they will do whatever it takes to seize power, we are doing whatever it takes to protect people, their savings and their jobs. If necessary, we are prepared to defend our record and plan in a new election, but do not expect those parties to take up this challenge—

**The Acting Speaker (Mr. Barry Devolin):** The hon. member for Laval—Les Îles.

\* \* \*

[Translation]

#### WORLD AIDS DAY

**Ms. Raymonde Folco (Laval—Les Îles, Lib.):** Mr. Speaker, I want to extend my sincere thanks to the people of Laval—Les Îles for placing their trust in me for the fifth time. I also want to thank all my dedicated volunteers and friends for working so hard on my campaign.

Today, on this 20th anniversary of World AIDS Day, we remember all those who have died of the causes of this terrible epidemic. Despite an 8% increase in Canada's foreign aid, the funding allocated to official development assistance by this government today represents only 0.3% of Canada's gross domestic product, which is less than the 0.7% Canada promised to commit as part of the millennium development goals in 2000.

In addition, the Conservative government has set no timeframe for achieving these goals. It included no commitment in the throne speech. On behalf of the Canadian Association of Parliamentarians on Population and Development and other development partners, we demand that a commitment be included in the—

**The Acting Speaker (Mr. Barry Devolin):** The hon. member for Saint-Hyacinthe—Bagot.

\* \* \*

#### UKRAINE

**Mrs. Ève-Mary Thāi Thi Lac (Saint-Hyacinthe—Bagot, BQ):** Mr. Speaker, I join with Quebeckers and Canadians of Ukrainian origin to commemorate the Holodomor, which was inflicted on Ukraine in the early 1930s.

Between four and ten million Ukrainians lost their lives during this artificial famine, a deliberate act of genocide engineered by Stalin's Communist regime.

The goal was to take everything away from those who were the lifeblood of the Ukrainian nation and deport them.

I commend the Ukrainian people for their courage, and I hope that all Quebeckers and Canadians can learn from this tragedy.

[English]

#### ECOJUSTICE

**Ms. Linda Duncan (Edmonton—Strathcona, NDP):** Mr. Speaker, it gives me great pleasure to inform the House that the pre-eminent Canadian environmental legal organization, Ecojustice, has just this past month opened an office in my riding of Edmonton—Strathcona.

Founded in 1990, Ecojustice was created in response to a growing need for a credible watchdog to ensure governments, corporations and citizens respect the laws designed to protect our environment.

In the past two decades the organization has grown into Canada's largest and foremost environmental law organization, with lawyers and scientists based in Vancouver, Toronto, Ottawa and most recently Alberta.

Ecojustice provides free legal and scientific services for countless citizens and advocacy groups. The organization's growth has been stimulated by a track record of success, landmark victories at all levels of court, including two recent court victories in Alberta over the controversial Kearl tar sands project.

I congratulate Ecojustice and the executive director, Devon Page, for their contribution to ensuring effective enforcement of Canada's environmental laws and for establishing a presence in my riding and my province of Alberta.

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#### OPPOSITION COALITION PROPOSAL

**Mr. Mark Warawa (Langley, CPC):** Mr. Speaker, during the election a few weeks ago the Liberal Party earned its lowest share of the votes since Confederation.

The Liberals wanted to impose a massive new carbon tax on everything at a time of economic instability. Canadians rejected their plan.

The NDP's plan was to raise taxes on businesses and employers by billions of dollars, putting at risk tens of thousands of jobs. Its plan was rejected.

The Bloc's agenda is to break Canada apart. Nothing furthers the separatists agenda more than economic chaos and a federal government that does not work. All it needs to fulfill its goals is naive partners lusting for power: Behold the Liberals and the NDP.

Canadians sent a clear message to Parliament. They want this Parliament to work together under the leadership of our Prime Minister. No one voted for an illegitimate, undemocratic coalition. The opposition's lust for power is a slap in the face of Canadians.

*Statements by Members*

●(1405)

**HIV-AIDS**

**Hon. Carolyn Bennett (St. Paul's, Lib.):** Mr. Speaker, as we recognize World AIDS Day, I would highlight that this year's theme is leadership. However, support for Canadian AIDS programs is set to expire in 2010 and not one of Canada's AIDS service organizations was notified that their life-saving funding would continue. Funding in my home province of Ontario was cut by 17%, without any warning. Shamefully, similar ideologically-driven funding cuts are continuing across this country.

The HIV-AIDS crisis is especially prevalent in Canada's aboriginal communities, where rates of HIV are nearly three times higher than Canadian averages.

We know the Conservatives put ideology before science. For example, they continue to ignore the evidence from Canada's scientific community, which demonstrates that safe injection sites save money and lives. Their lack of action is appalling.

Tonight at the AIDS gala there will be a true celebration of the prospect of a coalition government that will once again ensure that Canada will be a leader in the war against this terrible pandemic.

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**OPPOSITION COALITION PROPOSAL**

**Mr. Harold Albrecht (Kitchener—Conestoga, CPC):** Mr. Speaker, on behalf of all Conservatives who voted, yes, voted, to unite the right, I have the dubious honour of addressing a backroom deal, the one that brought socialists and separatist together.

The new Conservative Party unites the best of the two old parties, the nation building traditions of Macdonald and Cartier and Preston Manning's vision of grassroots democracy.

On the other hand, the secret society of socialists and separatists makes common cause between those who would tear up the country and others whose goal is to use a balance of power status to impose their will.

It is becoming increasingly obvious that in spite of all the fine sounding words, this backroom deal has nothing to do with their dissatisfaction with our economic fiscal update, but was planned many weeks ago. The separatists and the NDP never had any intention of making this Parliament work.

\* \* \*

[*Translation*]**LOUISE FORESTIER**

**Ms. Monique Guay (Rivière-du-Nord, BQ):** Mr. Speaker, a celebrated Quebec singer, Louise Forestier, has won the 2008 Francophone prize from the Académie Charles Cros for her album titled *Éphémère*. Co-written with her son, *Éphémère* is a collection of new compositions, which are filled with the spontaneity and instinct of an artist whose career spans almost 40 years.

The Académie Charles Cros was created in 1947 and is named after the poet and self-taught inventor. The academy, headquartered in Paris, is composed of some fifty experts in music criticism and

sound recording who choose the recipients of annual grand prizes for original, high-quality musical recordings.

After having honoured artists such as Vigneault, Leclerc and Desjardins, the jury chose Louise Forestier because of her true Quebec voice, her culture and her way of life. Once again the academy has highlighted Quebec's contribution to francophone music.

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[*English*]**OPPOSITION COALITION PROPOSAL**

**Mrs. Shelly Glover (Saint Boniface, CPC):** Mr. Speaker, some very troubling revelations have come to light about the socialist-separatist alliance. The NDP and the Bloc Québécois hatched this plan long ago to push Canada's democratically elected government from office.

The leader of the NDP claims it is the key player and it seems very happy to take credit for tearing Canada apart. The NDP and the Bloc's subversion of democracy to bring a socialist-separatist alliance to power will stick to the leader of the NDP until his dying days.

Canadians must not let them do this to our country. We must remain united, the true north strong and free.

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**TERRORISM**

**Hon. Irwin Cotler (Mount Royal, Lib.):** Mr. Speaker, yesterday, we had a volunteers appreciation meeting in my riding, which included among others a large number of constituents of Pakistani and Indian origin. Both these communities, in concert with others, expressed the hope that the tragedy in Mumbai should not pit India against Pakistan or divide the two peoples, but that we must stand together in the struggle against terrorism, in the struggle for democracy and against the anti-Jewish ethos that often accompanies such terrorist attacks.

For over three days, Mumbai, one of the great international cities with the most populous democracy in the world, was under siege. Of the over 170 people murdered were two Montrealers, Dr. Michael Moss and Nurse Elizabeth Russell, two exemplary health care workers who tended the patients in my riding.

Also murdered in the attacks were Rabbi and Rebbetzin Holtzberg of the Chabad Jewish Community Centre in Mumbai, whom I know from personal experience were a source of comfort to many in Mumbai and beyond.

We extend our condolences to the Chabad community in Mumbai and beyond, to the families and friends of Dr. Moss and Elizabeth Russell, and to all of the loved ones who fell victim to this assault on our common humanity.

• (1410)

[Translation]

### BLOC QUÉBÉCOIS

**Mr. Jacques Gourde (Lotbinière—Chutes-de-la-Chaudière, CPC):** Mr. Speaker, the Liberals and the NDP did something unusual this weekend. They participated in friendly talks with the Bloc Québécois. We all knew that the Bloc's goal was to separate Quebec from Canada, but we did not know that the Liberals and the NDP shared that goal.

For years, the Bloc survived because of poor Liberal management. The separatist movement only ever loses steam when Canada has a Conservative government. Seeing the Bloc get friendly with the two parties that do not respect provincial jurisdiction makes me think that the Bloc is selling Quebec out to the Liberals and the New Democrats, who flatter its ego and make power-sharing promises. The Bloc is selling Quebec out for false promises that will never, ever be kept.

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[English]

### DISRAELI BRIDGE

**Mr. Jim Maloway (Elmwood—Transcona, NDP):** Mr. Speaker, I want to thank the many people who helped out on the ongoing campaign to prevent the closure of the Disraeli Bridge and the Disraeli Freeway from my constituency to downtown Winnipeg. This bridge carries 42,000 vehicles per day and will be closed for 16 months for refurbishment. The closure can be prevented by constructing a new two-lane span to the east of the old structure, a span that should be opened before the bridge is shut down for rehabilitation.

When the plan to close the bridge became public in May of this year, a new group of volunteers was formed. Volunteers hit the streets all summer to protest the closure and to distribute ballots for people to sign in order to register their opposition. Over 5,000 people responded, with 97% in favour of the extra two lanes. Mr. Ed Innes is the president of the committee, which includes Teresa Sosa, Bob Burns, Pablo Herrera, Vito Gajardo, Barb and Lawrence Lange, Clile and Carlos Villa, Jim Bardy and many others.

I thank all of them. Let us keep up the fight.

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### SPEECH FROM THE THRONE

**Mr. Scott Reid (Lanark—Frontenac—Lennox and Addington, CPC):** Mr. Speaker, in September 2004 the opposition threatened to defeat the Martin government unless it amended the Speech from the Throne. In response, the member for Ottawa—Vanier asserted:

You can't have your cake and eat it, too. You can't defeat the government and not expect to have to go to the people.

In 2004 he was wrong, but today he would be right. The difference is that in 2004, the opposition was threatening to vote against the throne speech and hence reject the government's entire agenda. When a government is defeated in this way, as in Ontario in 1985, the Crown is constitutionally obliged to summon the leader of the opposition to try to form a new government.

### Statements by Members

However, last Thursday, following the presentation of the fiscal update, the House voted in favour of the throne speech. In so doing, the House gave its approval to the government's agenda. This changes things. A vote of no confidence would now create a situation in which Her Excellency would be constitutionally bound to follow advice from the Prime Minister to dissolve the House and immediately seek new elections.

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[Translation]

### HÉLÈNE PEDNEAULT

**Mr. Pierre Paquette (Joliette, BQ):** Mr. Speaker, we were saddened to learn of the death of the writer Hélène Pedneault, who was a friend, a novelist and a talented journalist. Her ongoing and even stubborn commitment to make Quebec a better, more just, more compassionate society is an example to us all.

This passionate woman cared about a number of causes. A sovereigntist from the start and a resident of Saint-Zénon, she was an active member of the Bloc Québécois in Joliette. She also sat on the Conseil de la souveraineté du Québec. As co-founder of Eau Secours, she fought passionately and vigorously for the environment, as she did for all the causes she defended during her lifetime.

A committed feminist, she made an invaluable contribution to the magazine *La vie en rose*, which she helped found. Her work is an inspiration to us all, and her passing will leave a huge void in Quebec and in the world of letters.

Goodbye, Hélène.

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[English]

### THAILAND

**Hon. Dan McTeague (Pickering—Scarborough East, Lib.):** Mr. Speaker, Spain, France and Australia have all chartered planes and announced plans to evacuate their nationals from military and other airports that are still open throughout Thailand.

However, Canada has not yet indicated any strategy to get hundreds of Canadians out of Thailand. A small number of our senior citizens were able to exit the country by taking overland buses to airports in the south or to neighbouring countries. However, almost 100 of our stranded citizens are seniors, some of whom are running low on medicine. Emails and telephone reports and some Canadians have indicated that our stranded citizens have received little information from our embassy, let alone our consular officials there.

The political crisis in Thailand could turn very violent at any moment. A state of emergency has already been declared by the army, which up to this point has been quiet, yet could potentially stage a coup. It is important for us to recognize that it is time for the Canadian government to announce an evacuation plan for its citizens, as other nations have done for theirs, or can we expect that it will do nothing again in the face of this crisis before it becomes too difficult?

*Oral Questions*

●(1415)

**NEW DEMOCRATIC PARTY**

**Mr. James Bezan (Selkirk—Interlake, CPC):** Mr. Speaker, Canadians are rightly shocked to learn of a secret plot by the NDP and the separatists to take power.

The NDP has been working with the separatist party to bring down the Government of Canada. We now know that the economic update was merely a trigger to execute this long-standing agreement between the NDP and the Quebec separatists.

Members from the NDP have a strategy that is all about gaining power. If they have to do it with the help of separatists who wish to tear Canada apart, so be it.

I am sure Tommy Douglas would be ashamed that his party is putting its own self-interest ahead of the survival of Canada. The NDP is sacrificing national unity on the altar of self-interest. How dare that party betray its country?

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**ORAL QUESTIONS***[English]***THE ECONOMY**

**Hon. Stéphane Dion (Leader of the Opposition, Lib.):** Mr. Speaker, Canada's economy is on the edge of a recession. Jobs are being lost. Canadian workers and their families are worried. Instead of introducing an economic stimulus package in his fiscal update last week, the Prime Minister decided to play politics, ignoring the difficult economic times Canadians are facing.

Does the Prime Minister still believe that he enjoys the confidence of this House?

**Right Hon. Stephen Harper (Prime Minister, CPC):** Mr. Speaker, in the fiscal and economic update last week the Minister of Finance announced among other things that he would be providing EDC and BDC with additional money to extend to the manufacturing and auto sectors, and that there would be special help for retirees who are dealing with losses in the stock market. He announced that there would be numerous measures to strengthen our financial system, and he also announced that we would be doubling infrastructure spending over the next year to a record high.

When the hon. gentleman speaks about playing politics, I think he is about to play the biggest political game in Canadian history.

*[Translation]*

**Hon. Stéphane Dion (Leader of the Opposition, Lib.):** Mr. Speaker, in October 2004, when he was the leader of the opposition, the current Prime Minister defined the rule of conduct for a minority government as follows: if the government wants to govern, it must demonstrate that it is capable of obtaining the support of the majority of members. To date, they have made no such effort.

Will the Prime Minister admit that he has failed to observe his own rule of conduct?

**Right Hon. Stephen Harper (Prime Minister, CPC):** Mr. Speaker, this government has been governing in a minority situation for almost three years, even though it may not have been perfect. We

received a vote of confidence from this House on the Speech from the Throne. My personal opinion is that they should at least wait for the budget to determine the future of a government recently elected by the citizens of Canada.

*[English]*

**Hon. Stéphane Dion (Leader of the Opposition, Lib.):** Mr. Speaker, will the Prime Minister bring clarity in this House and allow Parliament to demonstrate its non-confidence in this government?

●(1420)

**Right Hon. Stephen Harper (Prime Minister, CPC):** Mr. Speaker, let me say quite simply in terms of what we all know the hon. Leader of the Opposition is up to. I understand he wants to be prime minister. It is a great honour and a great experience, but I can tell you, Mr. Speaker, that I would certainly not want to find myself governing this economy today in a situation that required me to follow socialist economics and to be at the behest of a veto of the separatists.

**Mr. Michael Savage (Dartmouth—Cole Harbour, Lib.):** Mr. Speaker, the Prime Minister had a choice with his economic update. He could have put Canadians first. He could have brought in real stimulus for our economy and concrete support for Canada's auto sector. Instead his partisan streak won, and he decided to launch an unprecedented attack on the fundamental rights of our public service.

After such a display of incompetence and bad judgment at a time of economic crisis, why would Canadians trust the Prime Minister now?

**Hon. Jim Flaherty (Minister of Finance, CPC):** Mr. Speaker, as I am sure the hon. member knows because I am sure he has read the fall economic update, the fiscal stimulus is outlined for next year on page 35. It includes: further tax reductions, the effective new tax-free savings account, and a reduction in taxes by corporations. We have already reduced the GST. We are doubling spending on infrastructures and we are strengthening our financial system which we have done to make sure that credit is available for Canadians. This is vitally important in a time of economic turbulence.

**Mr. Michael Savage (Dartmouth—Cole Harbour, Lib.):** Mr. Speaker, in May 2005, the Prime Minister, then opposition leader, said, "The whole principle of our democracy is the government is supposed to be able to face the House of Commons any day on a vote".

I guess that does not count today. The Prime Minister had the choice of acting like a minority Prime Minister and working in a non-partisan way to support our forestry sector. Instead, he launched an ideological attack on pay equity and the women of Canada.

The Prime Minister's character has now been fully revealed. Why in the world would Canadians put any trust in him now?

*Oral Questions*

**Hon. Jim Flaherty (Minister of Finance, CPC):** Mr. Speaker, I know the member opposite and his party have no confidence in a steady, long-term view of the Canadian economy, making sure we stay on track, and have a steady hand at a time of economic turbulence. They would rather make a deal with the devil. As the member for Markham—Unionville said, “I would point out that the basic reality is that the NDP does not understand the first thing about economics—”.

That is patently clear when we hear they want to run a \$30 billion structural deficit in Canada.

[*Translation*]

**Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ):** Mr. Speaker,—

**Some hon. members:** Oh, oh!

**The Speaker:** Order. The hon. member for Laurier—Sainte-Marie has the floor. We do not wish to waste time because of excessive noise.

**Mr. Gilles Duceppe:** Mr. Speaker, terrified by the rumours of a possible coalition government—

**Hon. James Moore:** Traitor!

**Mr. Gilles Duceppe:** —the Prime Minister decided to reverse his decision to eliminate public funding for political parties. Twenty-four hours later, he also backed down on prohibiting the right to strike in the public service. In short, the Prime Minister is trying to salvage something from the wreckage.

While we are facing a global economic crisis, does the Prime Minister realize that his economic statement contains no concrete measures to stimulate the economy and help our citizens? With that kind of attitude, how can we have confidence in this Prime Minister?

**Right Hon. Stephen Harper (Prime Minister, CPC):** On the contrary, Mr. Speaker, the Minister of Finance announced last week in the economic and fiscal statement that we are increasing support for our pensioners, that we will increase assistance to the credit sector, the manufacturing and automotive sectors, that we will strengthen Canada's financial sector even further with a number of measures, and that we will double our spending on infrastructure next year. That is quite a lot in two weeks.

• (1425)

**Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ):** Mr. Speaker, how can the Prime Minister call a potential coalition government illegitimate when, in 2004, in a letter he co-signed with the other opposition leaders, he asked the Governor General to consider all possible options in the event of the dissolution of the House, including the possibility of a coalition government?

With this kind of double talk, how can we have confidence in the Prime Minister?

**Right Hon. Stephen Harper (Prime Minister, CPC):** Mr. Speaker, at that time, we had an agreement on an amendment to the Speech from the Throne. This is not an amendment of confidence. This party will never consider a coalition with the Bloc Québécois.

It is astounding to see the party once led by Laurier and Trudeau applauding the leader of the Bloc.

**Mr. Jean-Yves Laforest (Saint-Maurice—Champlain, BQ):** Mr. Speaker, the government plunged everyone into an election under the pretext that there was an imminent economic crisis. Now that the crisis is on our doorstep, it has postponed implementing measures to stimulate the economy.

How can this government think it has the confidence of the opposition when it stated that it was ready to cooperate, yet it has rejected all of the opposition's suggestions—notably those put forth by the Bloc Québécois—to soften the blow of the economic crisis?

[*English*]

**Hon. Jim Flaherty (Minister of Finance, CPC):** Mr. Speaker, it is true that two days before the fall economic statement the hon. critic opposite gave me the BQ plan, and I thank him for that. It was the only party that had any suggestions forthcoming. There was none from the Liberal Party and none from the NDP. I thank him for that, and I look forward to reviewing them as we prepare for the budget in January. He should be aware of the economic stimulus. It is 2% of GDP in 2009, which is exactly our commitment to the G7 and G20.

[*Translation*]

**Mr. Jean-Yves Laforest (Saint-Maurice—Champlain, BQ):** Mr. Speaker, not only has the Minister of Finance stubbornly refused to act immediately, he is also saying that he will take measures “if necessary”.

How can we have confidence in a government that is so disconnected and so blinded by its own ideology that it is unable to see the economic reality and intervene to reduce the effects of a crisis that everyone is saying is a major one?

[*English*]

**Hon. Jim Flaherty (Minister of Finance, CPC):** Mr. Speaker, I think the hon. member would agree it is not ideological to double infrastructure spending, and it is not ideological to help pensioners in Canada by extending some pension relief, particularly, given the problems with the pension plans in the province of Quebec. I can tell the hon. member it is not ideological to help seniors with their RRIFs this year and to help them in 2008. All of that is in the fall economic statement which I gather the hon. member, his party and his friends are against.

