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Monday, March 26, 2007

—
Speaker: The Honourable Peter Milliken

CONTENTS

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

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HOUSE OF COMMONS

Monday, March 26, 2007

The House met at 11 a.m.

Prayers

PRIVATE MEMBERS' BUSINESS

• (1105)

[*Translation*]

CANADIAN FORCES

The House resumed from December 11 consideration of the motion.

Mr. Claude Bachand (Saint-Jean, BQ): Mr. Speaker, on behalf of the Bloc Québécois, it is my pleasure to speak today and lead off the debate during this session. We have read the motion put forward by my colleague from Ontario and, of course, one could hardly oppose it. When soldiers are sent into theatres of operation, to me it seems perfectly natural that they would be suitably equipped and receive the necessary support. However, as far as the necessary support is concerned, I would like to say loud and clear right off the bat that the Bloc Québécois does not appreciate being attacked for speaking out against a mission, the government, the Minister of National Defence or any other minister.

In my opinion, a clarification needs to be made. A parliamentary debate needs to be held in this House. Just because we criticize the minister or the government about the mandate of the mission does not automatically mean we are against the troops. That is absolutely not true. It is the George W. Bush style approach that the Bloc Québécois takes issue with.

It is important for hon. members and Parliament's political parties to give their opinion. What is more, we do not appreciate being told that if we speak out against a government policy, the mandate of the mission or the Minister of National Defence, we are against the troops in Afghanistan. That is not so. Again, we were against extending the mission, but Parliament has spoken. We are not like the Conservative government, which does not listen to Parliament. We listen to Parliament.

It goes without saying that once the decision has been made and soldiers are sent there, it is important to give them the necessary equipment. I also want to mention that as far as the theatres of operation are concerned, things have changed dramatically in the past few years and many Quebeckers and Canadians still think that the current mission in Afghanistan is a peacekeeping mission. That is

not the case at all. There are different missions now. I want to remind hon. members that a peacekeeping mission is probably the easiest mission, although there is a risk component.

By definition, a peacekeeping mission is a rather simple mission. After both sides have signed a ceasefire agreement, the international community, Canada or other countries provide a buffer between the two sides to ensure the observance of the ceasefire. That is not at all what is going on in Afghanistan, where the mission is more of a pacification effort. Canada is there to support Afghanistan and the Afghan government, and it wants to try and restore peace by fighting the Taliban. I should also mention that the Bloc Québécois has been stressing for the past several months the need for the mission to be not only a combat mission but also one of reconstruction and development as well as one to restore the authority of the national government. Our comments on the matter have been very balanced, and we have raised these points repeatedly. I thought it was important to remind the House of that.

That having been said, our colleague's motion also raises questions. For example, is Canada's current foreign policy clear? It has not been updated in quite a while. As far as I know, the new Conservative government has not developed any new foreign policy. The existing policy is the one put in place by the former Liberal government, and the same is true for the defence policy. This means that we are talking about policy dating back to 2005.

One of the problems that arise where equipment is concerned is that, once a foreign or defence policy has been decided on, a military capabilities plan should normally follow. Whenever an approach to theatre operations or a new vision of international relations is developed, equipment has to be provided accordingly. Unfortunately, that part has not been dealt with yet. Neither the Liberal government nor the Conservative government before us today has delivered a military capabilities plan.

What does it entail? It entails a series of purchases for which Canadian and Quebec taxpayers will have to pay, without even knowing if the equipment in question meets the defence and foreign policy requirements because the capabilities plan should normally have preceded these purchases.

• (1110)

This creates all kinds of problems, as we can see. Would the contract with Boeing for strategic aircraft, C-17s and Chinook helicopters, have been included in a military capabilities plan? Why are these purchases going ahead without a plan?

Private Members' Business

The C-17 strategic aircraft brings up a fundamental question: if all the equipment and all the soldiers are already in Afghanistan, what good will four big strategic airlift aircraft be? This is one of the questions that could have been asked if a capabilities plan had been submitted to Parliament and if it had discussed whether the aircraft were really needed. We could have also looked at whether military planners, for example, could push for strategic sealift instead of strategic airlift, which probably costs four or five times as much. These are the kinds of things that should have been discussed.