[*Translation*]

**Hon. Jack Layton (Toronto—Danforth, NDP):** Mr. Speaker, while we are facing tough economic times...

**Some hon. members:** Oh, oh!

**The Speaker:** Order, please. The hon. member for Toronto—Danforth has the floor.

**Hon. Jack Layton:** Mr. Speaker, we are facing an economic crisis and tough times, and the Prime Minister had an obligation to act. But he failed. He failed by refusing to present measures to stimulate the economy. He failed by refusing to help our communities and industries. He failed by not bringing forth a plan to create jobs.

How can people have confidence in a prime minister who refuses to act during this crisis?

*Oral Questions*

• (1430)

**Right Hon. Stephen Harper (Prime Minister, CPC):** Mr. Speaker, I have already mentioned a number of measures that the Minister of Finance introduced last week.

[*English*]

When we are talking about why people should have confidence, why should anybody have confidence in the leader of a party who would agree to fold his own party into another party, and to deal with the separatists in order to get the power the voters denied him at the ballot box?

**Hon. Jack Layton (Toronto—Danforth, NDP):** Mr. Speaker, I was at the very meetings that the Prime Minister should remember well and that were referred to by the leader of the Bloc Québécois in which it was proposed that he would work with the Bloc. He proposed that I would be involved. I walked out. I wrote about it in my book. Have a look at the facts.

At a time of unprecedented economic hardship, what we need is bold action. What we see is abject failure by the government, a failure to stimulate the economy or bring forward a plan for jobs in auto, forestry, et cetera.

How can Canadians have—

**The Speaker:** The right hon. Prime Minister.

**Right Hon. Stephen Harper (Prime Minister, CPC):** Once again, Mr. Speaker, how can anybody believe a leader who has admitted that he had this in mind all along, who did not even give ideas to the Minister of Finance for the economic update, let alone waiting for the earliest budget in Canadian history?

Everybody knows that the leader of the NDP is on record that this was his goal all along. I just wish he would have the integrity to take that position to the Canadian people.

**Hon. Jack Layton (Toronto—Danforth, NDP):** Mr. Speaker, we tabled our ideas about economic stimulus right here in this House because we respect this House of Commons. That is something the Prime Minister does not understand because we have a Prime Minister who not only failed to table a stimulation package, he has tapped the phones of his political opponents for political advantage and, frankly, the country deserves better. He is making it up on the fly.

We are hearing here today, even though he knows apparently that he does not have the confidence of the House, he is going to try to govern anyway. That is against democracy.

**Right Hon. Stephen Harper (Prime Minister, CPC):** Mr. Speaker, the leader of NDP should ask himself, and I am sure all Canadians will really ask themselves, whether he believes that, overturning the results of an election a few weeks later in order to form a coalition nobody voted for and everybody denied, and to have a coalition like that which can govern only with the veto of the people who want to break up this country, is in the interests of this country?

[*Translation*]

**Hon. Marlene Jennings (Notre-Dame-de-Grâce—Lachine, Lib.):** Mr. Speaker, faced with the worst economic crisis in generations, the Prime Minister is hiding the truth from Canadians. Instead of coming up with a real plan to help Canadians, the Prime

Minister is fudging the numbers and announcing a fire sale of government assets.

When will the Prime Minister understand that economic recovery begins with giving us the straight goods?

[*English*]

**Hon. Jim Flaherty (Minister of Finance, CPC):** Actually, Mr. Speaker, economic recovery begins with managing the economy well, in a stable way, in a long-term way. It does not begin by driving the Canadian economy into a long-term structural deficit by taking Canada back to the 1970s, by making sure, as Liberals will do, that interest payments for Canadian taxpayers go way up in the air like the bad old days of the 1970s. Canadians have seen that in their lifetimes. They do not want to see that again.

**Hon. Marlene Jennings (Notre-Dame-de-Grâce—Lachine, Lib.):** Mr. Speaker, the Conservatives invent a plan which does not exist. Now they are trying to invent a plan for the opposition. It will not work.

• (1435)

[*Translation*]

We cannot have confidence in the Conservative Prime Minister.

He said, “No deficit”. We have a deficit. He said he had a plan. Six weeks later: no plan. Even worse, he is concealing the truth about his mismanagement of public finances.

How can Canadians believe this Prime Minister?

[*English*]

**Hon. Jim Flaherty (Minister of Finance, CPC):** Mr. Speaker, I think that the members opposite ought to be frank about their assessment of their new-found friends in the New Democratic Party. Here is what they say about their new friends in the New Democratic Party on their economic policy: “—delusional, clueless, irresponsible policy and it is still characterized in the neanderthal economic thinking of the New Democratic Party”.

I thank the expert, the member for Markham—Unionville, and the other expert on deficits, the member for Toronto Centre.

**Hon. Scott Brison (Kings—Hants, Lib.):** Mr. Speaker, the finance minister is doing exactly what he told us he would not do. He is engineering a surplus just to say he has one. Now he wants to sell off government assets during a buyer's market, the worst time to sell. Just like he did with highway 407, the minister will lose billions of tax dollars in his desperate fire sale to cover up his new Conservative deficit.

How can Canadians trust the finance minister, a finance minister who cooks the books?

**Hon. Jim Flaherty (Minister of Finance, CPC):** Mr. Speaker, there is something cooking and it is a new-found friendship and some strange bedfellows over here, these clueless people that they are making arrangements with about economic policy.



*Oral Questions*

If we run a deficit of \$30 billion in this country, we are running a structural deficit. It took a long time to get out of that problem. We have taken the long-term view, the view that says we have to help Canadian business with the Bank of Canada, with Bill C-50, with ensuring adequate credit in this country. There are more provisions in that regard in the fall economic statement, all good for the country, not running big deficits.

**Hon. Scott Brison (Kings—Hants, Lib.):** Mr. Speaker, the minister should tell Canadians the truth, that in fact he will be putting Canada in deficit next year.

The Prime Minister is misleading Canada on the state of Canada's finances and now he is trying to cover up the deficit by selling off government assets in a fire sale. He is counting on \$10 billion from this fire sale and he does not even have a list of what he is going to sell.

The Conservatives are breaking every accounting rule in the book just to hide their new deficit.

With this Enron style of accounting, how can Canadians trust the Prime Minister to manage the economy?

**Hon. Jim Flaherty (Minister of Finance, CPC):** Mr. Speaker, as set out in the fall economic statement, we used the average which was also the median of the private sector economists as of November 14, so we have some friends there.

But what of the new-found friends of the Liberal Party? "The vast majority of Canadians want nothing to do with a party of economic Luddites, which is why that party is marginal, why it will remain marginal and why it is not taken seriously by the people of Canada". Those are the words of the economic leader on the other side, the member for Markham—Unionville.

[*Translation*]

**Mr. Robert Bouchard (Chicoutimi—Le Fjord, BQ):** Mr. Speaker, the Minister of Finance continues to question—

**Some hon. members:** Oh, oh!

**The Speaker:** Order, please. The hon. member for Chicoutimi—Le Fjord has the floor. Order.

**Mr. Robert Bouchard:** Mr. Speaker, the Minister of Finance continues to question the urgency of announcing measures to support the manufacturing and forestry industries. Yet the Bloc Québécois and industry stakeholders have been calling on him for over a year to act aggressively to help these sectors, which have been declining since 2005 according to the government's own documents.

Is the minister aware that by denying reality in the name of his laissez-faire ideology, he no longer has any credibility when he talks about the economy?

[*English*]

**Hon. Jim Flaherty (Minister of Finance, CPC):** The only denial going on, Mr. Speaker, is the new-found friendship between separatists and Liberals in this House.

The fact is we have the accelerated capital cost allowance to help manufacturers. We have reduced business taxes. This is very important for manufacturers in this country. In the fall economic statement, we brought in additional equity provisions for the

Business Development Bank and the Export Development Bank. This is very important for the manufacturing sector.

These are measures that I would think would be supported by the member who just asked the question.

● (1440)

[*Translation*]

**Mr. Jean-Yves Roy (Haute-Gaspésie—La Mitis—Matane—Matapédia, BQ):** Mr. Speaker, the regions of Quebec have been penalized by this government, which is stubbornly keeping the cuts to the not-for-profit economic organizations that provide structure for regional development in Quebec.

Does the Minister of State (Economic Development Agency of Canada for the Regions of Quebec) understand that because of his government's stubborn ideological approach to these organizations, Conservatives from Quebec no longer have any credibility when they talk about the economy?

**Hon. Denis Lebel (Minister of State (Economic Development Agency of Canada for the Regions of Quebec), CPC):** Mr. Speaker, I am very proud to come from a region in Quebec, and I understand today that, thanks to the Bloc Québécois, no one from the regions of Quebec will have access to cabinet anymore if what we hear is going to happen actually does come to pass. I will continue to work to effectively represent the regions of Quebec and promote the economy throughout that province.

\* \* \*

**OLDER WORKERS**

**Mr. Yves Lessard (Chambly—Borduas, BQ):** Mr. Speaker, factories are closing and workers are losing their jobs, and not everyone can be retrained. Only the government refuses to see this reality. That is why the Bloc Québécois is proposing the creation of an income support program for older workers who have been the victims of layoffs, to allow them to bridge the gap until their retirement.

Since the government refuses to bring in such a measure, is this not proof of its insensitivity toward the victims of this economic crisis? We are talking about \$45 million a year for all of Quebec and Canada.

**Hon. Diane Finley (Minister of Human Resources and Skills Development, CPC):** Mr. Speaker, we on this side of the House believe in the older workers who have been laid off because of circumstances beyond our control. That is why we introduced the targeted initiative for older workers, in order to help them prepare for another job. We have had some success. It is not enough, but we are continuing our efforts.

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**EMPLOYMENT INSURANCE**

**Mrs. Josée Beaudin (Saint-Lambert, BQ):** Mr. Speaker, instead of tackling the crisis, this government opts instead for a laissez-faire policy toward the victims and, in particular, refuses to help out the unemployed by eliminating the two-week waiting period for employment insurance.

*Oral Questions*

Why did the government not use the plan presented by the Bloc Québécois, dropping its laissez-faire ideology and taking a proactive approach by eliminating the waiting period? That would not have cost very much and would have really helped the victims of the economic crisis.

**Hon. Diane Finley (Minister of Human Resources and Skills Development, CPC):** Mr. Speaker, we are always looking for ways to improve the ways in which Canadians receive the assistance and support they need. That is why we enlarged the employment insurance system through four pilot projects. We are still looking for ways to improve the system. I already thanked the Bloc for its suggestions. We are studying them in order to continue improving the system for those who need it.

\* \* \*

[English]

**AUTOMOTIVE INDUSTRY**

**Mr. Francis Valeriote (Guelph, Lib.):** Mr. Speaker, Canadians are waking up to the fact that the Conservative Prime Minister cannot be trusted.

A report to be released this week will indicate that car sales are much weaker than the rosy picture the Conservative Minister of Finance is trying to paint. Instead of meaningful help to the auto sector, the Conservatives have chosen to play political games.

The Prime Minister when speaking to the world at the APEC summit promises meaningful stimulus, but when speaking to Canadians introduces only cuts. How can he be trusted any longer?

**Hon. Tony Clement (Minister of Industry, CPC):** Mr. Speaker, indeed we have been working on the auto file with our colleagues in the Liberal Ontario government to work out a plan of action. That is why I, along with my colleague, Mike Bryant, minister of economic development in Ontario, sent a letter to the automakers, so that we can get a plan on the table.

Maybe members on the other side like giving away money without any plans, but on this side of the House we believe in a plan, we believe in the taxpayers and we believe in the people of Canada.

**Mr. Francis Valeriote (Guelph, Lib.):** Mr. Speaker, as the facts catch up to the rhetoric, it is clear that the Conservatives have no meaningful plan to help Canada's auto sector. Auto workers have been ignored for too long. Their families are struggling and the Conservatives just do not care.

The Prime Minister called an election in violation of his own law. How can Canadians trust him?

•(1445)

**Hon. Tony Clement (Minister of Industry, CPC):** Mr. Speaker, in fact we have been dealing with the auto sector. The previous budget, budget 2008, was the start of our plans.

The fact of the matter is that we have done more in the Government of Canada for automakers than south of the border. That has been recognized. We have been there for the auto sector, but we will not give money for nothing. That is not part of our agenda. That is not part of being responsible to the people of Canada. We want to see a plan. That is why we are proud to be Conservatives.

[Translation]

**THE ECONOMY**

**Mrs. Lise Zarac (LaSalle—Émard, Lib.):** Mr. Speaker, instead of taking action to protect the jobs and savings of Canadians, the Conservatives preferred to cling rigidly to their dogma.

Instead of protecting the jobs of people who work in our manufacturing industries, whether automobile parts or aeronautics, the Conservatives have attacked union rights and pay equity for women.

Why should Canadians have confidence in the Prime Minister?

[English]

**Hon. Vic Toews (President of the Treasury Board, CPC):** Mr. Speaker, the bulk of the public service has chosen not to exercise a strike option. It has done so by entering into collective agreements on terms that are fair and reasonable to both the taxpayers and public servants.

We also want to ensure that women are entitled to appropriate pay in terms of pay equity. That is why we are bringing in legislation that ensures there is a timely resolution of those types of disputes.

[Translation]

**Mrs. Lise Zarac (LaSalle—Émard, Lib.):** Mr. Speaker, the effects of the recession are already being felt on Main Street. When people lose their jobs, how can they pay their mortgage, their rent, their groceries?

Instead of creating jobs by breaking ground on new infrastructure projects, the Conservatives are delaying them and are sitting on \$3 billion to hide their deficit.

How can we possibly have confidence in the Prime Minister when he is so cruelly lacking in common sense?

[English]

**Hon. Jim Flaherty (Minister of Finance, CPC):** Mr. Speaker, as I am sure the hon. member knows, because I am sure she looked at the news this morning, we in fact continue to perform in Canada better than our G7 partners. We perform better because we took steps in advance. We prepared. We reduced the GST effective January 1 this year. The United Kingdom just did it last week.

The good news is that the Canadian GDP, gross domestic product, grew 1.3% in the third quarter of this year.

**Mr. Rick Norlock (Northumberland—Quinte West, CPC):** Mr. Speaker, during a global economic crisis, the secret Bloc-Liberal-NDP cabal is plotting behind closed doors to plunge Canada into a political crisis. The opposition plotters, composed of socialists and separatists and led by a rejected Liberal leader, will jack up business taxes and impose a massive carbon tax within days of seizing power.

*Oral Questions*

Their panicky backroom deals will lay ruin to the Canadian economy. Now is the time to stand up for Canada, not seek its ruin.

Could the finance minister tell this House what we have done to bolster the economy? What stimulus have we already injected?

**Hon. Jim Flaherty (Minister of Finance, CPC):** Mr. Speaker, we have taken a steady, stable, long-term view to economic development in Canada. We have also acted promptly and in advance of the serious economic slowdown globally this year.

We cut taxes across the board last fall, keeping money in the economy right now. And yes, tax cuts do stimulate the economy by leaving money in the hands of people in Canada so they spend it, and businesses so they can reinvest it and create jobs.

That stimulus is 2% of GDP, 30 days from now in Canada, the doubling of infrastructure spending, 30 days from now in Canada—

**The Speaker:** The hon. member for Outremont.

\* \* \*

**PAY EQUITY**

**Mr. Thomas Mulcair (Outremont, NDP):** Mr. Speaker, steady? Stable?

[*Translation*]

Last Thursday, the finance minister read his economic statement. On Friday, he said it could not possibly be changed. On Saturday, we learned from the mouth of the Minister of Transport, Infrastructure and Communities that there would be a major revision concerning the financing of political parties. On Sunday, it was the right to strike that was restored.

Today is Monday. Could we know whether the government intends to restore women's right to equal pay for work of equal value?

• (1450)

[*English*]

**Hon. Vic Toews (President of the Treasury Board, CPC):** Mr. Speaker, we are very proud that we were able to resolve a number of the pay equity complaints that have been outstanding for quite a number of years. This shows that what we have been doing in terms of working together with the union in the context of collective bargaining is the appropriate way to resolve pay equity. Women should not have to wait 10 to 15 years in order to have those pay equity complaints resolved.

**Mr. Thomas Mulcair (Outremont, NDP):** Mr. Speaker, has the minister even read the economic and financial update? I will read a part of it for him. "This costly and litigious regime of 'double pay equity' has been in place for too long".

These are rights. We do not contract away rights. We do not litigate away rights. We do not legislate away rights. We respect rights. Does he not get that?

**Hon. Vic Toews (President of the Treasury Board, CPC):** Mr. Speaker, it is not an issue of contracting away rights. It is in order to ensure there is an appropriate mechanism to recognize rights. For a woman to wait 10 to 15 years in order to realize her rights is not correct. That is why we are bringing in this legislation. That is why we are resolving these issues.

[*Translation*]

**ARTS AND CULTURE**

**Mrs. Carole Lavallée (Saint-Bruno—Saint-Hubert, BQ):** Mr. Speaker, before the election, the former minister of Canadian Heritage said that cultural programs that were cut would be replaced. Now, after the election, we discover that the government has no intention whatsoever of revisiting this decision. Moreover, there is nothing in the economic update about restoring the funding programs for the arts and culture.

Can someone in this government explain the reasons for such an attack and such hostility towards artists and the cultural community which, far from being a burden, provide a great deal of stimulus to the economy?

**Hon. James Moore (Minister of Canadian Heritage and Official Languages, CPC):** Mr. Speaker, we understand that it is important to our country and also to our economy and that is why our government increased support for the arts and culture by 8% to \$2.3 million. We have programs and part of our cultural funding helps artists show their work on the international stage. Every time we presented a budget here, in the House of Commons, that increased spending on the arts and culture, the Bloc Québécois voted against it. That is shameful.

\* \* \*

**THE ENVIRONMENT**

**Mr. Bernard Bigras (Rosemont—La Petite-Patrie, BQ):** Mr. Speaker, the climate change conference in Poznan, Poland, begins today, yet the Conservative government still considers the Kyoto protocol to be a burden while the forestry and manufacturing industries see it as a solution. They want the government to use 1990 as the base year and set absolute reduction targets to establish a carbon exchange.

Why are the Conservative government and the Conservative Party still ignoring common sense, and why are they refusing to adjust their attitude toward the Kyoto protocol?

[*English*]

**Hon. Jim Prentice (Minister of the Environment, CPC):** Mr. Speaker, I do not agree with much of that, but the real question for the House is how this poisonous and temporarily happy alliance will advance Canada's interests at all, specifically in the context of international conventions.

The NDP has a policy supporting a cap on trade. The leader of the Liberal Party supports a carbon tax. The Bloc supports only the breakup of our country.

*Oral Questions***FORESTRY INDUSTRY**

**Mr. Sukh Dhaliwal (Newton—North Delta, Lib.):** Mr. Speaker, the Prime Minister once again is playing political games instead of taking action for Canadians in need.

For the past three years, the Prime Minister has broken promises on an economic plan for forestry workers. The industry is suffering and communities across B.C. and Canada are looking for leadership.

With all this talk and no action, how can Canadians trust the Prime Minister?

**Hon. Lisa Raitt (Minister of Natural Resources, CPC):** Mr. Speaker, a year ago the government acted decisively, introducing the community development trust, a \$1 billion trust fund that was put in place in recognition of the global economic uncertainty and also in recognition of the need for transition for skills development and to help other workers.

That is what we did. We continue to do so. We continue to work on the program and we continue to ensure we serve Canadians and serve them well.

• (1455)

**Mr. Sukh Dhaliwal (Newton—North Delta, Lib.):** Mr. Speaker, the minister does not understand. The fact is the Prime Minister cannot be believed. He has spent three years delivering political rhetoric, but has failed to take any real steps for ailing forestry workers. He is making decisions on the fly and now he is spinning out of control.

Once again, with no plan, how can the Prime Minister be trusted?

**Hon. Lisa Raitt (Minister of Natural Resources, CPC):** Mr. Speaker, the fact is the province of British Columbia received \$129 million to ensure that the forestry workers and the people within B.C. had the ability to deal with transition in these very tough times, there is no question about it.

What is really economically damaging is the coalition between the Liberals and the NDP with the veto held by the Bloc. That is economically damaging.

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**STATUS OF WOMEN**

**Ms. Linda Duncan (Edmonton—Strathcona, NDP):** Mr. Speaker, the current finance minister is taking cheap shots at Canadian women's hard-earned rights. For decades Canadian women fought for equal pay; decades.

Women are systematically denied equal pay for work of equal value, and now the Conservative economic statement validates this discrimination. Timely action means equal rights now.

Does the current government really think it is acceptable to pay women less?

**Hon. Vic Toews (President of the Treasury Board, CPC):** As to that, Mr. Speaker, obviously not. That is why we are bringing in legislation, much like the proactive legislation that was passed by the Liberals in Ontario and the New Democrats in my home province of Manitoba, proactive legislation that meant women did not have to wait all the years they waited under the federal Liberal government.

We are changing that to deal with it in the context of collective bargaining so they will be able to achieve their rights in a timely fashion.

**Ms. Linda Duncan (Edmonton—Strathcona, NDP):** Mr. Speaker, no matter what the minister tries to suggest, Canadian women are facing a serious rollback of rights by the Conservative government.

The government's attack on women's equality will not be forgotten just because it is scrambling to sweep a politically crass economic update under the rug.

After attacking women's rights time and time again, how does it feel to lose the confidence of women across Canada?

**Hon. Vic Toews (President of the Treasury Board, CPC):** Mr. Speaker, after almost a decade of waiting, we were able to resolve a number of pay equity complaints with the union and we were able to do it within the context of collective bargaining.

It is very important that those issues are dealt with in an ongoing timely basis, unlike the Liberals, who had to be hauled before the Human Rights Commission on a consistent basis in order to force them to pay women what they were entitled to. That was shameful and it should not happen any longer.

\* \* \*

**THE ECONOMY**

**Mr. Ron Cannan (Kelowna—Lake Country, CPC):** Mr. Speaker, during a global economic crisis, the Bloc-Liberal-NDP cartel is plotting behind closed doors to cripple our economy by attacking business and imposing a new carbon tax and GST hike to hurt everyone. Even investors in markets are worried.

Listen to Eric Lascelles, of TD Securities, who said,

The inclusion of an explicitly separatist party in the ruling coalition...would likely cause some trepidation in financial markets, especially on the part of international investors...The turmoil generated by...the...new three-party coalition could prompt flight-to-safety flows...

Could the finance minister please tell Canadians the risk of a Bloc-Liberal-NDP coalition?

**Hon. Jim Flaherty (Minister of Finance, CPC):** Mr. Speaker, what is needed is a steady, stable, long-term view. This is not a game. The jobs and savings of Canadians are at risk. We are in a period of global economic crisis and Canada is not an island. This is a not a time to panic or attack business with new punishing taxes as proposed by the NDP in the last election, or a carbon tax as proposed by the Liberal Party in the last election.

This is not a time for a huge new structural deficit of \$30 billion or more as proposed by the three musketeers over there.

• (1500)

### EQUALIZATION PAYMENTS

**Mr. Bill Casey (Cumberland—Colchester—Musquodoboit Valley, Ind.):** Mr. Speaker, like the throne speech, last week's economic statement said that all increases in equalization payments would be capped at the rate of overall growth in the economy. This totally contradicts the October 10 side deal made with Nova Scotia and Newfoundland and Labrador. This deal has a formula that guarantees a 3.5% increase in equalization every year for 15 years.

This is the second time I have asked this. Will the minister stand and ensure that Nova Scotia and Newfoundland and Labrador have an exemption from this cap on equalization increases?

**Hon. Jim Flaherty (Minister of Finance, CPC):** Mr. Speaker, Nova Scotia, as I have assured its finance minister, will be kept whole, including the accord.

\* \* \*

[Translation]

### FOREIGN AFFAIRS

**Mr. Jean Dorion (Longueuil—Pierre-Boucher, BQ):** Mr. Speaker, the situation in Thailand is so serious that countries like France, Australia, China, Switzerland and Spain have taken steps to repatriate their citizens. In the meantime, Quebecers and Canadians there have still not heard from their government.

When will the Minister of Foreign Affairs recognize that he must act now to implement a repatriation plan?

**Hon. Lawrence Cannon (Minister of Foreign Affairs, CPC):** Mr. Speaker, the embassy is working 24 hours a day to help Canadians stranded in Bangkok. We are considering all of our options, which include chartering planes to help Canadians get from Thailand to Hong Kong. This afternoon, I talked to the president of Air Canada and asked him for his support in helping consular staff get Canadians home.

\* \* \*

[English]

### THE ECONOMY

**Mr. John Rafferty (Thunder Bay—Rainy River, NDP):** Mr. Speaker, while automotive plants are shutting down in southern Ontario, mills and processing plants are closing in northern Ontario.

Day after day, more layoffs and bankruptcies are announced, but the current government does not understand the needs of northern Ontario or the real economy.

Why is it that instead of protecting jobs, pensions and savings, all the current government could come up with was partisan games, the removal of labour rights and, shamefully, the denial of the needs of working families?

**Hon. Jim Flaherty (Minister of Finance, CPC):** Mr. Speaker, as was in the economic update last Thursday, there was an important extension of credit through the crown corporations responsible, BDC and EDC. This extension of credit will be in the neighbourhood of \$3 billion.

### Points of Order

It is like the measures we took several months ago, and some since then, to ensure that there would be adequate, available and affordable credit for Canadian businesses, whether they are in the forestry business, the auto business or any other sector of the Canadian economy.

\* \* \*

### PRESENCE IN GALLERY

**The Speaker:** I would like to draw to the attention of hon. members the presence in the gallery of the Hon. Judy Streach, Minister of Community Services for Nova Scotia.

**Some hon. members:** Hear, hear!

[Translation]

**The Speaker:** I believe that the hon. member for Montmorency—Charlevoix—Haute-Côte-Nord is rising on a question of privilege or a point of order.

\* \* \*

### POINTS OF ORDER

#### ORAL QUESTIONS

**Mr. Michel Guimond (Montmorency—Charlevoix—Haute-Côte-Nord, BQ):** Mr. Speaker, I do have a point of order.

During the election of the Speaker, you yourself and all the other candidates for Speaker acknowledged it. As well, during the discussions involving the whips of the four recognized parties in the House, the feeling was unanimous that we had to improve order and decorum in this House. Unfortunately, we have to recognize that in these turbulent times, some unacceptable language has been used.

As proof, I would like to point out that earlier, when the leader of the Bloc Québécois asked a legitimate question, the Minister of Canadian Heritage and Official Languages used the term “traitor”, followed by the surname of the member for Laurier—Sainte-Marie. We heard it clearly on this side of the House, and not just once, but three times.

This is a clear violation of Standing Order 18, which states that no member shall use offensive words in this House. I therefore ask the Minister of Canadian Heritage and Official Languages to withdraw what he said immediately.

• (1505)

[English]

**Hon. James Moore (Minister of Canadian Heritage and Official Languages, CPC):** Mr. Speaker, it is true that at the start of question period I did say some things about the Bloc, the Liberal and the NDP coalition.

[Translation]

I never said the member's surname. That is not true. But if I did say something that was not within the rules, I apologize and I withdraw those words.

**The Speaker:** The hon. member for Joliette also wishes to raise a point of order.

*Routine Proceedings*

**Mr. Pierre Paquette (Joliette, BQ):** Mr. Speaker, I wish to raise a point of order on another matter. During question period, the leader of the Bloc Québécois referred to a letter that the leaders of the three opposition parties had co-signed in 2004. I have that letter here. The NDP leader also mentioned it.

With the unanimous consent of the House, I would like to table the letter, which is dated September 9, 2004.

**The Speaker:** Does the hon. member for Joliette have the unanimous consent of the House to table this letter?

**Some hon. members:** Agreed.

**Some hon. members:** No.

**The Speaker:** There is no unanimous consent.

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## ROUTINE PROCEEDINGS

[*English*]

### PRIVACY COMMISSIONER OF CANADA

**The Speaker:** I have the honour to lay upon the table the annual reports of the Access to Information and the Privacy Act of the Office of the Privacy Commissioner of Canada for the year 2007-08.

[*Translation*]

This document is deemed permanently referred to the Standing Committee on Justice and Human Rights.

\* \* \*

[*English*]

### CANADA-EFTA FREE TRADE AGREEMENT IMPLEMENTATION ACT

**Hon. Stockwell Day (Minister of International Trade and Minister for the Asia-Pacific Gateway, CPC)** moved for leave to introduce Bill C-2, An Act to implement the Free Trade Agreement between Canada and the States of the European Free Trade Association (Iceland, Liechtenstein, Norway, Switzerland), the Agreement on Agriculture between Canada and the Republic of Iceland, the Agreement on Agriculture between Canada and the Kingdom of Norway and the Agreement on Agriculture between Canada and the Swiss Confederation.

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

\* \* \*

### CRIMINAL CODE

**Hon. Anita Neville (Winnipeg South Centre, Lib.)** moved for leave to introduce Bill C-237, An Act to amend the Criminal Code (motor vehicle theft).

She said: Mr. Speaker, as members should be aware, auto theft has long been a serious concern to the residents of Winnipeg. From January 1 to November 16 there have been 3,290 actual car thefts and 3,118 attempted car thefts in the city.

I introduced this bill in the last session of Parliament and I am reintroducing it in response to the continuing concern for auto theft in the community.

It also comes in response to a meeting that took place between Liberal members and a Manitoba delegation that included the premier, the provincial justice minister, the mayor of Winnipeg, the mayor of Brandon and opposition leaders, as well as Chief Dennis Meeches of the Long Plain First Nation.

With this bill, everyone who commits theft of a motor vehicle for a second or subsequent offence would be guilty of an indictable offence and would be liable to imprisonment for a term not exceeding 10 years.

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

\* \* \*

● (1510)

### HOLOCAUST MONUMENT ACT

**Hon. Anita Neville (Winnipeg South Centre, Lib.)** moved for leave to introduce Bill C-238, An Act to establish a Holocaust Monument in the National Capital Region.

She said: Mr. Speaker, I am very pleased to introduce in the House today my private member's bill, an act to establish a Holocaust monument in the national capital region.

This proposed permanent monument here in the nation's capital would ensure that Canada as a nation will never forget the Holocaust and the millions of people who died at the hands of the Nazi killing machine, including over six million Jews.

This monument would serve to forever remember the victims and survivors, and inspire everyone to be vigilant and take action against acts of hate, anti-semitism and racism. We must not forget that at the time there was a universal belief that a mass genocide could never happen. That was certainly proven wrong in the most heinous and tragic way.

This monument would serve as a memorial to the past and a beacon to the future. I hope all will support it.

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

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### NATIONAL ECOSYSTEMS COUNCIL OF CANADA ACT

**Hon. Anita Neville (Winnipeg South Centre, Lib.)** moved for leave to introduce Bill C-239, An Act respecting the National Ecosystems Council of Canada.

She said: Mr. Speaker, I am pleased to reintroduce my private member's bill. If passed, it would see the establishment of the national ecosystems council of Canada.

I am introducing this bill once again in this 40th session of Parliament based on my desire to see the health of Lake Winnipeg's watershed and other watersheds across Canada restored. If this council is established, watersheds across Canada would receive the necessary attention to restore their health. In the case of Lake Winnipeg, it would ensure the viability of the economy it supports and ensure that it remains a gathering spot for Manitobans for generations to come.

Lake Winnipeg was recently featured in a national magazine as a forgotten lake. This national treasure must not be forgotten. It is beloved to most Manitobans. A plan for restoration and preservation is imperative.

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

\* \* \*

#### INCOME TAX ACT

**Hon. Wayne Easter (Malpeque, Lib.)** moved for leave to introduce Bill C-240, An Act to amend the Income Tax Act (deduction for volunteer emergency service).

He said: Mr. Speaker, I am most pleased to introduce an act to amend the income tax, a deduction for volunteer emergency service.

The bill was introduced in the last Parliament and was reported back from committee to the House. Sadly, the bill was lost because the Prime Minister broke the law and caused an election.

The act would allow for the changes to the income tax act and allow volunteer emergency workers to deduct from their taxable income the amount of \$1,000 if they have performed at least 100 hours of volunteer service, and \$2,000 if they have performed at least 200 hours of volunteer service.

This is an important bill because it recognizes volunteer emergency service workers for the good they do for society, giving them a wee bit of financial compensation.

I was wondering, seeing as the bill was so far along in the last House and reported back from committee, that there might even be unanimous consent to see it at its previous stage.

**The Speaker:** Is there unanimous consent?

**Some hon. members:** No.

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

\* \* \*

[*Translation*]

#### EMPLOYMENT INSURANCE ACT

**Mr. Christian Ouellet (Brome—Missisquoi, BQ)** moved for leave to introduce Bill C-241, An Act to amend the Employment Insurance Act (removal of waiting period).

He said: Mr. Speaker, this bill would remove the waiting period that precedes the commencement of employment insurance benefits after an interruption of earnings. It would also repeal provisions that refer to that waiting period.

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

\* \* \*

•(1515)

[*English*]

#### PETITIONS

CRTC

**Hon. Lawrence MacAulay (Cardigan, Lib.):** Mr. Speaker, I am pleased to present a petition from the people of Rollo Bay to East Point.

#### *Routine Proceedings*

The residents of eastern Kings county and the riding of Cardigan, Prince Edward Island, draw the attention of the House of Commons to the following: That the residents of eastern Kings county in the Cardigan riding in the province of Prince Edward Island respectfully submit that they are being discriminated by CFCY 95.1 FM radio due to very poor or no reception in their area.

Therefore, the petitioners request the House of Commons to direct the CRTC to investigate and direct CFCY 95.1 FM radio to endeavour to provide radio coverage to all the residents of the eastern Kings area.

#### HUMAN TRAFFICKING

**Mrs. Joy Smith (Kildonan—St. Paul, CPC):** Mr. Speaker, I am pleased to rise in the House today to present petitions containing close to 500 names regarding trafficking of women and children across international borders for purposes of sexual exploitation.

These petitioners are calling upon the House of Commons to condemn this practice and to continue the good work of our government to stop this horrendous crime from happening here on Canadian soil.

#### INFRASTRUCTURE

**Hon. Mauril Bélanger (Ottawa—Vanier, Lib.):** Mr. Speaker, I have the honour to present another petition signed by citizens of the nation's capital concerning the matter of the necessity of building a bridge or two bridges, so that eventually there would be a ring road around the nation's capital so that the heavy truck traffic could be removed from the core of the city.

The petitioners call upon the Government of Canada to instruct the National Capital Commission to proceed with a detailed assessment of an interprovincial bridge linking the Canotek Industrial Park to the Gatineau airport, which is option 7 of the first phase of the interprovincial crossings environmental assessment.

[*Translation*]

#### INCOME TAX ACT

**Mr. André Bellavance (Richmond—Arthabaska, BQ):** Mr. Speaker, I am pleased to present a petition signed by nearly 2,000 people calling on Parliament to support a bill that was numbered C-445, which I introduced during the previous Parliament with the support of the hon. member for Bas-Richelieu—Nicolet—Bécancour. The purpose of the bill was to create a refundable tax credit for retirement income losses of 22%, for the victims of these substantial financial losses.

### Government Orders

A number of retired employees of the Jeffrey mine in Asbestos in my riding and of Atlas Steels in Sorel-Tracy saw their retirement income drastically reduced after their former employer went bankrupt. Since February 2003, \$55 million has been lost in retirement funds and \$30 million in benefits for retired workers of the Jeffrey mine, while incomes have been reduced by between 28% and 58% since April 1, 2005, for retired workers of Atlas Steels.

As I present this petition, I can assure the House that my colleague and I remain committed to pursuing the fight to provide justice to the retired workers of the Atlas Steels facility and the Jeffrey mine in Asbestos.

[English]

#### IMMIGRATION

**Ms. Judy Wasylycia-Leis (Winnipeg North, NDP):** Mr. Speaker, I have a petition signed by dozens of constituents who are very concerned about the Conservatives' changes to our Immigration and Refugee Protection Act and the way they were slipped through the last budget implementation bill.

The petitioners are concerned because the changes give major new powers to the Minister of Citizenship, Immigration and Multiculturalism on an arbitrary basis. They are concerned that these changes limit the ability of ordinary Canadians to be united on humanitarian and compassionate grounds. They are concerned that the minister has the power to deny visas to those who meet all the immigration criteria.

They call upon their government to abandon these changes, to increase staffing in overseas visa offices, to increase Canada's immigration target to 1% of the Canadian population and to stop the expansion of temporary foreign workers in this legislative initiative.

\* \* \*

• (1520)

#### QUESTIONS ON THE ORDER PAPER

**Mr. Tom Lukiwski (Parliamentary Secretary to the Leader of the Government in the House of Commons, CPC):** Mr. Speaker, I ask that all questions be allowed to stand.

**The Speaker:** Is that agreed?

**Some hon. members:** Agreed.

### GOVERNMENT ORDERS

[English]

#### ECONOMIC AND FISCAL STATEMENT

The House resumed consideration of the motion, and of the motion that this question be now put.

**The Speaker:** When question period began, the hon. member for Eglinton—Lawrence had the floor and there are 12 minutes remaining in the time allotted for his remarks.

I, therefore, call upon the hon. member for Eglinton—Lawrence.

**Hon. Joseph Volpe (Eglinton—Lawrence, Lib.):** Mr. Speaker, I want to continue the remarks that I was about to begin with respect

to the economic update that the government said it presented last week.

The reason I say “said it presented” is that as I stated in my preamble, in my initial discussion, there was no response to the crisis of the day, a crisis that was recognized by the Prime Minister, reiterated by his Minister of Finance, and reinforced by the Prime Minister's presence in the G20 discussions of about 10 days ago.

From our perspective as Canadians, we all needed to have action to address the issues of Canadians and the way they lead their lives. It is no secret to anybody who follows Canada, who follows the way we earn our moneys, the way we develop our standard of living and the way we enhance our quality of life, that certain industries needed immediate attention, and that to them the government said, “No, not yet”.

The first of these is of course the forestry industry. Members might have heard some of the questions during question period. The forestry industry is responsible for about \$85 billion worth of our GDP. It is a big contributor to our economy. In addition to the immediate cash that comes into our GDP, it is responsible for approximately 800,000 jobs directly and indirectly related to the forestry business. Whether it is paper mills, lumber mills, or lumber manufacturing, it means approximately 800,000 jobs directly and indirectly.

Of those 800,000 jobs, 300,000 are directly responsible to the forestry industry. It is one of the bulwarks of our economy. Three hundred communities, 300 small or large towns, are directly dependent upon lumber and lumber alone. Those 300 communities, those 300,000 individuals, look to their government, to us, for some indication that we are about to protect not only their lifestyles but their futures.

In his economic update the Minister of Finance said, “Sorry, not interested. I am going to continue with the way that I dealt with this before”. When the softwood lumber agreement collapsed and there was an imposition of countervailing tariffs, our producers put \$5 billion on the table during very tough negotiations. It was spread over several years. The government opposite decided that it would negotiate by leaving 25¢ on the dollar in the hands of our competitors to the south.

Is it any wonder that some of those sawmills and paper mills are shutting down? Is it any wonder that the lumber industry in Canada is facing the challenges it faces today? In addition to the collapse of the construction industry in the United States, we had to give 25¢ on the dollar for every one of those dollars that we put on the table for tariffs and countervail to our direct competitors in the industry down south.

That is the way the government has handled the economic stresses facing Canadians in those remote and isolated communities that depend upon the forestry industry. It is the same indifference, the same disdain that the government has demonstrated with respect to the auto industry.



*Government Orders*

I know my colleague from Guelph knows the statistics very well. Over 500,000 jobs are directly or indirectly related to the auto industry in Canada. Some figures put that number at 570,000. He knows quite well that for every job in the assembly plant, there are seven to ten other jobs that directly flow from that activity.

• (1525)

When we talk about the auto industry, we are talking about at least half a million people who are directly or indirectly related to the assembly industry, the auto parts industry and the associated dealerships.

When we think about how that translates to life as Canadians, it is approximately a million people, perhaps a little bit more. A million families are directly dependent on the auto industry. One million people is the equivalent of the entire population of Saskatchewan, the entire population of Manitoba, more than the population of Nova Scotia, twice the population of Newfoundland, and 10 times the population of Prince Edward Island.

Those people who depend upon the health of the auto sector and the auto parts sector have every right to receive the attention of the government. It is not just in assembly or manufacturing, even though they are very important elements of the auto industry.

Think for a moment of all of the moneys that we have attempted to invest in human resources development and skills training, in research and development. Think of all the engineering jobs, the educational jobs, the institutions that were built in association with auto assembly and auto parts in Canada, specifically in southern Ontario.

My colleague from Guelph would agree that some of those universities and community colleges stretching down along the golden horseshoe are not so much interested in whether the auto industry is going to get  $x$  dollars or  $y$  dollars.

They are interested in a government that takes a position that we must ensure appropriate negotiation, not only with the auto sector here in Canada but also with the auto sector in North America. What we need to do is make sure that the decisions made by the auto industry take into consideration the needs of Ontario and the needs of Canada, and that decisions with respect to the auto industry are kept front and centre.

I note that the government has taken credit for the fact that the Government of Canada has been responsive to the auto sector in the past. It might come as a surprise to some people in this room, but the government that actually did consider and concern itself with the auto sector was none other than the former government, a Liberal government.

I had the extreme pleasure of being the minister responsible for Ontario when that happened. Now the government takes credit for it, four years after the fact. The Minister of Industry is a good man. I know him well. He went down south and was kept in the lobby. Nobody wanted to talk to the Government of Canada about this critical issue.

For us the important thing is to exercise the political weight that has been garnered by governments past in order to ensure the enormous input and investment that we have in the educational,

academic, human resources, and skills development areas of the auto sector.

As the government sees itself through the manufacturing and auto industries, are we going to engage in discussions with governments that impact on these decisions?

Clearly the government opposite does not have that interest. It blames the industry, just as it blames so many other people for their own woes. It says the auto manufacturers are producing cars that nobody wants to buy. That is true. It also says that the workers are getting too much money and that their pensions are exorbitant. Why would you blame people for their own success?

What we need to do is ask the government to address what happens to those of the 2.6 million vehicles produced in Canada that are exported into Maine. About 1.5 million are exported outside this country. Think about what that does to the relative wealth of everybody in this nation.