We more or less agree on the purchase of the Chinook helicopters. Currently, troops and materials in Afghanistan are transported by land. We know the problems that can arise, given improvised explosives, mines, etc. Soldiers are losing their lives. With a heavy lift helicopter, we could probably avoid these dangers.

We agree with some things, but not with others. What we find most troubling is that there was never an opportunity to discuss this. We have to proceed bit by bit, but when we do, the Conservative government tries to tell us that we are not supporting the troops, that we are bad for their morale. Maybe they are the ones whose policies are causing these events to happen.

There is also the issue of prisoners. They say that we are undermining morale. Why has the minister not listened to us for months? For the past year, we have been hounding the minister about the importance of copying the Dutch agreement almost entirely. According to that agreement, Dutch embassy staff and soldiers can visit detainees anytime. The minister totally ignored us. Not only did he ignore us, he misled us by saying that the Red Cross was conducting inspections and that it would report any unusual occurrences that did not comply with the Geneva convention. As it turns out, that is not really how it happens.

For a year, we did not have a real policy concerning detainees, and now the minister has a problem. Now that the Bloc is criticizing the fact that the minister misled it and all of the other parties in the House, the government is saying that we want to destroy troop morale. That is George W. Bush-style logic, and we will not buy it.

Nevertheless, the minister and the Prime Minister have made \$20 billion in announcements with no defence capabilities plan, as I said earlier.

We should also talk about tactical aircraft. We agree with them a little more on this issue, but we find that the calls for tender were subject to conditions and that the government wanted to do some companies a favour. When you start playing that game, when a company knows that it is the one you want, you do not get a good deal.

I do not wish to repeat my Camaro story again, as I believe I have told it a number of times here in the House. I wanted to buy myself a nice car when I was very young. When I went to the car sales lot, I told the salesman I wanted to buy that car and only that particular car. Imagine trying to ask for a good deal after that. My father told me that that was not how it worked.

Yet, even though we are talking about \$20 billion worth of procurement, that is how the government is going about it. It develops an advance contract, which means that it tells a company in advance that it wants to purchase that aircraft from that company,

and only from that company. How could it possibly negotiate after the fact?

The same thing is happening in the area of strategic lift. We now see that we are purchasing aircraft and paying a higher price than our allies paid a few years ago. The higher price represents more than just indexation. We are talking about some \$20 million more for each aircraft. The government seems happy to let the taxpayers pick up the tab.

I believe that we, as members of Parliament, are here to defend the interests of taxpayers. If we fail to do so, we are showing disrespect for our constituents and neglecting our responsibilities to Parliament and to Canadian taxpayers.

● (1115)

Of course, we cannot oppose the motion here before us, but we can speak out against some things, including much of the purchasing.

I would have liked to have a little more time to explain the submarine disaster to the House. Nonetheless, everyone here understands that, when there is no plan in place, that is what happens. Sometimes we purchase things, only to later regret it.

[*English*]

Mr. Peter Stoffer (Sackville—Eastern Shore, NDP): Mr. Speaker, it is a pleasure to rise on behalf of the federal NDP in regard to this important motion. I thank my hon. colleague from Renfrew—Nipissing—Pembroke for bringing it forward due to her continued support for our troops.

I know she has a vested interest, not only as one who cares about military personnel and their families, but also, the base at Petawawa is in her riding and she knows very well what emotions the people of Petawawa have suffered over the past few years as they have lost many of their young people in the conflict and war in Afghanistan. My heart goes out to her riding, to the people and families in Petawawa and to the surrounding communities of the brave of the bravest in Canada.

Today's motion asks us to support the troops. Without reservation, I believe I can speak for everyone in the House when I say that we do. There is no question that members of Parliament support the troops and their families, but I would like to use my allotted time to ask a very important question. The question is this: what happens to the support for the troops when they take off the uniform? This is where I have some great difficulties.

I have been working on behalf of my party as the veterans affairs critic for quite some time and I worked with the previous government on the veterans charter. I offer kudos to the late Jack Stagg, the former deputy minister of veterans affairs, for bringing this issue forward. I believe the new veterans charter will go a long way to assisting veterans and their families as the modern day veteran comes along.