When the auto industry picks up again and 3 million cars per year are consumed as a portion of Canadian consumption, where are those vehicles going to come from?

• (1530)

Where is the research and development going to come from for the development of those new vehicles? Is it going to be some place in Asia? Will it be Japan, China, India? Is it going to be Europe?

Where are the engineering, architecture, and research and development jobs that lead to the new technology that is going to drive the next phase of manufacturing going to be developed? Are they going to be developed here in Canada, or are we going to import the final end product from abroad?

That is what the economic update should have addressed. We did not hear a word about that. We did not hear a single word in the presentation about it. We did not hear one plan about how to insinuate Canada into discussions relative to the research and development of tomorrow and the manufacturing of tomorrow. We did not see one iota of evidence that the Government of Canada, as it is currently constituted, is concerned about the biggest industry in Canada.

I know members wanted me to talk about the construction industry as well. I hope I will get the opportunity to do so, because it is another important segment of the shortfall of the economic update, an economic update that needs to be defeated.

**Ms. Olivia Chow (Trinity—Spadina, NDP):** Mr. Speaker, does the member see one penny of the new dollars that Toronto desperately needs for the city's transit plan?

The transit system plan would bring 24 million riders to the new Don Mills line, 52 million new riders on the Etobicoke-Eglinton line, 24 million on the Etobicoke-Finch line, and 19 million riders on the Jane line. Is there one new penny? I am not sure.

Is there any money for the Scarborough-Malvern light rapid transit line, which would bring in 22 million riders? What about the Sheppard East line, which would bring in 20 million riders? What about Waterfront West, with 15 million riders? If we add that all up, it would be 176 million riders.

*Government Orders*

Is there one penny in the economic statement for this kind of infrastructure, which the city of Toronto desperately needs?

**Hon. Joseph Volpe:** Mr. Speaker, I know my colleague did not want a one-word answer. Were I to give it, I would say no. As the member is not accustomed to one-word answers, I am sure she would want me to elaborate. I would like to give my colleague an indication of what could happen and what should have happened, but did not happen.

I hope this does not sound like self-congratulations, but when I was minister of the day during the Liberal government, we announced \$350 million over a five-year period. That was in partnership with two others, the City of Toronto and the Province of Ontario, for a total in excess of \$700 million. That funding was to address the issues of public transit in order to build the infrastructure to move passengers not only in and around the city of Toronto, with a population of over two million, but around the GTA, with a population of over five million. My colleague will recall the announcement because she was also at the presentation.

That was progressive thinking. That was forward thinking. It was architectural thinking, because a lot of the work was going to be done here in Canada. It was going to be employing Canadians and be for the benefit of Canadians. It was going to provide public transit in an environment where we were looking to engage the public in more public transportation systems.

• (1535)

**Mr. Merv Tweed (Brandon—Souris, CPC):** Mr. Speaker, I want to congratulate my colleague on his re-election. I have had the opportunity to serve with him on the transport committee. He has always been a valuable member of our committee.

I find ironic the conversation that just took place with the member of the NDP. We were talking about our differences. Our government proposed \$50 billion in stimulus that would go to the business world to create the jobs that everyone is talking about saving.

We know the auto industry is facing a challenge and we know there have to be solutions.

How does the member square his position of a coalition with a party on the other side that wants to eliminate that \$50 billion? I would have to verify it, but I would guess that many segments in the automotive industry, from manufacturers to parts plants, have taken advantage of that \$50 billion to continue to create and maintain the jobs they now have.

How do we balance that with the member's free thinking and position on the economy?

**Hon. Joseph Volpe:** Mr. Speaker, I thank the member for his personal congratulations and may I reciprocate in kind.

I think I work well with members from all parties on the transport committee and there is a genuine desire to move things along. I think that is what people are asking all members of Parliament to do.

We must keep in mind that we are elected as members of Parliament. Some of us run under a particular umbrella or a flag but we are brought here as members of Parliament to come up with a very constructive approach to resolving issues.

The member again mentioned the auto industry. I think we need to bring the major players in any industry to the table to get their specific plan, not just a money grab but a specific plan for what needs to be done. The performance and accountability benchmarks need to be addressed before we give the public's money back to the public through a third party.

My hon. colleague opposite asks how we can do that with other people. I have been here for quite some time and along the way I have met some really nice people, he being one. Those who want to work toward a particular objective will always get my support. If they want to meet an agenda that meets the needs of Canadians, they will get my support. It looks like the member for Trinity—Spadina actually wants to work with me on this.

**Mr. Paul Szabo (Mississauga South, Lib.):** Mr. Speaker, the issue is that there is a disagreement with the prescription of what Parliament should do now with regard to the economic climate that we are in. The government is in denial that we can somehow continue to carry on with business as usual.

The opposition members would appear to have been calling solely for an accelerated stimulus package. We know what happens when the economy turns down.

The member who just spoke has been here 20 years now and has been through these cycles. He knows that a minimum of 250,000 jobs will be lost. By the time there is a recovery in the economy, it will not be the older workers who will get the jobs and they will need some help.

We will have people who have jobs and do not have the skills to move into a new industry. We will have people who will not be able to pay their bills or even sustain themselves while they are transitioning into new work, which means there will be family hardship.

Does the member agree that a stimulus package just cannot be a \$50 billion tax cut to everyone and hope that it will do something, that we need some targeting, some hope that we can give to Canadians by investing in those areas where job loss can be mitigated and new jobs can be created so that we put people's interests ahead of political interests.

**Hon. Joseph Volpe:** Mr. Speaker, my colleague from Mississauga South is absolutely right. We need to have a multifaceted approach to how we solve some of these problems and the first one is to be proactive.

The member was part of a government and he shared those kinds of responsibilities with me that tried to be proactive, to see down the road what would be required.

When the government opposite today says that it has the fundamentals in place, guess what? The member for Mississauga South, myself and other members of caucus put those fundamentals in place. We understand the business of going ahead, moving forward and putting in the architecture that needs to be filled in as need comes along.

A second element of that multi-pronged process is the willingness to be engaged in income substitution if the need brings us to that point.

*Government Orders*

The third element is to look at the transition. Jobs are changing. As we conduct our debates here, jobs are being transformed because of new technology, because of research and development but also because of people's spending habits. We need to be able to make those kinds of adjustments. We need to invest.

We are not talking about stimulus and stimuli. We are actually talking about making the adjustments in an economy that is going from where we are today to where others are already going. Other people are moving at a much faster pace than we are, which is why we need to talk to industry leaders down south and here to ensure the accountability and performance criteria are met as we go along.

Do we need to make investments? We are darn right. The member from Mississauga South has had the experience to see that it works and works well. We do not want to be looking at crisis management as a quarter of a million people lose their jobs and the only alternative is immediate income substitution. We need to take a look at where we are going to bring those 250,000 people in the next six months.

• (1540)

**Mr. Paul Szabo:** Mr. Speaker, the member wanted to make a few comments about the construction trade and the role it will play, particularly in the infrastructure initiatives. I would ask the member to comment on that.

**Hon. Joseph Volpe:** Mr. Speaker, the member for Mississauga South knows quite well that there are about 1.2 million people who are immediately engaged in the non-residential construction industry. That is not an insignificant number of people. We are looking at 1.2 million people who are experts at a very specific trade or a combination of trades. We need them to build those pipelines in Alberta and Saskatchewan. We need them to bring those pipelines down from the Yukon into central Canada and into the markets further south of their regions.

We also need to keep in mind that these are very high-paying jobs that give us an opportunity to get value-added equipment and salaries. We need to support them.

**Mr. James Bezan (Selkirk—Interlake, CPC):** Mr. Speaker, I am glad to stand to talk about our fiscal update. We have heard a lot of talk about how tough things are in Canada and yet we just heard this morning that the third-quarter of 2008 saw the GDP increase of 0.3%.

The global economy is struggling. We know many countries are already in recession but, because of the actions that this government took, we are riding through this troubled time.

We know there is hurt. We know people have lost their jobs but as a government we took the right steps to ensure we stimulated the entire economy.

In our economic update in 2007 and in budget 2008, we put in place the spending, the programs and the tax cuts that would have a long-term benefit for all of Canada.

We paid down \$37 billion on our national debt. That was huge, to have \$37 billion wiped off the national mortgage. We have made over \$200 billion in tax cuts. That is putting money back in the

hands of everyday Canadians to ensure they spend it on their priorities and not on the priorities of political operatives.

Tax cuts this year alone are over \$31 billion. That represents 2% of GDP that is being given back through tax relief. That is significant and important, and that is helping our families, our students when they are buying their books and paying tuition, and it is helping workers with tools and those who are in apprenticeships. A big part of this is our cut in the GST from 7% to 6% and then 5%. That is a huge savings and it helped stimulate consumer spending.

We have accelerated the capital cost allowance for businesses, allowing them to purchase the tools and equipment to make themselves more competitive, increase their productivity and increase their ability not only to earn profits but to employ more people. I think that is significant.

We also put in place the tax-free savings account which comes into effect January 1. It will be a huge benefit to Canadians who are just trying to save some extra dollars, to put that into their pocket, to generate the dollars that they need as a down payment on a new home, to buy a car or to take a vacation. It is done in a way that encourages them to save the money and I think that is important for all Canadians.

We are hearing a lot, especially with the talk of the potential coalition that is taking place, about eliminating our business tax cuts. That is \$50 billion of tax relief for businesses. It puts us as a government in the position to pick and choose who the winners and losers are but allows businesses to generate the profits, to employ more Canadians and to increase their overall scope of business within the community. We just cannot see those dollars just disappearing. When we want to talk about being regressive, removing these tax cuts is the regressive policy that the NDP wants to bring in.

We need to remember that 98% of corporations in this country are small and medium-sized businesses, the self-employed. Two-thirds of employed Canadians work in those small businesses. They benefit from these tax reductions but, at the stroke of a pen, the potential coalition wants to wipe that out. I will not stand for it and I do not believe anybody in this party would support such a foolish idea that would take us backwards rather than moving us forward.

We have been very stringent on what we have done in spending to ensure that it is being spent in a way that benefits all Canadians. What we are looking at with the potential coalition, the separatists, Liberals and socialists, is that we will go back to the big tax and spend.

We do not need to see, at this point in time in the economy, more taxes and more crazy spending. I have heard a lot of people talk about what happened under the Mulroney government. We know what happened. It inherited a huge national debt and huge deficit generated by the former Liberal government, the Trudeau Liberals.

I just heard someone mention interest rates and where interest rates are.

*Government Orders*

• (1545)

In 1984 I took out my first farm loan and the interest rate at that time was 22%. There is no way any government could manage a deficit when it is looking at a national debt with an interest rate of over 20%. There is just no way when 20% of all income coming in would have to go to just paying interest, never mind being able to do any other new spending initiatives. We had to get the economy under control.

Through the work of Don Mazankowski and Michael Wilson, they planted a garden and we saw interest rates come down. We saw that spending was coming into line. All that Paul Martin and Jean Chrétien did was pick the flowers and in the process of picking all the flowers did a lot of terrible slashing in certain spending areas. They cut equalization payments, which hurt the provinces, so they could not deliver health care nor education. This offload was very regressive right across the country.

We also saw them gut our military. They took away all our military spending. We do not want to go back to the times of high spending and slashing away the core fundamentals of Canadian public interests: our military, our schools, our health care. That is what I am afraid we are going to be looking at here.

We do not want to see it go back to the government spending on its own self-interest. All we have to do is remember ad scam, Shawinigate or the David Dingwall school of entitlement. We do not want to turn back that page. We want to make sure we are moving ahead and that is what this government has been doing. We have been making real investments that benefit all Canadians long term.

The \$33 billion building Canada fund is the highest level of spending in infrastructure investment that this country has even seen. That is going to generate programs like the private public partnerships where government dollars can be used in collaboration with private interests, municipalities, the provinces, and actually leverage even more dollars to generate not only new jobs but long-term infrastructure that all Canadians are going to benefit from.

There are \$12 billion going into the municipal gas tax fund to help municipalities directly in their infrastructure needs. When I talk to representatives of rural municipalities, towns and cities, they love getting this money because now they can make the long-term planning and investments in their communities to generate the type of infrastructure that their citizens expect.

There is also funding for small communities with populations under 100,000. Everything seems to be on a per capita basis these days. We have to have some dedicated funds to help out smaller businesses and communities so they can access some of these infrastructure dollars as well and make the proper changes in their overall infrastructure.

In budget 2007 and 2008 we started looking at some of the problems that we had in the financial sector. This government did not wait until there was a meeting with the G20 to start working on that problem. We acted last year and we were acting this summer. We put \$75 billion into the insured mortgage purchase program. This is going to ensure there is liquidity in the marketplace, that banks have the ability to continue to offer loans to small businesses and

individuals. It made sure that banks were in a position to keep interest rates low.

With all the turmoil happening in the marketplace and the global economy, we know that a lot of people are pulling in their horns. They are taking their dollars and stuffing them into their mattresses I guess, but we are not seeing them buy mortgage bonds. It is great to know that the Government of Canada is providing that \$75 billion, but at the same time we know that these dollars are insured, that Canada Mortgage and Housing Corporation is insuring these dollars so that the government will probably make money on this investment in the long term. We have the Canadian Lenders Assurance Facility which has also helped banks and financial institutions through this difficult time.

That is why we are not in a bank bailout situation like we are seeing in the United States, Europe and Iceland where people are running for cover and wondering whether their deposits are secure. We made those investments. We made those decisions ahead of the curve. The opposition parties are blaming us for not doing anything. For quite a long time we have been ahead of the curve, making sure that Canadians were in a better situation.

If we look at what we have done in military purchases, those dollars are generated back into the economy, whether it is shipbuilding or the aerospace industry.

• (1550)

The community development trust that we announced last year was \$1 billion to help communities that were struggling with things like the forestry industry, the livestock sector, and to help those communities transition through those difficult times.

In this fiscal update we announced we were giving another \$700 million to the Business Development Bank of Canada and the Export Development Canada to ensure that businesses that were having some trouble getting funding through normal financial institutions in normal commercial ways could come to BDC and get those loans, or those who were engaged in export activities were able to ensure their receivables. That is important for an exporting nation.

We are making sure that we protect people's pensions. We made some changes this year to the registered retirement income funds, RRIFs, but we know more needs to be done.

We met with the G-20. We were definitely on the leadership side of what steps need to take place. There are more tools that the government can use. That is what budget 2009 will be all about. There would be proper investments to ensure that all businesses and all Canadians would benefit. We will look at reforming the global finance system, ensuring sound budgeting, not only here in Canada and through the provinces but internationally. We want to talk about securing jobs for Canadian families and their communities. We want to expand investment and trade. We are a trade-based economy in agriculture, automobiles, forestry and energy. It is all based on strong international trade.

We want to make sure the government is more effective, but there will be a requirement for further stimulus. We will need all the tools the government has at its disposal to go ahead in 2009.

*Government Orders*

I want to stress to my colleagues across the way that as they entertain the thought of a coalition, we are only a month and a half away from budget 2009. We will make sure we have the fiscal packages that people think we may need as things evolve over the next month and a half, especially with a new president in the United States coming into the White House. We want to make sure that anything the Americans are doing to stimulate their economy, that we are in lockstep with them where it makes sense.

There was shock in my riding this week with the talk of a three way coalition. It is creating a great deal of outrage. Western Canada will not buy into this deal that was put together over the weekend by the Liberals in the backrooms. The NDP and the Bloc have been working on this for months. Actually, what may happen here might destroy the country. Do the Liberals and the NDP really want to legitimize the Bloc separatists? Do they really want to give them that type of power? Canadians will pass judgment at some point in time on this move. I cannot believe that the party of Laurier and Trudeau would want to legitimize a party that wants to destroy the country. As I said during question period, I cannot believe that Tommy Douglas would ever have envisioned that his party would support and legitimize separatism in Canada.

While they are doing this, they are also fanning the flames of western alienation. Western Canadians overwhelmingly rejected the NDP and the Liberal Party in the last election. They are already contacting our offices. They just cannot believe what Atlantic Canada, Quebec and the big cities, essentially members of the NDP and the Liberal Party, want to do to the rest of Canada.

• (1555)

I am sure that if we sat down and had a logical discussion, we could find middle ground. But if we cannot, if we have lost the confidence of this House, as everybody has been saying, then let us get on with it, defeat us, and let us do the right thing. Let us go back to Canadians and ask them if they support this coalition. Nobody in Canada voted for a coalition. Nobody even talked about it through the entire campaign. Canadians do not even know who the leader will be, who will be the prime minister if this actually takes place.

We know that when people enter the polling booth, they are not only voting for their local candidate and for the party that has their support, they are also voting for the next prime minister. I do not believe that what we are going to see come out of this is going to, in any way, shape or form, respect the will of Canadians in the last election. This is a coup d'état. There is no question about it.

We have to look at how this is going to affect us long-term. I hope that it is just not all about a money grab here, a grasp for power, a greed. If we really want to act in the best interest of the country and if the opposition parties do not believe that the Conservative Party has the confidence of the House, then the correct thing to do is let us go back and call for an election. I know nobody wants to go back and hit the campaign trail one more time. I have been here for just over four years now and I have been on the campaign trail three times. But if we have to do it again, that is the right democratic response. Forming a coalition is not.

I do want to make sure that we work in here collaboratively as nation builders because anything that we do for short-term gain could result in long-term pain.

I think that this is an interesting time. This is something I never envisioned I would be in a position as a member of Parliament to witness. But let us make sure that we do take the proper steps ahead. Maybe we need to have time to just consult and talk with each other, even just go home and talk to our constituents and see what they really want, and then come back here and look at the budget, which the finance minister has already said would be presented January 27. It is going to be the earliest presented budget in history. Then we can make the proper assessment as to whether or not that is going to cover us off during these difficult times.

We have already been saying that we are in a turbulent economic crisis and I have always been telling people we have to make sure we put on our seat belts and ride through the turbulence. I sure hope I do not have to go home as we start moving toward something that Canadian voters did not pick and tell them to assume the crash position and get ready for a real big crash, not in the marketplace but in the way democracy is being treated in this country.

I am more than happy to entertain questions and I am looking forward to an upscale debate. I notice my friend from Moncton is anxious to go. So, with that, I will take any questions.

• (1600)

**Mr. Brian Murphy (Moncton—Riverview—Dieppe, Lib.):** Mr. Speaker, I will try to be as upscale as I can.

I am refreshed that the member uses the memories and the nostalgic throwback to men like Douglas, Laurier and Trudeau. I suggest had that side used those names and those men's thoughts more often, we may not be in the situation we are today.

I really caution my friend about using words like *coup d'état* when the Constitution of this country and our conventions, which are part of the Constitution of this country, will be followed in all cases because we have a Governor General system of government.

He does say that Atlantic Canada, Quebec and the big cities are ganging up on western Canada. That is not quite fair. Let me tell members something. In Atlantic Canada, the Conference Board of Canada predicted a 1.3% growth for P.E.I., a .7% growth for Newfoundland, a .5% growth for New Brunswick and a 1% growth for Nova Scotia for 2009. Those are not good figures. They do not in fact support the economic update foundational information. As one western journalist, who is not friendly to Liberals, said, the figures in the economic update were carved in cotton, and they appear to be. That is not a rosy picture in Atlantic Canada.

What I want to ask my friend very pointedly is, if he had an economic crisis in his home, in his community, in his province, would he wait from September, when the Prime Minister campaigned saying there was no problem, until the end of January to do something about it? Is that reasonable? Is that not why the other people on the other side are in the position they are?

*Government Orders*

**Mr. James Bezan:** Mr. Speaker, I want to ensure that my colleague has read the fiscal update. A number of different scenarios has been laid out as to overall GDP growth in Canada and how that would affect the overall position of the government. Those numbers are all there. He can look at it, on pages 101 and 103, which have all the data. Because we are in this turmoil, and no one knows for sure where we are headed, a number of different outcomes have been given as to where we are now and we have come down in the middle with the overall fiscal update.

Talking about fiscal problems and crises in my riding, we are a ranching community. I am a rancher myself. We have been living it for the last five years. We are lucky we had a number of fiscal interjections by the Government of Canada through farm programs to help out, but more can be done. There is never enough.

However, we know the stability of the country is based upon the stability of the government as well.

The member may talk about conventions of the Governor General. We know the convention is to go back to the people for a vote, not to form coalitions in backrooms. It is about moving ahead with democracy, not moving backwards.

**Ms. Linda Duncan (Edmonton—Strathcona, NDP):** Mr. Speaker, the question I would like to put for the member for Selkirk—Interlake is on his presentation, which gives me pause to be very concerned about his interpretation and definition of the democratic process. He is castigating the members on the other side of the House for going outside of the democratic processes.

I welcome his feedback on whether he thinks the economic update is the time and the moment to be reopening the debate on the rights of women and workers. Is that really the proper forum for discussing democratic reform? My constituents have elected me to come back to the House and to discuss these things with all members in the House. Does he truly think the economic update is the time to be opening up all the democratic reforms that have been made over the last five decades and should we instead be concentrating on immediate stimuli to help our communities and get the green infrastructure going?

That is what my constituents told me this weekend.

•(1605)

**Mr. James Bezan:** Mr. Speaker, I guess the real question should be this. Did this new member from Edmonton go out and campaign that she was going to be forming a coalition with bunch of separatists. Did she go out and truthfully say the NDP wanted to grab power and it would do it with the support of the separatists. The behaviour we see from NDP members is bizarre.

I have to caution them that this approach will cause a great deal of unrest in western Canada. Her being from Edmonton, from western Canada, she should know how many people are looking at this whole talk of a separatist supported coalition. That would not fly very far with western Canadians.

**Ms. Lois Brown (Newmarket—Aurora, CPC):** Mr. Speaker, our government has put the stimulus into the economy already through tax cuts for businesses and for individuals. That is to encourage consumption.

My constituents tell me they are using the money to enrol their children in programs and to purchase equipment for things like hockey and soccer. Businesses are using the opportunity to purchase new equipment.

Other countries are now following our lead. They are imitating our actions. They wish they had done in the past what we have already done.

Could the member talk about what the stimulus package is doing for the constituents in his riding.

**Mr. James Bezan:** Mr. Speaker, I congratulate the member for Newmarket—Aurora on her election win and in joining us here in the House of Commons.

There is no question that the stimulus package we put in place in budget 2007 and budget 2008 and in our economic update in 2007 has already generated benefits in my riding. We have seen local businesses, small based manufacturers, buy new modern equipment and then quickly depreciate it under the new rules. That has made them more productive and competitive and they have hired more people. This has been significant and it is important.

We know families through the tax relief have been able to put their kids into hockey and into organized sports. We are looking forward, as we campaigned, to the same type of tax credit being extended to those kids who want to be in the arts, whether it is dance or music.

We want to ensure that our families not only remain strong, but that they have all the opportunities to fully participate.

**Mr. Mario Silva (Davenport, Lib.):** Mr. Speaker, in this time of economic crisis, what Canada and Canadians need is a Prime Minister who will take leadership on this front and on this file. Instead the Prime Minister, who once talked about firewalls in Alberta, and who has been somewhat of a separatist himself, now is attacking the agreement that has come forward, an attack on Parliament.

In our parliamentary system, we do not elect governments. We elect parliamentarians. We elect Parliament. It is the government that has the confidence of Parliament, which is in charge and is the government of our country. I think the Prime Minister has forgotten this, that in a minority situation, he has a duty to consult, not to attack unionists and labour movements, not to attack women's rights and the Pay Equity Commission, not to attack all sorts of fundamental rights that we have gained in our country. Instead, he decided to take very partisan, cheap shots at all those minority groups across the country. This is why he has lost the confidence of the House.

I invite my hon. colleague, whom I admire quite a bit, to tell me why Canadians should trust a Prime Minister who keeps saying one thing and doing something else?

•(1610)

**Mr. James Bezan:** Mr. Speaker, the member for Davenport knows full well that the convention of the Governor General on these issues is to go back to the polls. What those members are attempting to do is all behind the curtains.

*Government Orders*

We are not here to play a shell game. This is not a charade. We have to be responsible and take the right position. We have done that with this economic update. We know more needs to take place and that will come out in the budget to be presented on January 27.

I know my colleague loves Canada and this is why I shake my head in disbelief, that he is prepared to have the separatists on side with the new coalition and how that will hold the rest of Canada hostage. I just cannot believe it.

[*Translation*]

**Mr. Jean-Yves Laforest (Saint-Maurice—Champlain, BQ):**  
Mr. Speaker, I want to inform you that I will be splitting my time with the hon. member for Saint-Bruno—Saint-Hubert.

We were told last week that the Minister of Finance would table an economic statement. The Prime Minister had triggered an election that, by the way, cost \$300 million. He did this because an economic crisis was looming. He said he had to have a clear mandate to deal with the problem. The first step that the Conservative government took was to deliver an eagerly awaited economic statement. There is no doubt we have serious economic difficulties in all parts of Quebec, and especially in my own riding.

But what did they come up with? People thought there would be interesting initiatives to assist our companies and citizens, but there was nothing. It was an ideological statement. I listened to the Conservative member who spoke before me. He referred to the coalition and asked whether anyone had mentioned it during the last election campaign. What I want to know is whether any of the Conservatives mentioned anything during the campaign about denying rights to federal public servants and removing their right to strike? Did any of the Conservatives say anything during the campaign about restricting the right of women to pay equity? Did any Conservatives mention cutting the public funding of political parties? Nobody mentioned that. Now we are faced with what we are calling an ideological statement because the emphasis is on these issues rather than on the measures we expected to help our businesses and citizens ride out the recession.

The government was so blinded by ideology that it did not even realize how urgent it was to act. We need action now, right away. That is why the Prime Minister called an election. There are a lot of inconsistencies in this situation.

At a time when virtually all the governments on earth can see the need to act and are drawing up plans, our government proposes cutbacks for women, public servants and political parties. That does not make sense. It is completely out of touch. We need a different take on the difficulties we are experiencing.

I said earlier that I live in the riding I represent. Like many others, it has major economic problems. For years and years it has lived primarily off forestry and manufacturing. In Quebec we have lost, especially in the last two years, nearly half of all the jobs lost in manufacturing. The people in my region are affected by this, the people in Shawinigan, in La Tuque, and everywhere. The people in small rural municipalities, in the RCMs of des Chenaux and Mékinac, are affected as well. They are in some difficult situations. These people really expected to see some major initiatives to kick-start the economy. But no, the government preferred ideology. What it has done is create a democratic crisis for purely partisan reasons.

The government decided to attack working people by suspending their right to strike and to attack women by making pay equity negotiable. That does not make sense. It is a huge step backwards, and the people of Quebec will not stand for it.

Furthermore, there is another major issue for Quebec, one that resulted in a unanimous resolution by the National Assembly. I am speaking of the creation of a single securities regulator.

• (1615)

In Quebec, this decision was not well received and the government cannot claim ignorance. They were told. Motions and questions about this matter were introduced. We addressed the matter often and the government knows it. It even has the unanimous resolution by the National Assembly of Quebec which reiterates its intention to oppose such a measure. Nevertheless, it was in the economic statement and that is a direct attack against Quebec.

In the throne speech given upon the opening of the House, we heard the Prime Minister and the Minister of Finance ask the opposition parties for constructive suggestions to the economic crisis. We submitted a structured and organized plan, which included measures that could have allowed the government to help workers, individuals and businesses affected by the crisis. We submitted several measures that could have been used by the government but none of them were in the Minister of Finance's economic update.

How can we trust a government that asks for help and proposals but, three days later, rejects those proposals out of hand, saying that it cannot be done when we know very well that the time for action is now. Furthermore, we asked for a one-year deferral of the mandatory repayment of the HBP, Home Buyers' Plan. We know that such a measure would help young families affected by the crisis. In fact, when they withdraw funds from their RRSPs, have to repay quickly and experience financial difficulties, many of these young families have trouble making ends meet. The government could have given young families a helping hand by relaxing the rules temporarily. They could have adopted some of our proposals, but they did not.

The government did not respond to our suggestion of a development fund for affordable housing. This is the time for a government to be investing—in the middle of an economic crisis. It is the government that controls the purse strings and that can introduce measures to revitalize the economy. In Quebec we have always said that when construction is fine, so is everything else. They need to get construction going again and provide funding for affordable housing. They can kill two birds with one stone by creating housing and kick-starting the construction industry. However, these are not the measures we are seeing.

*Government Orders*

Another place they could have killed two birds with one stone is in funding for home renovations to improve energy efficiency. That would bolster the renovation industry and fight climate change. The objective would be to introduce a number of programs for homeowners who want to insulate their homes and undertake renovations that will reduce greenhouse gas emissions. The government would have sent out two messages at the same time. However, once again, it did nothing. It has completely forgotten that we made some interesting proposals; they are nowhere to be seen in the economic update.

As well, we talked about full respect for the equalization formula. Once again, the government came back to the House and said that the equalization formula would be amended, which would be very detrimental to Quebec.

In short, there was nothing in this update to make us trust this government. It asked us to put forward proposals, which we did in good faith, but what we realized, after hearing the minister's economic update, was that it was an ideological update that in no way helps Quebecers or the businesses and people in Quebec's regions.

• (1620)

[*English*]

**Mr. Alan Tonks (York South—Weston, Lib.):** Mr. Speaker, I would like to thank my colleague for the overview he gave from the perspective of his riding. He outlined in very compassionate detail the impact on his riding of the decline of the forestry sector. The member also talked about this structured and organized plan. He talked about young families who are depleting their RRSPs. He talked about a fund for affordable housing. My colleague related residential rehabilitation to dealing with climate change. He also talked about dealing with the equalization formula, something which Ontario also is concerned about. These are issues that transcend the normal partisanship that comes around separatist issues.

I wonder if he would like to comment further on the fact that the finance minister thanked the Bloc for the plan it put forward.

Does this not suggest that a coalition could be established on fundamental programs that are extremely important to Canadians and bring the country together? The coalition would not address the separatist issue but would address the essential issues that are of concern to all Canadians.

Does he think that the direction he outlined in that strategy is the direction in which all Canadians, including Quebecers, want to see a government going?

[*Translation*]

**Mr. Jean-Yves Laforest:** Mr. Speaker, I was elected to represent the people of Saint-Maurice—Champlain, who have twice placed their confidence in me. I would like to thank them for that. They elected me to convey the message that the current economic situation is extremely difficult. Hundreds, even thousands, of people in my riding have lost their jobs.

I was talking about the forestry sector. I was first elected in 2006. I have lost track of the number of times members have asked or told the government to listen to the regions of Quebec, regions that are experiencing serious crises. The manufacturing and forestry sectors

have been severely affected. Hundreds of people have lost their jobs, some temporarily, others permanently. There have been countless questions about this. The government has said, repeatedly, that it would come up with a plan, but it has not done anything.

People re-elected the Bloc Québécois because they knew that we would do a good job of representing them and standing up for their interests, and that is what we intend to do.

**Mr. Serge Cardin (Sherbrooke, BQ):** Mr. Speaker, when the Conservative government decided to call an election, we saw it as an opportunity to go back to our roots, to our fellow citizens, to the people. All members of the Bloc Québécois carried out that task admirably. At the same time, they were told many things that most people already know: we must act now, we must respond to the people's needs now, and, above all, we must come up with solutions now.

The Conservative government did ask us for solutions, and we responded. Earlier, the member for York South—Weston told my colleague from Saint-Maurice—Champlain that the Minister of Finance had actually considered the Bloc Québécois' proposals. But earlier, I heard the Minister of Finance answer the member for Saint-Maurice—Champlain's question. It was clear that the Minister of Finance had not read the proposals, so he could not—

• (1625)

**The Deputy Speaker:** I must allow enough time for the hon. member for Saint-Maurice—Champlain to give his response.

**Mr. Jean-Yves Laforest:** Mr. Speaker, I thank my hon. colleague for his question.

Indeed, the minister can thank us for the proposals we submitted to him, but that is precisely the problem we have with him. We gave him our proposals, but he did not listen to them. He did not even read the proposed text. If he had read it, we would have seen some measures in the economic statement, useful measures for the people and for businesses. We would have seen a real economic statement. The plan we proposed contained many such measures. He could have used some of them. Instead of saying that he is happy to have received some suggestions, he is simply saying that they will not be implemented and that we should wait for the budget, but I think that—

**The Deputy Speaker:** Resuming debate, the hon. member for Saint-Bruno—Saint-Hubert.

**Mrs. Carole Lavallée (Saint-Bruno—Saint-Hubert, BQ):** Mr. Speaker, I heard the Minister of Finance present his so-called economic update. As he was unveiling it, I was wondering if it was really an economic update. Was it a mini Speech from the Throne or an economic update that was not really one?

After evaluating the measures it contains, I eventually came to understand that it is a mixture of all of this. More than anything, these were ideological measures that had never been mentioned during the election campaign, which ended on October 14, or a month and a half ago. He had never before announced the measures contained in the update. Less than a month and a half after the election, he announced them out of the blue.



*Government Orders*

It was not an economic update; it was an ideological update. While every other government in the world is actively concerned and working to address the crisis, this government is doing the exact opposite. It has yet to present a plan to revitalize the economy that includes real measures to help the manufacturing and forestry sectors. That has not happened. It has not breathed life into the businesses or organizations that need it. Instead, it has decided to suffocate the economy. It is abandoning businesses, regions, people and artists. I will talk about that more later. The Bloc Québécois cannot accept that.

The Conservative government has decided to create a democratic crisis. As if having no economic plan were not enough, it is opting to take a laissez-faire approach. What it is telling people is that it is every man for himself.

What is more, the government is creating a real democratic crisis by deciding to suspend public servants' right to strike and to attack women, without telling us why. The Conservative Party's militant base is demanding these sorts of right-wing measures. The government is attacking women by doing away with pay equity. In the hope of imposing his own ideology more easily, the Prime Minister wants to muzzle political parties, unions and women, in short, any form of opposition.

He is attacking Quebec by repeating his intention to create a federal securities regulator. He is threatening Quebec by capping equalization. It was time for compromise, openness and action. The Bloc Québécois even made constructive, realistic, necessary proposals.

My colleague from Saint-Maurice—Champlain talked about the Bloc Québécois' economic recovery plan, which was designed to help the forestry and manufacturing industries—where the need is great—and workers, regions and families. This so-called economic statement does not contain any of our proposed measures. Yet the Conservatives had said they were willing to work with the opposition parties. They completely rejected the Bloc Québécois' proposals. This afternoon, in this House, the Minister of Finance rose to answer a question and admitted quite frankly, as if it were no big deal, that he had not yet read the recovery plan that the Bloc Québécois had drawn up and presented to all the journalists on the Hill. That is arrogance.

During the election campaign, the Bloc Québécois had told Quebeckers not to trust the Conservative Party, not to trust this government, which above all must not be allowed to have a majority. Today, fortunately, the Conservatives are in a minority position. We can only imagine the sort of mess we would be in and the sort of damage they could do if they had a majority. It would be scary. They would take away all unions' right to strike, not just the public service unions' right. They would do things we cannot imagine today, just as we could not imagine last week that they would come up with such an indescribable ideological statement. They would really have messed things up if they had had a majority. They would have gone even farther.

• (1630)

We must be suspicious of them in every way. I would like to thank the 78% of Quebeckers who voted against the Conservative government. I am extremely proud of them.

As it turns out, we discovered that instead of being called an economic and fiscal update, the document should have been called "Introduction to our Hidden Agenda". That is really what it is. As my colleague said earlier, it is full of measures that are not in line with Quebeckers' interests and values. Quebec cannot accept that.

But it is in line with the wish list of the Conservative Party's militant right-wing base, as I witnessed in Winnipeg when I attended the party convention. It included many measures, three of which stand out. Conservative militants voted for three resolutions that would undermine the status of women, including a resolution on pay equity. The resolution asked the Conservative government to change the great "equal pay for work of equal value" principle. They succeeded in having it changed to "equal pay for equal work", which means that a secretary will never be paid as much as a technician, even though they have the same training and responsibilities.

As an aside, Conservative spin doctors have pushed the message that the main reason we oppose the economic statement is that it cuts funding for political parties. True, we do not like that measure, but we have to put things in context and understand why there was once a government that decided in this House to grant funds to political parties. That happened after the sponsorship scandal. The maximum amount of money an individual could donate to a political party was reduced. If I remember correctly, it was reduced from \$5,000 to \$1,000. Today, it is \$1,100, but it was once reduced to \$1,000, and corporate contributions were prohibited.

To make up for that, the government was allowed to compensate. It was a compensatory measure for the two major restrictions that were being imposed on political parties. If someone in this House really wanted to eliminate this contribution and be fair, corporate funding would have to be restored or the maximum individual contribution would have to be increased. But as we have seen, this is not desirable, as demonstrated by the sponsorship scandal. Furthermore, the current situation was agreed upon by all.

As we all know, and as we have often heard, the only reason the Conservatives want to cut subsidies to political parties is that they are sitting on \$18 million. So, their party managed to accumulate \$18 million. Of course it is easier for a party when it is in power, but the Conservatives want to suffocate and destroy their adversaries, and ensure that there is no opposition. I will refrain from saying what I call a country that has no opposition; I do not wish to look like a demagogue.

There are many other ideological measures in the economic statement, and we must remember that it contains nothing for culture and nothing for artists. This government cut \$45 million from arts and culture for no reason. No one knows why. It says it has some studies, but no one has ever seen them.

How the Minister of Canadian Heritage can rise in this House and defend those cuts is beyond our comprehension. In fact, what he is saying is false. He is not familiar with his files. He mixes up the programs. He talks about the promArt program, although when he mentions \$7 million, he is clearly referring to the trade routes program, a program that does not fall within the jurisdiction of his department.

*Government Orders*

It is therefore very worrisome. It is absolutely crucial that the Minister of Canadian Heritage show us these studies, so we may try to understand exactly what is happening to culture and to our artists. Otherwise, we can only deduce that this is nothing but hostility, pure and simple.

• (1635)

**Mr. Serge Cardin (Sherbrooke, BQ):** Mr. Speaker, I congratulate my colleague for Saint-Bruno—Saint-Hubert. She is very interested in heritage and culture. Today and in previous days, we heard the minister's answers to her questions, and we always hear the same speech. It is obvious that the minister is misinforming us.

For the benefit of the minister's colleagues, who have also been misinformed, I would like my colleague to tell us what transpired.

When the minister says that the Department of Canadian Heritage has received huge budget increases, he believes that these amounts were automatically allocated to culture. For the benefit of the Conservative members who are still here, I would like my colleague to explain the situation because we see that the minister did not do his duty and that his colleagues are in the dark. Thus, she should enlighten them a bit.

**Mrs. Carole Lavallée:** Mr. Speaker, I thank the member for his excellent question, which is truly very pertinent. It should be understood that, although the Minister of Canadian Heritage and Official Languages rose in this House and stated that the budget of Heritage Canada was increased by 8%, the budget for the arts and culture did not increase. The Department of Canadian Heritage has a broad range of responsibilities such as sports, the Olympic Games, amateur sport, as well as national parks and the status of women. Heritage covers a number of things. The minister stated that the Department of Canadian Heritage budget was increased and that is true. But it was increased to plan and help with the Olympic Games to be held in Vancouver in 2010.

Cuts were made to cultural programs and programs to help artists travel fairly inexpensively throughout the world resulting in appreciable economic benefits. The amounts cut were allocated to the Olympic Torch Relay, which will be a big powwow—if I may use the term—that will criss-cross Canada over 40,000 km, half of them on the ground. \$45 million was taken from artists to organize all types of activities—mainly sporting activities—along the route of the Olympic torch relay. When we consider the billions of dollars spent by this government, when we consider the \$18 billion spent on Afghanistan, \$45 million for artists represents barely 15 minutes in Afghanistan.

**Mr. Jean-Yves Laforest (Saint-Maurice—Champlain, BQ):** Mr. Speaker, I heard my colleague from Saint-Bruno—Saint-Hubert say that the economic update contained nothing in terms of support for the manufacturing and forestry sectors. I know that, particularly in her riding, numerous businesses rely on the aerospace industry and they were hoping that the update would contain measures to help them.

I would like the member to tell us more about the numerous businesses that are facing difficulties. There is nothing in this economic update for them. I would like her to talk more about this.

• (1640)

**Mrs. Carole Lavallée:** Mr. Speaker, I would like to thank my colleague from Saint-Maurice—Champlain for his excellent question. Business people, business leaders from Saint-Bruno—Saint-Hubert, came to see me because they are being severely affected by the economic crisis and the crisis in the manufacturing industry, as well as the crisis in the auto sector.

I always call Saint-Bruno—Saint-Hubert the “aero” region because it has an airport, the Canadian Space Agency, the National Aeronautical School, or ENA—one of the few colleges of its kind in Quebec—Pratt & Whitney, which makes engines, and Héroux-Devtech. Hundreds of sub-contractors in Saint-Bruno—Saint-Hubert are there not only because of the aerospace industry, but also because of the auto industry.

One businessman in particular came to see me because GM is one of his clients. As you can imagine, GM is not putting in any orders these days, and has not done so in a long time. None of his other auto sector clients are putting in orders either.

These are people we are talking about. Beyond the economic crisis, the businesses, the fact that there are no more orders coming in, no more suppliers, and beyond all of the fancy calculations, this is all about people, and 120 employees—

**The Deputy Speaker:** Resuming debate.

The hon. member for Edmonton—Sherwood Park.

[*English*]

**Mr. Tim Uppal (Edmonton—Sherwood Park, CPC):** Mr. Speaker, as I rise in the House for the first time, I would like to thank the good people of Edmonton—Sherwood Park and Fort Saskatchewan for trusting me to represent them here in the House of Commons.

I would also like to thank my family for their support over the years, and my campaign team, who fought a very tough battle.

I would also like to recognize the member who previously represented this riding, Mr. Ken Epp. He worked tirelessly in the House and is well respected among his peers because of that. I am honoured to follow in Mr. Epp's footsteps, representing the great people of Edmonton—Sherwood Park. I am very proud to have been voted into a Conservative government led by the right hon. Prime Minister.

The people of my riding of Edmonton—Sherwood Park and across Canada voted for us not in spite of the economic turmoil, but because of it. Canadians want a prime minister and a government they can trust to guide them through these very difficult global economic times.

Now is the time for strong, determined leadership. The Prime Minister has led Canada on a balanced, prudent path for the last two and a half years and should continue to lead our country.