I also have a personal vested interest in this. As people may know, I was born in Holland and my parents and that country were liberated by the Canadian military and its allies, the British, the Poles and the Americans. It is up to us to repay that debt of gratitude.

Private Members' Business

Mr. Speaker, I notice that you yourself are a proud supporter of the legion and the veterans and their families who attend it. You should be thanked tremendously for that.

There are tremendous problems in our country for veterans and their families, not just for the veterans of World War I, World War II, Korea, the gulf war and Afghanistan, but also for our modern day veterans, those who served during peacekeeping times and the cold war. An awful lot of them, almost 4,000 to be exact, have a problem with what is called the SISIP deduction. This was something that we in the NDP had in our veterans first motion, which was adopted by the three opposition parties in the House of Commons. Unfortunately, the Conservatives voted against it at that time.

We should remember what the Prime Minister said when he was in opposition. He said that when motions are passed by the House of Commons, that should bring the direction from government to the forefront. Unfortunately, not only did the Conservatives vote against our motion, but the budget completely ignored that aspect of the motion. When there is a \$14.2 billion surplus and they are not going to help disabled veterans now, when do they plan on doing it?

There is a gentlemen in my riding by the name of Mr. Dennis Manuge, who has just started a class action lawsuit with a legal team, and with members of that lawsuit right across this country, to fight the government over the SISIP deduction. Many of our injured soldiers are now facing the choice of losing their homes and equity and being forced into rental accommodations that, in some cases, are of a poorer standard. These are people who volunteered to serve their country and unfortunately were injured in the line of duty. What is being said to them? They are being told that maybe we will get around to thinking about helping them.

When the government has a \$14.2 billion surplus over and above moneys required for the day to day operations of government, one would assume that of all governments, this government, a government that reportedly likes to support the troops, would have looked at this issue very seriously, and if it did not want to accept the recommendations from the NDP then it could at least accept the recommendations from the DND ombudsmen.

Two of those ombudsmen have said that the SISIP deduction has to go and that with a \$290 million investment this problem will be fixed. That amount is 1.8% of the recently announced \$14.2 billion surplus. One would think that in its heart of hearts the government would have come up with \$290 million, not only honouring the motion passed by the House of Common but accepting the recommendations of two ombudsmen.

Just recently, Mr. Côté, the DND ombudsman, again wrote a letter mentioning that recommendation to the government. It is still being ignored by the government. For the life of me, I cannot understand this in view of the heightened awareness of our troops, those bravely serving in Afghanistan and around the world and those who have been injured and are coming home. Our troops went through one war. They should not have to go through another one when they get back home.

• (1120)

We have the fiscal capacity to help not just our troops but their families as well. They need to know when they sign on the dotted

line that there is what we call the ultimate liability. They are willing at any time to risk their lives so that my colleagues in the House of Commons and I can have a good night's sleep. That is what it boils down to. We parliamentarians have the ultimate responsibility to ensure that their needs are met, not just while they are in the service but also after they leave the service.

It is unacceptable that disabled veterans have to go to the courts to get the government to listen. The government did not listen to two DND ombudsmen. It did not listen to the House of Commons. If the government will not listen to reason and passion on this side, then maybe it will have to listen to the courts.

What kind of a sad state of a country is it when disabled veterans collectively have to go to the courts to get a program fixed? We are talking about a 1% investment of the surplus. If we were to speak to Canadians across the country and clearly told them what the program was about and that for \$290 million we could fix the program once and for all, most Canadians would assume that we would do it. But it is not even in the budget. It is a sad day in that regard.

I am hoping this motion will highlight the concern for our current troops and their families. Also, our young troops will become veterans soon. The young of the 1930s and 1940s are the veterans of today.

There is another issue I want to bring forward. On my desk right now I have 22 files concerning world war veterans within the Halifax regional municipality area of Nova Scotia. They all have something in common. They were denied hearing aids. Those people are in their eighties.

The argument we are hearing is that because they did not have a hearing test when they left the army, navy or air force, there is no audiology evidence to prove that their hearing loss has degenerated over the years. Dr. David Lyon of Dartmouth is one of the best audiologists in the country. He has sworn an affidavit and has said very clearly that there is a link between what is happening now and their consistent exposure to loud noise at the time.