*Government Orders*

There has been an unprecedented deterioration in the global economy in a very short period of time. Nobody could have predicted the full force of this economic crisis. The effects of the international credit crisis were sudden and devastating. Canada has not been immune to this economic slowdown, but our Conservative government made choices to help put Canada in a stronger position.

The measures we have already taken to stimulate the economy are substantial and permanent. Since 2006, we have reduced the federal debt by \$37 billion. This translates to more than \$1,500 for each and every Canadian. We have reduced taxes by almost \$200 billion over 2007-08 and the following five years. We are reducing the tax rate on new business investment to the lowest level in the G7 by 2010. This alone will help Canada weather these tough times as companies choose to relocate to Canada as a cost-cutting measure. We made a historic investment in job creating infrastructure, and invested in science and technology, education and training.

Todd Banks, the executive director of the Sherwood Park and District Chamber of Commerce, told me that along with low business taxes, the most important thing small and medium size businesses need right now is access to credit. These businesses are the backbone of our economy, and we must give them access to the tools they need to be sustainable and to grow.

Last weekend one such small business had its grand opening in Fort Saskatchewan in my riding. Adorable Baby opened its doors last weekend. It was able to do so because of access to business loans and credit. This was only possible because of the actions of our government in the last two and a half years.

We have taken steps to free up liquidity so the financial institutions can continue lending to consumers, homebuyers and businesses at an affordable rate. Our measures maintain the availability of long-term credit through the purchase of mortgage pools through the Canada Mortgage and Housing Corporation at no cost to taxpayers.

We are standing up for businesses, such as ABS Trucking in my riding. The owners and many drivers will benefit from the billions injected into infrastructure and the reduction in the tax on diesel fuel.

We have been working since we took office to become the number one destination for companies in the G7, and we have succeeded. With our tax cuts we will have the lowest taxes in the G7, which will result in more jobs as companies relocate to Canada because of its low taxes and skilled labour workforce.

This Conservative government is also protecting seniors. Our seniors built this country. They deserve to live with dignity and respect and with financial security. We share their concerns about the impact of the economic downturn on their retirement savings.

• (1645)

Seniors in Edmonton—Sherwood Park have raised two key concerns with me: the impression that assets and RRIFs must be sold to meet withdrawal requirements and the recent steep drop in market value of some of those assets. There are no requirements under tax rules to sell assets and RRIFs to meet withdrawal requirements. Instead, individuals can transfer their assets outside of their RRIF to satisfy their minimal withdrawal requirement.

To relieve the pressure on seniors to withdraw assets at a time when they are at a low point in their market value, the economic statement proposes a one-time change that would allow RRIF holders to reduce their required minimum withdrawal by 25% for this tax year. If our government is defeated, the change to RRIF withdrawals for this year will disappear.

We must remember that Canada is not an island or in a bubble such that we cannot be affected by the global economic downturn. However, we can and have reduced the effects of the global downturn on Canada.

In my riding the mayor of Sherwood Park, Cathy Olesen, has raised concerns over the loss of major projects in the area. As recently as six months ago, we were slated to host as much as \$90 billion worth in heavy oil upgrader projects. This projection is now closer to just \$30 billion. I know these are still very big numbers, but at the end of the day those lost or stalled projects means jobs in my riding. I am committed to ensuring that Edmonton—Sherwood Park continues to create jobs for my constituents.

Alberta's oil sands are a key driver of the economy within Alberta and contributes nationally to Canada's GDP. Approximately 145,000 Albertans are employed in the mining and oil extraction industry and thousands more work in the services sector that supports energy exploration and production.

Our Conservative government acknowledges the great contribution of Albertans and our oil sands to our country's economy. Revoking our mandate would cripple the state of this industry, damaging one of our nation's greatest economic contributors. How can the NDP-Liberal-Bloc coalition claim to represent the interests of Albertans when they only have one member from that province? How can they claim to represent Saskatchewan where they only have one or Nunavut where they have none?

With Canadian values focused on innovative technology, oil sands provide stimulus to economic prosperity. Maintaining Alberta's oil sands is imperative for propelling Canada's economy out of this time of crisis.

Second only to Saudi Arabia's reserves, Alberta's oil sands deposits have the potential to satisfy the world's demand for petroleum for the next century. Every dollar invested in the oil sands creates about \$9 worth of economic activity globally and \$6 in direct and indirect activity in the Alberta economy.

Alberta's industry has developed unique heavy oil expertise, including services, equipment and special technologies that can be exported throughout the world. More than \$1 billion has been invested in oil sands research. This coalition would have us turn our backs on the people of Alberta.

*Government Orders*

The Conservative government has created 200,000 net new jobs this year alone. Since taking office, we have created 900,000 new jobs. It is because of the global economic downturn and the real effects it is having on the hard-working people of my riding and across the country that the news of the opposition's backroom deals is so troubling.

Alberta and the prairie provinces are home not only to the oil sands, but also to countless farmers and farm suppliers. How can the coalition hope to represent them with no rural prairie seats?

I speak for the farmers of my community and for agribusinesses like the Keg River Chemical Corp. and Westco Fertilizer. These businesses are trying to grow to support the farmers of our nation. These businesses need a strong Conservative government that will help them become global players in their markets, as the Keg River Chemical Corp. is attempting to do.

● (1650)

The government has made pledges to farmers that we will continue to work with western Canadian grain farmers to ensure that the results of the barley plebiscite are respected, that they are given the freedom to choose whether to sell grain on the open market or through the Canadian Wheat Board and that we will set aside \$500 million over the next four years to work co-operatively with provinces and territories to implement an agricultural flexibility program that will allow them to cope with the costs of production pressures, promote innovation, ensure environmental sustainability and respond to market challenges and opportunities important to each province and territory.

The Conservative Party is a party of the western farmer. We are the only true national party and the voters of the country made that clear less than two months ago. I cannot stand by the presumptions of the coalition parties that they know what is best for people who they do not even understand.

I would like to stress that the people of Canada chose the Conservative Party to lead the country through these rough economic times. People realize that what is happening in the rest of the world is not happening in Canada. We have not had a huge market crash specifically because of the actions taken by the Conservative government in the past two and a half years. We were chosen to lead the country precisely because we were taking action on the economy. We anticipated the economic slowdown, and we are ahead of the curve in injecting billions in tax cuts stimulus, actions that are now being replicated in other countries.

The opposition wants to create a coalition so it can throw money at the problem. We are taking a more prudent approach to the economic crisis by realizing that Canada is not in dire straits like the rest of the world. We have the time and ability to make a prudent, smart plan for this stimulus package. We have moved up the fiscal budget specifically because we are ready to act on the economy.

The entire world economic downturn began with the housing market in the United States. As a result, the United States government had to step in and save huge financial institutions throughout the country by buying bad mortgages. The American taxpayer saw nothing in return for his or her money except saving financial institutions, which caused the problem in the first place.

We, the Conservative government, chose to buy mortgages as well, however, we bought good mortgages which will be repaid with interest. In October the government announced a \$25 billion effort for shoring up Canada's financial system by purchasing mortgage-backed securities. This was at a time when the fundamentals of the Canadian economy were, and I note still are, solid compared to the United States and many other nations.

We did this because we saw what was to come and we acted before it was a crisis. We used tax dollars to invest in mortgages to reassure the financial community and to give taxpayers a return on their money. This is just one example of smart, prudent action taken by this Conservative government.

During the Great Depression of the 1930s, the solution to problems in the global economy was found not through stimulus packages, but through the creation of infrastructure. These nation-building projects not only create jobs and boost the economy but will support Canada in the coming decades. The government has not only pledged to speed up the investment of \$200 billion in our infrastructure. This money will go toward creating and maintaining roads, bridges and railroads. It will create thousands of jobs. It will boost the Canadian economy and it will help commerce struggling to deal with the downturn in the global economy by making it easier to do business.

This is the kind of boost to the economy Canada needs. We need to help small and medium size businesses achieve their goals because they are the backbone of our economy. We need to assist businesses such as the Ashland chemical company in my riding of Edmonton—Sherwood Park, businesses that are trying to forge ahead and become global competitors in difficult economic times. To do this, we must provide them with access to credit, something that this government has done.

The Conservative government has made major new investments in leading edge science and technology over the past three budgets, which will increase support for science and technology by \$850 million.

● (1655)

We have injected billions into the market in the form of liquidity, ensuring that growing businesses can easily and safely gain access to the loan that they need to thrive.

We have ensured that our banks are some of the safest and most regulated in the world. We have done so well that across the planet nations are attempting to model their banks after ours. They are calling it "Brand Canada".

Other countries, those affected by the global economic crisis, are mirroring the steps of the Conservative government in other ways as well.

*Government Orders*

Britain recently cut its sales tax, a move that the Conservative government implemented in its first term when it cut the GST. This was a reduction that the opposition fought, yet it is proving to be a huge boost to the economy.

The government has been ahead of the curve on the economy.

Meanwhile the opposition plans to create an instantaneous stimulus package without coordinating it with our neighbours to the south, who will not put forward their own for a number of months.

For the opposition, I put forward the words of German finance minister Peer Steinbrück, “I think it is not candid to give the impression that we can fight this recession with state cash” he said in a magazine interview published Saturday. He further said, “The Germans do not have to commit to every European proposal whose capability to support the economy is questionable.”

I think Canadians, too, do not have to agree to questionable proposals from this opposition, proposals that run counter to the economy's interest, counter to the democracy and counter to the views that Canadians made clear just two months ago.

We need to provide the means for businesses to achieve their goals. Construction companies, like Brenex construction of Sherwood Park, are relying on us to manage the economy properly, to lower their diesel taxes and make it easier for them to do business, to cut job killing corporate taxes and allow them to take on bigger projects, hire more employees and nurture their entrepreneurial spirit.

We have also pledged to help emerging, innovative businesses to create a new \$75 million venture capital fund, to be administered by the Business Development Bank of Canada, which would allow late stage technology companies to move from research and development to commercialization stages of business.

A multi-billion dollar stimulus package cannot be sprung in a matter of days like the opposition is planning. That is a waste of taxpayer dollars. We have proven that we can lead Canada through these tough economic times and the opposition should respect the wishes of the voters.

Our government is the only rightful government in Canada. Any plans to defeat the government and create a coalition of opposition parties would go against democracy in Canada. Canadians voted for the right hon. Prime Minister and the Conservative team and soundly rejected the Liberals. Yet, presently, the Liberals and the NDP are creating a coalition with the Bloc, a party that wants to destroy Canada.

I cannot stand idly by while the opposition unites with a separatist party to bring down the government. The opposition parties have a right to oppose and bring down the government, but they do not have the right to create a government out of parties that were rejected by voters only two months ago. The Liberals and the NDP were soundly rejected in the last election. If the opposition parties do not have confidence in the government, it should be up to the voters to decide who they want to lead the country.

Government cannot be taken; it must be earned.

● (1700)

**Mr. Rodger Cuzner (Cape Breton—Canso, Lib.):** Mr. Speaker, I welcome the new member to the House. I do not know if that was his maiden speech but I congratulate him should it have been.

The member made a couple of comments, one concerning investment in infrastructure. In my own riding of Cape Breton—Canso, there are a number of fairly significant infrastructure projects. I am thinking of the Melford Terminal project, a fairly substantive private investment for the development of a container terminal. We also have the Port of Sydney project, another substantive private investment initiative. However, some of the infrastructure aspects surrounding those projects have not been addressed. We have not seen a nickel spent or a cheque cut.

The government has talked at great length, certainly in the last election but also in the election before that, about the Atlantic Gateway strategy. It says all the right things and it talks in eloquent terms about the Atlantic Gateway strategy but we have seen nothing done on it. We have seen no investment. No one has gone to the Treasury Board or cabinet. When can the people trying to champion these projects expect some action on the part of the government?

**Mr. Tim Uppal:** Mr. Speaker, the government has already doubled infrastructure funding and has announced that it will start to release more funding to speed up that funding for projects. This will create jobs and help the economy. It was announced that the budget would come in January. We are ready to take action and more details will be in that budget.

**Mr. Merv Tweed (Brandon—Souris, CPC):** Mr. Speaker, I congratulate the member for Edmonton—Sherwood Park. I knew his predecessor very well, and I would suggest he has big shoes to fill.

Based on his comments today, we have a new member who finally understands what a fiscal update is and what Canadians have been talking about over the last couple of days. He has talked about increased funding in certain areas that are needed in the communities. He talked about increased infrastructure and further investment as plans are presented to the government.

I found it quite interesting in his closing comments when he talked about the coalition that is being formed. I wonder if the member might contradict or show the contradictions from the Liberals who suggest that the NDP have no idea how to run the economy and think the best thing for Canada is a high corporate tax, which is the \$50 billion that the government put forward and was passed by the House to help institutions, corporations and their employees weather the storm.

I am wondering if the member might lay out some of the contrasts he sees from an NDP-socialist idea of government pay for all to the Liberals who seem to support the \$50 billion bailout. I do not know how it will work—

**The Acting Speaker (Mr. Barry Devolin):** The hon. member for Edmonton—Sherwood Park.

*Government Orders*

**Mr. Tim Uppal:** Mr. Speaker, he is absolutely right. Having the NDP as part of that coalition would raise business taxes and take away the business tax cuts that we have already put in place. Those tax cuts allow businesses to be sustainable, to grow and to hire. We need people to get back to work. We need to create new jobs so people can spend and help the economy in this global economic time. This is not the time to raise taxes and to hurt our businesses, especially small and medium size businesses. They are the economic backbone of this country and if we start raising their taxes they will have to lay off workers, which is a big concern in my riding.

• (1705)

**Mr. Dennis Bevington (Western Arctic, NDP):** Mr. Speaker, I did not quite understand my colleague's particular take on democracy. In the last election, the Conservatives were elected with 37% of the popular vote, the Liberals with 27% and the New Democratic Party with 18%. When we look at the composition of the House, the Conservatives have 143 members of Parliament, which means there are 163 other members of Parliament.

I was elected to represent the people of the north. I have the right, within my party, to decide how this Parliament is going to act and influence it in as many ways as I see possible.

When we look at a coalition, it is an idea that is carried forward in many Parliaments across the world. Why does the member think that it is somehow undemocratic for the majority to actually make the decisions in the House of Commons?

**Mr. Tim Uppal:** Mr. Speaker, when I ran in this past election, I ran on a platform, a platform that we presented to the people of my riding. We went door to door and talked to them about what we would do. I am very sure that the hon. member did not go door to door and talk to people about a coalition.

People voted for a Conservative government and the right hon. Prime Minister and the House should allow the people's votes to count.

**Mr. Jim Maloway (Elmwood—Transcona, NDP):** Mr. Speaker, I would like to comment and ask the member a question concerning the whole issue of consultation prior to an election. The members in the current government are saying that somehow we did not consult with our constituents about this eventuality, this coalition idea, just two months ago in the election.

I would like to point out that just prior to September 9, 2004, there was an election and Paul Martin was the Prime Minister after that election. What did the opposition do? On September 9 of that very year, the opposition parties sent a letter, signed by the current Prime Minister, the leader of the Bloc Québécois and the leader of the NDP, to the Governor General asking what the possibilities were if they were to form a coalition.

There is a little bit of hypocrisy coming from the members opposite when I hear comments like that. I would like to know what the member has to say about the letter.

**Mr. Tim Uppal:** Mr. Speaker, the situation with the letter was explained earlier today in the House. However, that actually was a very different situation.

Right now we are dealing with a government that was elected by the people on October 14 and the backroom deals that are being put together right now go against what the voters did that day.

**Hon. Mark Eyking (Sydney—Victoria, Lib.):** Mr. Speaker, I am pleased to participate in this discussion. It is important that I demonstrate the significance of the economic situation worldwide, and the automotive sector in particular and its impact, not only on the Canadian economy but on Cape Breton Island.

As we have seen in the throne speech, the Conservative government has not acted.

A recent article in the *Globe and Mail* demonstrated how all the other G20 countries are providing stimulus packages for their economies through infrastructure and also positioning their industries for this changing economy. Some of the other countries around the world putting packages together are Britain, Italy, the Scandinavian countries, China, Australia and the U.S..

Last week's *Economist* magazine stated:

On November 17th Harry Reid, the Senate majority leader, laid out plans for a \$100 billion fiscal stimulus, which included a \$25 billion car-industry bail-out, \$38 billion for cash-strapped state governments, an estimated \$6.5 billion to boost unemployment benefits and \$13.5 billion to fund infrastructure improvements.

In that same article, President-elect Barack Obama proposed a tax credit for businesses that hire new workers and a relaxation of penalties for withdrawing money from retirement accounts. Mr. Obama's stimulus package adds up to over \$175 billion over two years, and that is just right now.

Some are even looking at bigger options. Many of the investments will go into the green economy, such as projects to improve energy efficiency.

The Canadian economy is about one-tenth the size of the U.S. economy but our treasury is in a much better financial situation. As stated, the U.S. could spend \$175 billion up to \$200 billion in its stimulus package. Why could the Canadian government not come forward with its own stimulus package to boost our economy and help the industries that are having problems?

We have heard talk about our coalition. Our coalition has a plan. We are talking about providing up to \$30 billion for projects to help the economy. If we do not do this and other countries are, where will our industries go? What will happen to the people who are unemployed?

One can just think of all the infrastructure projects that could be done across this whole country, from British Columbia to Newfoundland and Labrador. Much of our infrastructure is in disrepair and so much of it is needed for the new economy.

When I look at my own riding of Sydney—Victoria, I see the need for investments in sewage and water systems and harbour and wharf improvements. The marine Atlantic ferry system alone could use a tremendous amount of money for infrastructure. We also need highway improvements.

*Government Orders*

As many of my colleagues in the House and many international travellers know, the Cabot Trail is one of the most scenic drives in the world but it is in desperate need of repair. A new infrastructure package could help projects like that and could help spur the economy in those outer regions.

The most important missing component from the Conservative's economic update is the lack of money to help the auto industry. Every day, plants are closing and people are getting laid off. Business articles in all the newspapers state how far it could go without a package being announced. We are not talking about a package to help inefficient industries or industries that are not thinking of the new economy, to help with fuel efficiencies. We are talking about industries that will step up to the plate, but these industries need help.

As I stated, other countries are stepping up to the plate and investing in their automotive industries but this country is not and that is because of the inaction of the Conservative government.

• (1710)

The broad-based implications of this industry's failing is enormous. Even the so-called big three have a network of dealerships throughout the country that rely on their products. They have sales staff and administrative staff. They have mechanics. As well, auto dealerships do a significant amount of spending locally whether it is through advertising or helping with charitable events. In short, there is a barely a riding in this country that is not affected by the auto industry.

We are talking about manufacturing. That is key and that has to be fixed. It is not just the auto makers. It is the people who make the parts for these automobiles. As has been stated many times, many of the parts that are made in Canada go to the United States and other countries. If we are not producing those products, somebody else will produce them.

I want to talk specifically about the jobs in my riding of Sydney—Victoria. Many of the jobs rely on the auto sector. I have mentioned this previously in the House. I asked the Minister of Finance and the Minister of Industry about it. My colleague from Parkdale—High Park asked a question in the House on Friday to try to get some action from the government. He did not get any answers. He did not get any action. That is not surprising.

My hon. colleague from Cape Breton—Canso will remember that 15 years ago Frank Stronach visited Cape Breton. He was asked if Magna could succeed at opening a plant in Cape Breton on the other side of the country far away from Ontario. He said that if the infrastructure and workforce were there, he could succeed anywhere.

He invested in Cape Breton. He built one plant and after a few years he saw how good the workforce was. He saw the quality of the products. He saw the transportation links working. What did he do? He built a second plant. He built two plants in Cape Breton. After those two plants were built, a third plant was built by another company, Cape Breton Castings. That company built parts to supply the other two automotive parts plants.

When we look at the full capacity of these three plants, it is up to 400 workers in an area like Cape Breton. That is a major impact. It might not sound like a big impact in the Ohio region or central

Canada but it is a big deal in Cape Breton. Magna PFC and Atlantic Castings employ several people in the Northside industrial park.

It is a tremendous impact on an area like Cape Breton. These are solid jobs requiring technical skills. They are the kind of jobs which before the downturn were in considerable demand.

Not only are these hundreds of direct jobs at stake, but there are hundreds more in services that will be placed in jeopardy. This morning I was listening to an item on *CBC*. A Canadian auto workers president, I think from Windsor, was talking about the auto sector in Canada. It is directly or indirectly responsible for one out of seven jobs in Canada. There is the multiplying factor. How much of a spinoff is there from one job in the automotive industry? He was using the number eight. For every person who is hired in one of these plants, there are eight others who are feeding from it. They could be truck drivers or people who are painting the building.

People living in a community that has an automotive plant see it around them. That is why in Cape Breton right now there is a major concern. There have been some layoffs and there might be more to come because there is no package in place.

These jobs have a tremendous impact on a region. It is phenomenal. When there are other countries helping their industries and we are not helping ours, where do we think they are going to go? These are international industries.

• (1715)

I would like to talk about Cape Breton. Over the last number of years we have seen positive developments in Cape Breton. It still has a fairly high unemployment rate when we look at the whole country. Right now we are at 12%. Before my hon. colleague from Cape Breton—Canso and I were elected, the unemployment rate was up to 20%.

Our industries were different ones. We had the coal industry. There is a large coal bed off Cape Breton. This created a steel industry. During World War II Cape Breton produced over 40% of the whole country's coal and steel. That is how much of an impact there was in Cape Breton, with just those two industries. We also had the groundfish industry. With the collapse of the cod fishery, it also took a major hit. In a matter of a few years, around the year 2000, those three industries collapsed in Cape Breton. That is why it drove the unemployment rate up to 20%.

Many good things have happened in Cape Breton. Our tourist industry has been increasing, with the famous Celtic Colours. There are a lot of people who went through a transition and are working out west right now and bringing money back home.

The automotive sector was very important, not only for the spinoffs but for the emotional and psychological impact on our region to see plants opening, to see men and women going back to work, to see that spinoff and the awards these plants got compared to other plants, for their productivity and their excellence.

*Government Orders*

We got through it. These new industries came. We are willing to expand on these industries. Many stakeholders in the community stepped up to the plate, invested and got training to help with this industry. We need more help like that.

Part of the change we are going through in this industry will require innovation. That includes innovation coming from the parts industry, no matter where the companies are located in the country. There has to be innovation for the new vehicles.

We have a skilled workforce and we have the technical expertise. What we need is a government that will spur innovation and allow Atlantic Castings and Magna of Cape Breton to participate in the economic recovery and allow plants right across the country to operate.

We do not have that in place. Like I said before, where are they going to go? We need a package that will help rationalize existing operations instead of slashing production. When we think of the finances across the whole supply chain in the automotive sector, when big companies like GM, Chrysler and Ford get into a cash-strapped situation, the people who get hurt the most, the plants that get hurt the most are the ones that are supplying those operations. Those are the ones who are going to get hurt the most. We have to help those operations.

I had a meeting this weekend with the councillors and mayor of my region. They do not think there should be a buyout, that we should give money to these companies just to get them through the financial crisis. They believe that we have to make money available that will help them be better positioned for the new economy.

Part of that change will require innovation. It includes innovation for the parts industry also. We have the skills right across the country. We need a package that will help rationalize these operations.

The government has to act. Every day is a day we are losing. Every day represents another plant that is gone. Every day there are people losing their jobs. When this equipment leaves a community, when it leaves that plant, it is not coming back. The clock is ticking. Workers are getting laid off. It does not have to be this way.

● (1720)

I stated that on this side we are willing to put a stimulus package in place to help these industries. Just think about the infrastructure alone. Even the right-wing governments of the world are putting money there. It is hard to believe. China is putting a lot of money into infrastructure, as is the U.S. What is going on elsewhere is phenomenal, but no, the government sits there and says, "Let the market help the workers who are unemployed. Let the market help the automotive plants". Is the market going to help with the infrastructure? I doubt it.

There was no package announced by the Conservative government in its economic update last week. Like I said, the companies in the automotive sector are internationally based. They will be looking seriously at other countries that will help them through these very troubling and challenging times.

This is a spell we are going through. We went through it before. It is a spell in the industry. Yes, people worldwide will buy fewer cars

in the upcoming months. They might fix up their old ones for a while, but eventually it is going to come around.

When we look at the predictions from the economists and specialists who know how the industry works, they see technically an increase in the buying of automobiles in the upcoming years. It is going to happen. Vehicles are going to be bought. Vehicles are going to be traded in. The emerging economies alone, China, India and Indonesia, are all buying more vehicles. Yes, they will have a downturn in their economies, but they are going to buy more vehicles.

Who is going to produce those vehicles? Who is going to sell those vehicles? Who is going to manufacture the parts for those vehicles? We can do that right here in Canada. We have proven it over the last 20 years and we can do it again, but we need help right now. We need to help these plants retool. We need to help the workers. We need to make sure that EI is available when they are going through down times. We should be educating the workers on the new technologies. We are ready.

We have a good business environment in this country. Our corporate tax rates are down. We have a great health system. When we look at the cost of producing a vehicle here in Canada compared to other countries, we have one of the best packages available because of our health system.

The sad reality is that if we wait a month, six weeks, two months for any substantial package, think of how many jobs we could be losing. There is a domino effect. There are plants in Scarborough, Oshawa, Windsor, Guelph, Oakville. There are plants all over and they need parts, but when these plants close, they do not buy parts. The parts stop coming in.

They need us in Cape Breton to produce parts for them and we need them to stay open. It has to be a package that is going to help the whole supply chain. It has to be a package that is going to help this industry be ready for this century. Imagine the fuel efficient cars and lighter vehicles that we could be building. There is no doubt that we could be a world leader, but again the government has not acted.

I stand here proud to be the member for Sydney—Victoria. I am very appreciative that Frank Stronach came to Cape Breton that day, opened that plant and took a chance on us in Cape Breton and we hope that plant will stay. We know the three major auto manufacturers need help. There are other plants, not only the big three, making cars in Canada and we should be helping them also. We should have a good, lean manufacturing industry that is suitable for this century.

In closing, I would like to thank my hon. colleagues for listening today to the hardships we have had in Cape Breton and how we have moved over the last few years and where we are going.

● (1725)

**Mr. Mike Allen (Tobique—Mactaquac, CPC):** Mr. Speaker, the member for Sydney—Victoria is another Atlantic Canadian MP. He talked about the auto industry and infrastructure. Those are a couple of areas on which I want to ask him questions.



He talked about speeding this up and said that we had to get this to the next day. I would like to ask him a few questions on practicalities.

First, as we know, the auto industry executives went down to the U.S. last week, cap in hand, with no plan and asked for \$25 billion. What does he believe is a comprehensive and reasonable business case for companies? We now have given them until Friday to come up with something, not just a back of the envelope calculation.

The other question is on infrastructure. As the member would well know, most of these fundings are either fifty-fifty or they are triple. Each level of government contributes to the infrastructure. Is he sure and has he worked out with the provinces that they are ready with their money in every case to contribute to these infrastructure projects?

• (1730)

**Hon. Mark Eyking:** Mr. Speaker, let us talk about infrastructure. In Nova Scotia, the famous Atlantic gateway was announced, but no money has been rolled out yet.

The hon. member talked about looking in our back door. For instance, a recreation facility has been on hold since the Conservatives were elected, or for the last two and a half years. Why did they not sign it off? What are they waiting for? There has been no action.

The Conservatives did not just get elected yesterday. They know what the needs are out there. They know the harbour in Sydney needs to be dredged, but nothing has happened.

The United States is moving forward. Yes, the Senate is talking about working this out, its \$25 billion package. All of a sudden, the Conservatives woke up after what happened last Thursday. That is when they sent the letter to the three automotive industry companies. It is a little too late.

We are now into winter. How hard will it be to do infrastructure projects in the middle of winter? These should have been announced last spring, and we would have had half of them completed by now.

**Mr. Paul Szabo (Mississauga South, Lib.):** Mr. Speaker, the priorities of the new coalition government have been announced and they include accelerating existing infrastructure, substantial investments in municipalities and interprovincial projects, housing construction and retrofitting.

The key here, and I think it goes to the previous question, was the investment in key strategic areas like manufacturing, forestry and automobile. One of the key provisos was that any aid was contingent on a plan to transform these industries and return them to profitability and sustainability, which is fiscally responsible. Would the member like to make a comment on that?

**Hon. Mark Eyking:** Mr. Speaker, we are coming forward with a package. As I said before, it is not only to bail out these companies. It will have to be a package that will make the industry viable. It will have to be efficient. It will have to produce the right vehicles. It is all about that.

It is a shame that the government across the way has not talked with these industries over the last few months. This did not happen

### *Government Orders*

yesterday. The automotive industry was on slide for the last year, but other countries have stepped up to the plate.

The U.S. is in a precarious situation because it is changing its administration, but there is no excuse why we did not have a plan coming forward. The money is there. Our country has one of the best financial situations in the world because of the measures of Paul Martin and the member for Wascana. They set the pace for our country to be in good financial shape right now.

Why are we not helping these industries? Like my hon. colleague says, we have to use the money wisely. We have to use it in industries that will be suited for this century and that will retool.

**Mr. Ed Fast (Abbotsford, CPC):** Mr. Speaker, one of the best tools that Canadians have to evaluate whether the Liberal approach to the economy is the right one is to look back in history.

The largest and worst recession Canada ever had since the Great Depression was between 1980 and 1982 under former Prime Minister Pierre Elliott Trudeau. It is really instructive to see what happened during that time.

We remember it was a time of high deficit. It was a time of high debt and taxes. At that time, the interest rates in Canada were somewhere around 20%. Today they are around 5% to 6%. The inflation rate back then was 20% and unemployment was 30%. Today, employment is around 6%.

How is it that the member now believes the Liberal Party would do a better job of managing the economy than they did between 1980 and 1982?

• (1735)

**Hon. Mark Eyking:** Mr. Speaker, I cannot believe my hon. colleague opposite could ask me such a good question.

If we look at when we took over from the Mulroney government, unemployment was at 12.5%. The Conservatives were in the hole. We turned it around. We started balancing the books. We started creating surpluses, 10 straight years in a row. That is our record. We know what the record was before and we know what the record is now. Numbers out there now show they have been in a deficit over the last quarter. We have the record.

Let us look at what is happening globally. I mentioned the G20 countries. I think we are up to 18 countries now that have stimulus packages. I think there are two left, the U.S., which is going to come out very shortly and even Germany, when we read the *Economist* today, is talking about coming out with a stimulus package. What part of it do those guys not get?

Conservative members have gone to the meetings in Peru. They have gone to all these meetings of the G20. They must be hearing about all these other countries. What happens when they come back across the water? Do they forget what we should be doing here? Do they think we are insulated from the rest of the world and do not have to invest in our economy?

*Government Orders*

Look at what Roosevelt did. In times like this, we have to put money back into the economy. We are in a slide here. Those guys have their blinkers on and they do not believe we are in a slide. It is sliding fast and we have to put money back into the economy. We have to help. That is what a government is there for, to help people when times are tough.

**Mr. Rodger Cuzner (Cape Breton—Canso, Lib.):** Mr. Speaker, I know you are probably thinking that we share an apartment so why do I not ask him this question on the way home tonight. However, it is important for my colleague to get this on the record. We share in a lot in our adjoining ridings. One is the huge potential in container terminal development, through the Strait of Canso, the Melford terminal project and his own port of Sydney.

Comments came from the other side of the House about the importance of investing in infrastructure, and we believe that. The Conservatives have talked the talk. They have told the stories. They have advertised this in past election campaigns, but we have not seen a dollar. We have seen no investment and it has stifled these projects.

If they got going over there and invested the money, what kind of impact would that have in his riding?

**Hon. Mark Eyking:** Mr. Speaker, before he was whip, I could talk to him on the way home, but it is a different situation right now.

In all seriousness, when we look at the Sydney harbour, one of the best harbours in the country, one of the busiest harbours in World War II, it has great potential. We had a consortium come in from Europe to work with the local stakeholders to put a container terminal there. It was not looking for a lot of money from government. A lot of the local people were putting up money. All it needed was the harbour to be dredged. All it needed was between \$10 million to \$12 million. The rest of the money was going to come in for port facilities, for the ships that were hauling coal, for the cruise ships and for the container boats.

Talk about getting a bang for our buck, with that kind of money in an area like this, but it did not get rolled out. It is still sitting on the table. I do not know what they are waiting, but they will want to get their act together.

**Mr. Mike Wallace (Burlington, CPC):** Mr. Speaker, it is honour for me to be here today. This is the first opportunity I have had to congratulate on being appointed to the chair.

This is also my first opportunity to deliver a speech in the House of Commons since being re-elected on October 14, and I want to take a few moments to thank the voters of the riding of Burlington.

It is an honour and a privilege to represent the people of Burlington in the House of Commons. I appreciate the trust and the faith they have placed in me once again. I am committed to work on the issues that affect them directly. This includes improving the quality of freshwater that they use every day and working on infrastructure improvements, including transit issues. I also want to continue to work on issues facing seniors, particularly single seniors in my riding.

I also want to thank the over 500 volunteers who worked on my campaign during the fall election. Their efforts at the door, on the telephone, delivering information and working on election day all made a difference. I thank them for all their efforts.

Finally, I want to thank my family. My wife and two daughters are very supportive, not only at election time but every day as I try to make a difference in the quality of life of the people of Burlington and of Canada. I love them very much and I appreciate the sacrifice they are making in our family life for a better Canada.

It is an honour to speak in the House today regarding our economic and fiscal statement presented last week by the finance minister. We all understand that the Canadian economy and economies around the world are facing very difficult times.

I have heard about the economic difficulties first-hand in my riding. I have heard from owners of small businesses. For example, this past weekend I talked to the owner of an automotive parts manufacturing company in my home town. She told me about the struggles her industry was facing due to the downturn in automotive sales south of the border. I also spoke to one of the owners of Canada's largest demolition companies with offices in Burlington. He has seen first-hand the cyclical nature of business over the past 30 years. He too articulated how the current economic environment was affecting his business.

We spoke about what our government had done for the business community over the last couple of years in anticipation of any future economic slowdown. They agreed with our approach of injecting substantial stimulus into the economy already in advance of the economic slowdown, long before other countries around the world, including the United States, as it has just begun to act.

Here are just a few examples. Next year Canadians will pay \$31 billion less in taxes, or almost 2% of GDP, as a result of the tax reductions we have made since taking office in 2006. Our Conservative government has reduced the federal debt by \$37 billion. We have reduced the tax rate on new business investment to the lowest level in the G7 by 2010.

Our Conservative government has made historic investments in job creating infrastructure. We have also invested in science and technology, in education and in training. Our approach to the economy has been and continues to be steady and prudent. The economic and fiscal update continues this process.

We will continue to consult all Canadians, including businesses, families and seniors on our future stimulus package. We will continue to be careful stewards of taxpayer money. We will not frivolously spend money without a careful and thoughtful review of a coordinated approach with our provincial and G20 partners. We will not produce a stimulus package that will not be effective. We will not produce a stimulus package that will spend taxpayer money for the sake of spending money. We will not spend good hard-earned public dollars to prop up bad public sector investments.

*Government Orders*

• (1740)

Canadians want serious solutions from a serious government, the government they elected on October 14, a Conservative government.

The economic and fiscal update deals with the savings of seniors. I have heard from many seniors in my riding ask me to speak on their behalf. They asked our government to take action to help them with their retirement savings, and we did. I am very happy to say our government was listening. Our seniors built this country. They deserve to live with dignity and respect. Our Conservative government is committed to the needs of seniors and we have a government dedicated to seniors' issues.

The seniors in my riding have been calling me, concerned about the value of their registered retirement income funds, or RRIFs. Their legitimate concern is in the lost value of their RRIF portfolio this year and the withdrawal requirements based on the value of their savings at the beginning of this year.

Our Conservative government has recognized this problem and has taken action in the economic and fiscal update. To help seniors, like the seniors in my riding of Burlington, we have proposed a one-time change that would allow RRIF holders to reduce their required minimum withdrawal by 25% for the tax year 2008. For seniors who have already withdrawn more than 75% of the moneys required for 2008, they will be able to repay these funds without penalty. This measure would mean that seniors are under less pressure to withdraw assets at a time when their retirement savings are at a low point in their market value. Although most RRIF holders have only a portion of their assets in equities, this change recognized the impact of recent declines in those assets.

I have listened to the concerns of my local seniors and have regard for their savings and the effect that the stock market is having on them. I have received a tremendous number of phone calls from seniors in my riding and email, and a number of them have taken the time to come to see me. It is a real concern that at the beginning of the year, for those who are not familiar with the system, their RRIFs are evaluated and a certain percentage, the average in my riding is about 8.5% to 9%, of what the RRIFs are worth has to be withdrawn in that calendar year. The purpose is to make sure that seniors have enough money to survive on based on their retirement savings.

The way the system works is that the RRIFs are used up based on a system where by the time a person reaches the age of 90 the RRIFs will be virtually completed, but we want to spread out the payments so people in their early senior years are not taking all their money out, spending it all at once and then having nothing left for the next couple of decades that we hope they are with us. But in this case, and the system has worked really well over the last number of years, our party has increased the age requirement to start taking out a RRIF from 69 to 71 years, which allows people to save money a little longer without having to start to withdraw from the RRIFs.

What I have been hearing from my seniors is that this requirement works well when the market is where they think it should be, where they understand how much savings they are going to have, and they can plan for their retirement and for their retirement expenses based on a reasonable return for the RRIFs and they understand the payment process that would last. However, the way the system

works, the RRIFs are evaluated at the beginning of the year and seniors are told how much money they will have to withdraw over this calendar year based on the value of the RRIF at that particular time.

As members know, the marketplace, in terms of the stock market, has been very volatile this year, to say the least. If somebody has \$100,000 in a RRIF, just to use round figures as an example, and he or she is supposed to take out 10%, which is \$10,000, \$10,000 of \$100,000 is something that he or she was planning for and is able to deal with. However, because the marketplace went down, now the RRIF is only worth \$50,000, he or she is still required to take the \$10,000 out.

• (1745)

In this economic and fiscal update, we are going to allow seniors to take only 75% of what they would normally be required to take out. If they have already taken some money out, they would be able to pay that back without penalty. If they have not taken money out, they would only be required to take out 75%, which would leave them with 25% room to help overcome the difference in what the marketplace had evaluated their RRIF at, at the beginning of the year, and what it may be worth now.

As a result of the agreement, or the coalition, or the cartel, or whatever they are calling it on the other side, the marketplace is reacting today. It was coming back and things were going well, but based on the shenanigans of the coalition across the way, the marketplace has fallen again today, hurting every senior in this country.

With respect to the RRIFs, I made a commitment to my local seniors that I would talk to both the finance minister and the Prime Minister on this particular item. When I came back to caucus, I was able to speak to both of those individuals.

I was proud and happy to see that in actual fact our government has taken action for seniors in the economic update and in the fiscal plan. I appreciate the fact that they were able to put that forward, and I want to thank them for listening to the issues that I brought forward.

I was going to talk mostly about the economic update today, but for me this is a bad day for democracy in Canada. I cannot go any further without talking a bit about the coalition that has happened here today. It is a sad day for democracy.

The opposition said that some 60% of Canadians did not vote for our party. That is not true. I received 48.5% of the vote in my riding. People voted for my party not against it.

The Elections Canada report that I have here indicates that the Liberal Party received 26% of the popular vote. That means only 26% of the people in this country voted for the Liberal Party. Now we hear that party is going to install its leader, who in the *Hill Times* today is—

• (1750)

**The Acting Speaker (Mr. Barry Devolin):** I urge the hon. member for Burlington not to use props in the House.

*Government Orders*

**Mr. Mike Wallace:** Mr. Speaker, if we look further at the New Democratic Party, it received 18% of the vote across the country and it is making a deal with a party that received 26% of the vote. If I am adding correctly, that is 113 seats or so and those parties are going to install the prime minister.

However, that is not the bad part about it. That is not the part that bothers me. They can make deals among themselves. I can quote from days where the opposition leader poured cold water on suggestions about a coalition government as he attacked the fourth party leader's plan on the economy. On September 23, 2008, he said, "[The leader of the fourth party] does not understand the economy. I cannot think that Canadians will give their support to a man who will kill jobs everywhere in the country in raising the corporate tax. There are four additional quotes from October where the opposition leader said he would not form a coalition with the New Democratic Party.

What really irks me and the hundreds of people who have called or emailed me is that these two parties have made a deal with a party in the House that wants to break up Canada. They have made a deal so they can cross the aisle and put a prime ministerial crown on someone who is leaving. We all realize nobody in Canada wanted him or they would have voted for him four weeks ago, but that is not the case.

They have made a deal with a separatist party, the Bloc Québécois. How is that good for Canada? How do I explain to my daughters that the political scheme they have come up with is good for Canada? There is no explanation for it. Actually, there is one explanation. It is political power. The NDP is in fourth place and always will be in fourth place as long as the Bloc is here. Maybe it will move up to third if we can get rid of the Bloc. It supported the Bloc today. If we could get rid of the Bloc and have the NDP move up to third place, then it will never form government in this country, thank goodness.

I understand from what I am hearing that there will be six cabinet positions in this new coalition. The only way it can have any influence is to make a deal with separatists, people who want to break up Canada, who do not really want to be here but are happy to have the income and take our money. I can say from sitting on committee that when there is something it wants, it does not mind taxpayers in the rest of the country paying for it, absolutely not. Only when it is affected will it give support.

Here is the deal. I am hearing the deal is this. The other minority parties, the Liberal Party and NDP, will stick together for about two and a half years. They will throw each other out after two and a half years. The Bloc's deal, the tail that is wagging the dog, is 18 months. They are accepting little deals with each other. Is that good for Canada? Is that the direction this country needs? Nobody around here is denying that we are in tough economic times, but does anyone think that the public in this country wants the politicians to be making little deals?

Let us be honest. The finance department asked the opposition members for suggestions on this update. We did receive suggestions. We received suggestions from the Bloc but not from the NDP and not from the Liberals because we know from information that is now available that they had been working on this coalition scheme long before, as soon as the Liberals knew they had lost.

The leader of the fourth party put himself up as a potential prime minister in the last election. He declared it everywhere he went, "Vote for me. I will be your next prime minister". He came fourth. The public in this country does not want him as the leader. The public does not want NDP members in cabinet. If the Liberals and the NDP had the audacity to do this, they should take it to the people. Let us ask Canadians how they feel about that. No, no, they say, they are going to ask the Governor General to form a government. We will see how long it lasts. I do not think it will last more than a few weeks.