Those men and women served in our wars. We cannot even get them hearing aids because of some technical argument. I remind the current Minister of Veterans Affairs who said that when it comes to the benefit of the doubt, the benefit of the doubt should go to the veteran.

There are other concerns as well. On the agent orange file the Conservatives said very clearly that if they formed the government, they would deal with that issue immediately. It has not been done yet and it is not even mentioned in the budget.

Private Members' Business

There is another most appalling issue. The widow of a veteran was assured by the then leader of the opposition who is now the Prime Minister that if the Conservatives formed the government, the veterans independence program would be extended to all widows and widowers regardless of application or time of death of the veteran. There is not a word of it in the budget.

When it comes to veterans we could speak about them all day and I would love to. Unfortunately, I have to pass the floor over to my colleagues. However, I want to end on a positive note. I thank my hon. colleague from the Conservatives for raising this issue. Any time we talk about veterans and their families is a good day in this place. However, we need more than just rhetoric. We need action. We have listed for the government some of the problems. It has the fiscal capacity to fix them. We are asking the government to fix these problems once and for all.

● (1125)

Mr. Rick Norlock (Northumberland—Quinte West, CPC): Mr. Speaker, since day one, Canada's new government has been a government of action. We have been working diligently on all fronts to make Canada a stronger, safer and better country for all Canadians. This government has consistently recognized that national defence is vital to achieving this vision.

[Translation]

This government has stated on several occasions that it was taking steps to affirm our Canadian sovereignty, to defend our territory and to protect Canadians and their interests.

[English]

This government knows it is the men and women of our Canadian Forces who transform these national defence policy objectives into discernible action. It is our Canadian Forces who conduct Arctic patrols to assert our sovereignty and ensure our security in the north. It is members of our Canadian Forces who work day and night with their counterparts in Norad to protect our continental air space. It is members of our Canadian Forces who right now are working in Afghanistan with their colleagues from other government departments and with our coalition partners to help build a better life for the Afghan people and a safer world for Canada.

When we say that this government will work hard to assert Canadian sovereignty, defend our territory and protect Canadians and their interests, it means we will work hard to support our Canadian Forces. We cannot fulfill these responsibilities without them.

That is why I support today's motion which calls on the House to affirm its commitment to Canada's military personnel and calls on the government to continue to provide the Canadian Forces with the best possible equipment and support to carry out its responsibilities.

To be a government of action, we need to continue supporting the men and women in uniform who are defending our country and our citizens every day.

The government has already taken measured steps to boost the capacity of the Canadian Forces.

In budget 2006 we announced a sorely needed increase of some \$5.3 billion over the next five years to Canada's defence budget. We

also announced that part of this funding would be used to increase the military's numbers. Our military strength declined significantly over the last decade and a half while the demands we placed upon our forces did not. Today some 10,000 military men and women are working on the front lines here at home to defend our territory and protect our citizens. On any given day, there are about 8,000 soldiers, sailors and air force personnel who are training for, engaged in, or returning from missions abroad.

The military cannot continue to fulfill all of these responsibilities without placing an excessive burden on individual members and their families. That is why we are working to increase troop numbers. I must say I was very pleased to hear the Minister of National Defence say just last month that the number of applications for enrollment in the Canadian Forces is already up some 25% from last year.

This government also knows that our men and women in uniform cannot do their jobs safely or effectively without the proper equipment. That is why last June my hon. colleague, the Minister of National Defence, travelled to bases across the country to announce directly to military personnel that they would be getting the equipment that they need.

He informed our soldiers in Halifax that we plan to acquire three new joint support ships to replace the 35-year-old replenishment ships. These will be state of the art multi-role vessels that will enhance our navy's ability to fulfill its domestic maritime security responsibilities and support Canada's foreign policy objectives.

The minister then stood at CFB Valcartier and announced plans to acquire some 2,300 new medium size logistics trucks. These will replace our aging trucks that are plagued by growing maintenance problems. These trucks are the logistics backbone of our army and the acquisition of new ones will dramatically improve the capability of our land forces.