●(1755)

The NDP made a deal with a party that has a lame-duck leader. He admitted today that he is leaving. He knows he is leaving. I believe he would be the second leader of the Liberal Party never to have become prime minister. Now he is going to correct that history book by being prime minister for, in his view, a few months, until their leader is picked.

The NDP made a deal with a party that does not have a leader. It is unbelievable. It is undemocratic. It treats the people who voted in the last election with contempt. I do not believe that it will last. I do not think it is good for this country.

The previous speaker, who was not in the House before, had a question about plans. That is absolutely right. What did he think we were doing here? We were expecting plans from the automotive sector and from other sectors. The Liberals got up and made a big speech to the effect that they were going to have plans, that they were going to talk to those industries and see what their plans were and make sure they were viable.

Mr. Speaker, I want you and everyone in this House to check the record on the economic update from last year and the previous year. We had complaints from the opposite side that it was too much like a budget, that we were doing too much in those economic updates.

This update was much narrower. We were waiting for ideas and plans from the industries that were looking for a stimulus package. We were going to consult with the provinces and continue consulting with the G20 people we have been dealing with.

The U.S. plan does not even come into effect until after president-elect Obama assumes office on January 20, 2009. They had an \$80 billion plan. What has it done for them? Nothing.

We need plans. That is what the government will do, and that is what the government will continue to do.

**Mr. Mario Silva (Davenport, Lib.):** Mr. Speaker, my hon. colleague speaks about democracy and what is happening in Parliament.

My hon. colleague must be aware that under our Westminster parliamentary system of democracy, we do not elect governments, but parliamentarians and a parliament. In order to function, a government requires the support of the majority of parliamentarians.

*Government Orders*

The minority government has failed Canadians, has failed the democratic process, has abused the process over and over again by declaring every bill a confidence motion. The Conservatives have basically bullied the opposition into supporting their right-wing agenda. They have attacked women's rights, gay rights, and everything that is fundamental to the country in terms of human rights and respect for human dignity, yet they expect us to just roll over and do whatever they want.

We are not going to stand for that. Many constitutional experts, including Professor Errol Mendes of the University of Ottawa, with whom I spoke, have said that under our Constitution the Governor General has an obligation to see if there are other opportunities within Parliament to make it work and to see if another party has the confidence of the House. That is exactly what is before us, and that needs to be clarified.

The hon. colleague speaks about president-elect Obama. We know very well that president-elect Obama has in fact engaged Republicans—

● (1800)

**The Acting Speaker (Mr. Barry Devolin):** The hon. member for Burlington.

**Mr. Mike Wallace:** Mr. Speaker, this is exactly it. President-elect Obama engaged the public during the election. He got elected. We engaged the public during the election, and on October 14 we got elected.

I am way back here, but I want to make sure you hear me. It is obvious from the question that you are not hearing me.

What have we heard from the Liberals just now? They are saying that constitutionally, it is a minority government. They checked with the Constitution.

The people of Canada voted for the Conservatives. We have 143 seats in the House. You have 76, and you want to have your leader as prime minister. You have 76 seats. You had the worst election that your party has had in many decades.

Why do you not understand that the public is not going to be happy with what you are doing? We are trying to accomplish things in a very tough economic environment, but you do not want to accomplish things. You want to—

**The Acting Speaker (Mr. Barry Devolin):** I want to remind the hon. member for Burlington that he ought to be addressing the Chair, rather than the other hon. members in this place.

Questions and comments. The hon. member for Western Arctic.

**Mr. Dennis Bevington (Western Arctic, NDP):** Mr. Speaker, I rise to question my hon. colleague, someone with whom I have worked in the House before, someone who must understand that we are all elected here. We are all elected to Parliament. We have come to it with different allegiances. Here we have the opportunity to decide the fate of this Parliament. We are all parliamentarians.

My question for the hon. member is this: if his party was so insistent on holding power in a minority position, why was his party not making arrangements with the other parties to secure their support to allow the government to continue with its work? Why did his party let this happen the way it did?

**Mr. Mike Wallace:** Mr. Speaker, I have a tremendous respect for the member opposite who asked me the question. I have been on trips with him, and I have said to the member many times that the one thing about the New Democrats is that they at least have principles. At least they believe in something. We do not necessarily agree on things, but at least we have principles, and they stand.

What happened to those today? What happened to those principles over the weekend? They have gone away so that their leader, who will never have any influence in this place the way it is set up, gets six members of a coalition cabinet.

I am disappointed in a few things here today, of course, but I am disappointed most in the New Democrats. They have lost my respect in the sense that they had principles for which they stood. One knew what a New Democrat stood for. With Liberals, one can never tell, but one could with New Democrats. One knew they wanted to go in a direction different from what we think is right in terms of our perspective on economic leadership, but at least one knew. Today, one does not know, because they have made a coalition with the Liberals, supported by the Bloc. Who knows where they stand? It is very sad for this country.

● (1805)

**Mr. Brian Murphy (Moncton—Riverview—Dieppe, Lib.):** Mr. Speaker, I thank the member for his comments. We have served on committees together, and I have a great deal of respect for him today. However, he seems pretty excited about things, and I want to make sure I do not make him more excitable by asking this very simple question.

Will he acknowledge that the Prime Minister's party received only 36% of the vote in Canada? I do not know what happened in Burlington. I congratulate the member, but 36% is not a majority. The Minister of Industry on the other side once won an election by 20- or 30-some votes. He was no less an MP than others who won by big landslides.

We do not carve up democracy by percentages. We follow a system. Is he repudiating the Westminster system? Does he think that the Minister of Industry, when elected that last time, was less a minister than any of the others who had big landslides? Was he less than the member for Wild Rose, who had every man, woman and animal in the riding voting for him? Is he less of a minister?

**Mr. Mike Wallace:** Mr. Speaker, I am glad my speech did not get the member from the opposite side excited.

The member is right. We got 37.6% of the vote. We have 143 seats in the House.

The election happened on October 14. I think they should remember that October 14 was three or four weeks ago. If they were really concerned that we were not the government for which the people had voted, why did they allow our throne speech to pass?

*Government Orders*

In the throne speech just last week, we laid out what we were going to do. The opposition passed it on division, allowing us to continue to govern. They had to give us a chance to do it, but they did not. Over the weekend, they decided to have a coalition. They worked out some backroom deals. They worked something out on a piece of napkin upstairs, toasted it in the parliamentary restaurant, and then announced it today.

It is unbelievable. It is undemocratic, and it is not Canadian.

**Mr. Merv Tweed (Brandon—Souris, CPC):** Mr. Speaker, I listened to the members opposite present their case today. Obviously the Christmas spirit, or at least the rush of Christmas, has hit the members opposite. They are already starting to plan their little shopping lists of all the things they are going to squeeze out of a coalition government. Whether it is necessarily right for Canada or Canadians, everybody is going to be in there taking a little piece of the pie.

We just watched a news story in which they were talking about how they are going to spend \$30 billion on a stimulus package. Nobody has any idea how that will be done, but I am sure that if they listen to the comments made here today, they will find a reason to spend that \$30 billion and perhaps another \$30 billion.

I ask the member to comment on that intention, and on the fact that everybody else in Canada is being asked to tighten his or her belt and be responsible and accountable, while the members opposite are planning to spend \$30 billion without a plan.

**Mr. Mike Wallace:** Mr. Speaker, this is why the prudent steady hand of a Conservative government is needed. You are going to have three different kingdoms on the other side trying to spend taxpayers' money under the idea that it is stimulus. It is not their money. Of course it is not their money; it is taxpayers' money. Well, we know what that is.

The New Democratic Party thinks that it knows best for everybody. We know that for sure. That is the way the New Democrats have talked in every election, and everything in this House has been all about that. That is how the New Democrats talk about things.

We do not know where the Liberals stand. Whether it is \$30 billion or whatever it takes, they will spend it here or there. We know they do not have a plan.

What really irks me is that the wish list for the Bloc will be all about Quebec. It will have nothing to do with what is good for Canada, and it is—

• (1810)

**The Acting Speaker (Mr. Barry Devolin):** Before we resume debate, I would like to remind all members of this House that they ought to be addressing their remarks to the chair. I know there is a lot of excitement in the room today, but I would appreciate your keeping me an important part of this conversation.

Resuming debate, the hon. member for Windsor West.

**Mr. Brian Masse (Windsor West, NDP):** Mr. Speaker, I will be sharing my time with the member for Winnipeg North.

Mr. Speaker, I want to congratulate you on your appointment to the chair. I know you had a campaign for Speaker and now you have been ably selected.

Although I have spoken in the House of Commons a number of times on different issues, it is the first time I have had a chance to give a speech. I will begin by thanking the residents of Windsor West for re-electing me. It is an honour and a privilege to serve in the House and I thank them for their confidence. I also want to thank the volunteers and the many people who gave up their time to ensure the campaign was successful.

I particularly want to thank my family, my wife, Terry, my daughter, Alexandria, and my son, Wade who I miss every day but I know that the work we do in the House of Commons can make a difference for their future.

One of the things I want to focus on in terms of my speech is the fiscal update. It was disconcerting, when the update came forward, to see the lack of action on a stimulus package and the lack of commitment for the government to do so.

In particular, the auto sector in my region has been struggling for a number of years and we have been seeking solutions for reinventing the industry in many respects. Over five years ago we put together a green car strategy with Greenpeace and the CAW to look at modernizing the auto industry, ensure we would protect jobs and that we would environmentally improve not only the emissions but also the way we design and make the vehicles.

It is important to note that there have been those who have described the current condition of the auto industry as one where we need to work toward a bailout. I would counter that with regard to history. History has shown that in the past when there has been support for restructuring, for example Chrysler, the United States was very assertive, as was Canada, in providing leadership. From that, if we look at a plant like mine in Windsor West where it produces the minivan, it has been doing that for 25 years now because of that commitment. What happened is that taxpayer money that went into providing credit at that time, a dividend was paid back to them. The taxpayers of Ontario and of the United States actually reaped millions of dollars as the company bought shares back.

That is important to note because it is not about providing a blank cheque, as those who have made innuendo that would see this diminished opportunity.

Canada is totally different from the United States. Last year in the United States they moved rapidly. They worked together on an energy bill that contained \$25 billion for the auto industry in the United States to move it to new technologies, greener technologies. There also has been political support to say that they want to save their industry. It has been very overt there, whereas here we have been very passive and having to catch up.

*Government Orders*

If we compare that American \$25 billion set aside for loans and other types of research and development and we look at the Conservative government's last budget, the Conservatives actually cut money from the auto industry. They had the ecoAUTO rebate program which was a terrible program. When it was put in place they actually subsidized vehicles made in Japan, Korea and other parts of the world. Our taxpayer dollars went out to those other production facilities as purchasing of those models.

Instead of reinvesting that money, the government decided to cut that outright. What it kept was the tax on the auto industry which it rolled into a \$50 million a year fund, for \$250 million over five years.

We can see the big difference of what was happening in United States versus what was happening here in Canada.

Likewise, we know that when the U.S. automakers went to Washington it was a debacle. They should have, and rightly so, gone to the table with a proper plan but they did not have that and were reprimanded for that. However, there was a clear signal there that they would be drawn back because the workers' interests were more important.

It is not the fault of auto workers in this country because the management did not move quicker to greener technologies, nor is it their fault about the liquidity problem the United States has been facing.

During the election, the Prime Minister explicitly said that we did not have the same problems here and that we did not have the same housing issues. In fact, we saw housing properties drop in my riding during that time, so he was wrong again. What the Conservatives failed to tell Canadians is that 85% of our auto sales go to the United States. When the United States has a crisis there needs to be action here when we have that type of connection to its market and its economy. The consequences are obvious as we have seen the market dry up.

• (1815)

What did the government do? It provided billions of dollars in support to the Canadian banking industry but did nothing for our automotive sector. It is interesting to note that the interest savings that should have been passed on were never passed on.

Let me give an example of where we could have seen some better muscling in of the industry. A good example is with respect to interest rates. We did nothing with conditions of interest rates.

Let me talk about my bank. I am offended with TD Canada Trust right now and if it were not for the good service provided by the people in the bank I would leave that banking institution. It provides car loans at 4% above prime. It will make more money on a car as it is financed through the system. Some credit unions have car loans at prime or prime plus 1%. This rate lessens the cost for the consumer and also ensures that a bank's profits are not a priority. The priority should be the workers and the companies so they can be profitable.

There has been no discussion about some of the facts regarding investment in this industry as it affects the Canadian economy. I want to highlight a couple of important things, especially when it comes to innovation.

The industry has invested more than \$35 billion in Canada over the past decade which accounts for more than 17% of overall manufacturing investment. We did a study in the industry committee and one of the things that was obvious was that the oil and gas sector, which seems to get the lion's share of attention and support from the government, put less than 1% of its money back into research and development in Canada. The money is basically sucked out of this area and it does not come back to us.

R and D in Canada is already low compared to other industrial states. Canada is around 8% but it should be higher. However, when we look at the oil and gas sector, it is abysmal and yet it continues to get the support of the government. This is the time when we should be reinvesting in those sectors that have had some trouble, not always through the fault of their own and not through the fault of the worker, and that is important to note.

The Minister of Industry, along with others, have made several comments about auto workers. In trying to negotiate with the CAW, the industry minister was basically trying to negotiate through the media instead of sitting down and meeting with the CAW and its leadership. They waited for a number of days for a response to their letter but the minister never responded. He instead went public demanding that the CAW to do its part.

I want to correct the record so that people know that the CAW has been doing its part and is willing to do its part. It has shown a lot of progressive work that has landed this investment here.

We do know that auto wages are 50% higher than the Canadian average but they have nothing to apologize for. Productivity is even higher. It is a \$300,000 value in productivity added per worker, which is four times the Canadian average. The workers know they need to be productive onsite. They have actually lowered their per vehicle hour assembly rate so it is even lower than some of the offshore auto market suppliers, such as Toyota and others. Our workers have been able to reduce their auto assembly hours, whereas Toyota's hours and costs have gone up.

Real wages in the auto sector are falling. Labour costs are approximately 7% of the total auto assembly cost, which is actually low. Wages are higher in Germany and Japan. It is not that auto workers here are in a different situation. It is simply that auto workers in Germany and Japan get paid more.

It is important to recognize that the big three auto companies and their unions have already come to the table with \$900 million worth of savings through restructuring and by changing their agreements. They are doing their part today for the economy. What is missing is the fact that the federal government has not done its part. There is no national auto strategy and no sectoral strategy. There is only a corporate tax cut that does not help the auto sector because it is not making money right now.

*Government Orders*

On top of that, the government is phasing out the capital cost reduction allowance. It is going to reintroduce a tax on the auto industry, and that is unacceptable. We have men and women who are the best in the world and, through no fault of their own, they are unemployed. It is time for a national auto strategy and the time is now.

• (1820)

**Mr. Bruce Stanton (Simcoe North, CPC):** Mr. Speaker, the hon. member seems to envision some form of large scale intervention for the auto industry in particular.

I wonder if the hon. member might enlighten the House as to which tax he would intend to see increased or the extent to which deficits would have to be encountered. He did not say a number but I envision something in the range of \$30 billion or \$40 billion, or maybe back to the NDPs election platform, of somewhere in the \$50 billion mark. I wonder if he might enlighten the House on what way he would go forward to raise that kind of massive injection.

**Mr. Brian Masse:** Mr. Speaker, I appreciate my colleague's question. His office is on my floor so I know he works late, and I respect his work in the House of Commons.

When we look back in history, it has not cost taxpayers when they have reinvented the industry and worked on it. That is why I went through very specifically the situation with the Chrysler minivan that has now been produced for 25-plus years in my city. It is one of the biggest exports the country has. It is clear we have to ensure those conditions.

We are talking about loans. We are being very specific that we want it tied to research and development and a new green economy. It is important to discuss regaining some of our market share out there.

In terms of a plan, those are the elements to which we have to look forward. In terms of dollars, it would be a loans program because that would be the most appropriate.

**Mr. Merv Tweed (Brandon—Souris, CPC):** Mr. Speaker, I welcome back my colleague. I have a couple of questions too. He speaks about the banks and how government should moderate them. It would be of interest to the member that the financing companies of the car businesses got out of that because they could not afford it any more. If the hon. member thinks he can move in and regulate banks, I wish him good luck with that.

A lot of the speculation going on outside now is the money that is going to be spent by the new coalition government, which is around \$30 billion. I know the NDP has a philosophy about corporate tax cuts. Its members do not agree with them. A \$50 billion package was put on the table in the last budget approved by the House. The Liberals want the corporate tax cuts to stay.

How can the member go back to his communities and fight for the car industry, knowing that the current government has given a \$50 billion stimulus package from which the automotive industry has benefited as well as the manufacturers of parts and subsidiaries of automotive companies? Where does the member find the balance in the sense that \$30 billion more will be spent by his new government—

**The Acting Speaker (Mr. Barry Devolin):** The hon. member for Windsor West.

**Mr. Brian Masse:** Mr. Speaker, the member spoke to the issue with regard to banks. It provides me some additional opportunity to interject some facts that are important for the discussion, especially given the fact the member has admitted again, like his party, that there is no role for regulation with the banks, which is absurd. This is part of the responsibility of the Government of Canada.

The Conservatives talk about distancing themselves further when the banks have received over \$100 billion of support from provisions of the federal government.

Specifically, we have federal government CMHC purchases, pooled together mortgages from the banks, \$75 billion; a bank account that offers short-term credit through PRA to banks, \$50 billion-plus; the Bank of Canada offers short-term credit through PRA to private money markets, \$5 billion; the Bank of Canada established a new term loan facility to assist banks and others, \$8 billion; and the Bank of Canada releases treasury bills to investment dealers, \$10 billion. Also the federal government agrees to guarantee loans to private banks and the Bank of Canada accepts asset-backed commercial paper as collateral. What do we get from that? Not a single thing.

The banks instead have said that they will raise credit card fees on his constituents and he does not care. That is unacceptable.

**Ms. Judy Wasylycia-Leis (Winnipeg North, NDP):** Mr. Speaker, I am very pleased to participate in this discussion on the country's economic situation and to do so on a day of historical importance, a day when Canadians have seen unprecedented collaboration among parliamentarians and a new degree of co-operation that bodes well for the future. In fact, it gives people great confidence and hope.

It is just minutes after a formal declaration was made by the three opposition parties in this House. The Liberals, the New Democrats and the Bloc have come together to indicate their will to form a government and to support a government and create a Parliament that in fact addresses the real needs of Canadians, not a government that ignores Canadians at their time of greatest need, at a moment in the history of this country when government and Parliament have an obligation like never before to be there for the people of this country.

I do not need to tell members that we are in one of the most serious economic crises this country has ever faced. We have not seen the end of it and already people are worried about their jobs, their homes, their savings and their pensions. People are worried about how they are going to support their families, how they are going to make ends meet. People are wondering how they will deal with the ravages of an economy that is out of control, where people are being left in the cold without hope of security in the future.

That is how important this is today. That is why we are here in this House today on an unprecedented basis working together as New Democrats, as Bloc Québécois and as Liberals, saying to the government that we no longer have confidence in it, that we do not believe the government is able to address the concerns of Canadians.



*Government Orders*

In fact we all thought that the Conservatives had heard Canadians during the last election. We thought they recognized that the Conservative Party only received 37% of the votes and that the Conservatives needed to cooperate in this place. Instead they chose to ignore the ravages of the economy. They chose to ignore the needs of Canadians. They chose to proceed with an economic statement that has no stimulus, that has no protection for people, that has no understanding of the real needs of ordinary people in this country.

In fact, as my colleagues raised in the House today, we saw on one particular issue regarding equality for women, pay equity, the government chose to use its economic statement to pursue a pet project of its own, to kill pay equity in this country.

It is not just what is in the economic statement. It is the fact that at the recent Conservative convention in Winnipeg, which I and some members from the Bloc witnessed, Conservative Party members, sponsored by the caucus of the Conservative Party here in Parliament, put forward a motion to change the definition of pay equity from equal pay for work of equal value to take it back to 30 years ago and define it as equal pay for equal work. That is not pay equity. We have to understand what is in this economic statement. That is not equality for women.

We are standing here united in the belief that this is the precise moment when we have to ensure equality for everyone in our society, for women, for people living with disabilities, for our first nations. This is a time when we need to be working with Canadians

so that they can help themselves to ensure a decent future for themselves and their families.

Let me say in the little time that I have left that we had the belief that the government understood some of that and was going to come to this House with an economic statement that addressed those very issues. Instead, as some of the commentators have said, they woke up to a disturbing reality, an affront to reason and public policy, that public reason had been discarded and the economic challenge had been ignored.

● (1825)

Whether we are talking about economists in the business sector, economists in the labour movement or grassroots organizations, every one has come to the conclusion that the government did not address the economic situation of the day. It ignored the realities of Canadians and in fact chose instead to attack those very people and organizations in our society with whom we must work to build a stronger society.

**The Acting Speaker (Mr. Barry Devolin):** When the House resumes, the hon. member will have five minutes remaining in her time.

It being 6:30 p.m., this House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24(1).

(The House adjourned at 6:30 p.m.)

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