The minister also flew to Edmonton to announce plans to purchase 16 medium to heavy lift helicopters, reinstating a vital capability that aircraft crews and soldiers have done without for over a decade. With these new helicopters our forces will be better able to respond to disasters and emergencies here in Canada and they will be able to protect when deployed on missions abroad.

● (1130)

The final stop on the minister's trip last June was 8 Wing Trenton where he announced a boost to the air force's tactical airlift capability with the planned purchase of 17 new tactical lift aircraft. While he was there, he announced the planned acquisition of a new capability for Canada's military strategic airlift. This acquisition will mark a new era for Canada's military. It is a promise that this government is already delivering on.

Private Members' Business

Just over a month ago the Minister of National Defence, the Minister of Industry, and the Minister of Public Works and Government Services announced that a contract has been signed for four C-17 Globemaster aircraft. By the end of this summer the first of these planes will be on the very tarmac at Trenton where the Minister of National Defence made his initial announcement.

All together, these equipment and support projects total some \$17 billion. But that is not all. In budget 2007 presented just last week by my hon. colleague the Minister of Finance, this new government has announced more. Supporting the development of Canada's multi-role, combat capable defence forces means not only recruiting more people and procuring new equipment, it also means taking care of the very people who fill the ranks.

The latest initiatives outlined in budget 2007 speak directly to the importance of supporting the men and women who wear Canada's army, navy and air force uniforms, and their families.

First, this budget provides for an increase to field operations allowance of soldiers exposed to hazardous and difficult conditions in their work. This increase will bring the army's allowance in line with that of the air force and the navy.

This builds on another initiative that we implemented in December which makes sure that soldiers sent home from the field due to injury continue to receive payments equivalent to the operational allowance they would have received until the end of their planned deployment.

This budget also announced initiatives for our veterans. Canada's gratitude for military service does not stop when military members retire, so our concern for their needs should not stop either. The latest budget provides money to the Department of Veterans Affairs to improve the services it provides to our veterans.

It provides money for the establishment of five new operational stress injury clinics across Canada, doubling our capacity to care for veterans, Canadian Forces members still serving, and their families who may be suffering from operational stress injuries. These clinics provide critical mental health and peer support services to those suffering from things like anxiety, depression and addiction.

The budget also provides for a veterans ombudsman to ensure that Canada's veterans are receiving services according to the standards set out in our new veterans bill of rights.

Our military members make significant sacrifices every day. In Afghanistan today they are ready to put their lives on the line to protect us and everything we stand for. In past missions they have done exactly the same. The least we can do is always make sure that they are taken care of regardless of whether they are in uniform now or were before.

The initiatives of this new government begin to address the military's needs. I say they begin to address the military's needs because these cannot be the end of our efforts. It is important to show our support for this motion today as a pledge of our sustained commitment to rebuilding and revitalizing Canada's armed forces as a symbol of our gratitude and support of our men and women in uniform.

Clearly this government has been supporting Canada's military personnel since day one. We must be diligent in supporting the Canadian Forces just as the Canadian Forces are diligent in serving us.

• (1135)

Mr. John Cannis (Scarborough Centre, Lib.): Mr. Speaker, before I begin my remarks, I want to acknowledge the motion put forward by the member for Renfrew—Nipissing—Pembroke. I say this because we served together on the defence committee and she truly and genuinely cares, as does, I believe, every member in this House. She also has CFB Petawawa in her riding and we know of the losses that were there. I read the poem from the daughter of one of our lost soldiers and I was very moved.

I thank her also because she gives each party the opportunity to engage and express our views and to send the kind of signal that I believe she intends to send through this motion.

I felt very compelled to participate in this debate. As the son of a World War II veteran, I know what the men and women in the past and what these men and women today have gone through and are going through. We have no greater obligation, as elected representatives, than to address those needs and concerns.

However, before I go into that I want to touch a little upon the great history and the pride with which our men and women have served in the past, aside from the two major world war conflicts and others, post-World War II, our Canadian men and women have participated in some of the biggest missions the world has known.

For example, we had 1,007 troops in Egypt between the period of 1956 to 1976. We had almost 1,200 people in Cyprus and that mission was commenced in 1964. To this very day I think we have one or two Canadian troops there. In the Balkans, we had just over 2,400 people, a mission that started in 1992 and went to 1996. In Somalia, we had just over 1,400 people during the period of 1992 to 1993. Again in the Balkans, there were an additional 1,100 people on a mission that took place between 1996 and 1997. In Bosnia-Herzegovina, it began in 1997 and to this very day we are participating.

Those are big numbers for a relatively small nation such as Canada but a nation with a big heart and a great history.

When we talk about our men and women who are serving today, there is no greater responsibility, as the member and other members have pointed out, than to provide them with the equipment they need to do the work that we ask them to do. As the former chair of the defence committee and the current vice-chair, I can say that the committee has always worked cooperatively with one thought in mind: to do the right thing. Yes, we will spar and, yes, we will bring our views forward from different parties but at the end of the day I know we all speak from the same heart and we try to do the best we can.

Private Members' Business

Sometimes when we touch upon some of these issues, they might get a little bit sticky but, as the member for Sackville—Eastern Shore spoke about earlier today, we have a responsibility to the men and women who are serving us.

For example, it is hurtful for us and for Canadians as a whole when we put out information saying that nothing was done. Members know very well that is not the case. I know, for example, that between the periods of 1996 and 1997, 12 frigates were built and the Leopard tanks that are used today were provided by the previous government.

When General Hillier and the Minister of Defence appeared before the committee and talked about the \$17 billion of moneys available for military procurement, I personally asked the general and the minister whether they were referring to \$17 billion in new money, plus the \$13.5 billion or \$14 billion that the previous Liberal government put in the budget, for a total of \$31 billion. The general was kind enough, as was the minister, if I may say, to acknowledge that no, it was primarily from the Liberal government.

• (1140)

How do we provide equipment? We do not go to the store and buy an airplane. We do not go to Wal-Mart and buy a tank. These things are planned, first and foremost, by the military and then a process is followed.

The committee went abroad and visited NATO headquarters. I will just touch upon Canadian pride. The men and women who are serving at NATO headquarters are performing senior responsibilities but they were not appointed. They competed for those positions and they won, which tells us that we rate at the top. All members of the committee were quite proud to see our men and women serving at NATO headquarters.

What did NATO tell us? They basically told us the process. We went to England to see how it did its exercise in terms of military procurement. We were learning, knowing very well that the money was there. Canada First Command under General Hillier was rolled out some years ago. I am pleased to say that the Liberal government of the day put the money there. We all know how difficult it was in the early nineties in terms of the country not having the funds available.

As the son of a war veteran, I also want to touch upon the very important issue of our veterans. Given that our country today has been blessed with tens of billions of dollars in surpluses, surely to God we can allocate some money to meet their concerns.

The present Prime Minister, then the leader of the opposition, made a commitment in writing to Joyce Carter that he would address her issue. I know the VIP program came in under our administration but along the way things changed. For example, today we have the post-traumatic stress syndrome which we might not have been aware of 15 or 20 years ago. We are taking some strides to address that concern as well.

During the Liberal administration, we were asked to address compensation for merchant seamen. We did that but we could not snap our fingers and do it overnight. We had to do assessments.

The current Minister of Veterans Affairs appeared before the committee when I was chair. The member for Sackville—Eastern Shore touched upon the subject of veterans who had been exposed to agent orange and I am glad he did. The current Minister of Veterans Affairs said that his party would solve the problem when it formed government because it had the data. We were missing just a small piece of the puzzle but it has now been a year and a half and nothing has been done. I still get letters from veterans who were exposed to agent orange. If we do not do it now when there is over \$14 billion in surplus, when are we going to do it?

Mr. Bruce Stanton: What did you do when you were in government?

Mr. Bev Shipley: You should have done something while you were there.

Mr. John Cannis: Mr. Speaker, this is what I am trying to get into by way of constructive exchange.

An old Gaelic proverb goes as follows, “There is no greater fraud than a promise not kept”. I do not want to go in that direction. I want to respect the debate, honour our veterans and support them. I again thank the member for Renfrew—Nipissing—Pembroke for bringing forward this motion to the House. This motion is not meant to hit below the belt but if my colleagues across the way wish to do that, I can go in that direction. However, I choose not to. I will rise above that.

We have no greater obligation than to honour the great sacrifice made by our men and women in the past and in the present.

Years ago when a veteran died, the widow would receive six months of benefits. I will use my mother who is a widow as an example. After six months, does the grass stop growing or does the snow stop falling? Surely to God, we could extend the benefits we said to ourselves, and we did. Today we need to add another element, which is the direction in which I encourage my colleagues to take during the debate.

I commend the member for the good work she is always doing, not only on behalf of her riding and on behalf of CFB Petawawa, but for all our men and women.

• (1145)

Mr. Brian Storseth (Westlock—St. Paul, CPC): Mr. Speaker, our government has demonstrated its support for our armed forces from the very beginning and has showed gratitude toward our men and women for getting the job done for Canadians.

Whether it is carrying out search and rescue operations, asserting our sovereignty and ensuring the security in the north, supporting other government departments, including dealing with illegal fishing and product smuggling, and in helping us when we are hit with devastating ice storms, major floods or other natural disasters, our leader, the Prime Minister, and every man and woman in our caucus has demonstrated support of our service men and women at each and every turn.

Private Members' Business

Within this group, we are privileged to have several who have already spent a career serving in our armed forces. Even within this small group, the passion and support for our Canadian Forces personnel is unsurpassed by the member for Renfrew—Nipissing—Pembroke whose motion I am honoured to stand in support of today. I know the member is extremely proud of CFB Petawawa, which is housed in her riding, as I am of the brave men and women of CFB Four Wing Cold Lake and CFB Edmonton in my riding of Westlock—St. Paul.

Duty, honour and country, those are the words that come to mind when one speaks of Canadian military service. I have already mentioned but a few of the functions that our Canadian Forces perform domestically.

We also know that in today's world our military personnel are posted abroad to protect our national interests and promote our values of freedom, democracy, human rights and rule of law. Among other things, they are working closely with our neighbours to the south to survey and protect our skies and to monitor our maritime approaches. Our soldiers, sailors and air force personnel are making a vital contribution to international peace and security all around the world, most notably today in Afghanistan.

Without a doubt, we ask a lot of our military personnel. In carrying out their jobs, they are often faced with difficult and stressful operational environments. They can find themselves dealing with harsh geography, extreme climate conditions and prolonged separations from family and friends. They are willing to put their lives on the line for our country. In recognizing the sacrifices they make for our country, I think it is only fitting that we try our best to ensure they have what they need to be successful in their jobs.

I am pleased to note that since the government took office in February 2006, we have moved quickly to begin rebuilding our Canadian Forces. Budget 2006 and this year's budget reflect that commitment.

Just last week, our Minister of Finance announced several new initiatives to bolster our military. Among other things, the government will invest \$60 million to increase the field operations allowance, set up five new trauma centres to help veterans and their families deal with stress injuries related to their military service, and advance \$175 million of budget 2006's \$5.3 billion to the 2007-08 from the 2009-10 budget. This acceleration will help us to implement the Canada first defence plan.

The new budget demonstrates yet again that the government supports our military. It complements and builds upon our first budget which committed \$5.3 billion over five years for defence to address some of the immediate needs of our Canadian Forces.

Among other things, budget 2006 funding will help support the transformation of military operations and defence administration but this funding will also help the Canadian Forces acquire new equipment so they can better carry out their domestic and international roles.

It is the last point that I would like to focus on today, if I may, equipping our Canadian Forces. As the motion before us asserts, we want to support our men and women in uniform by providing them with the best possible equipment to help them succeed in their roles.

I am proud that in June of last year the government made a firm commitment to our military personnel to acquire new equipment for them. In fact, we have already made several procurement announcements. These investments are long overdue.

Most members here will know about the government's recent announcement which finalized the contract for the strategic lift. Strategic airlift is required to carry a large number of passengers and oversized cargo long distances, not only within Canada but also between Canada and the theatre of operation.

In the past we have often had to rely on our allies to get our troops and equipment into theatre. These new aircraft will change all that. With the C-17s, the Canadian Forces will be able to better deliver equipment, supplies and personnel on their own terms, where they are needed and when they are needed.

Our military personnel will be faster and better at reaching out to all our communities, including those in the far north and the Arctic. Our disaster assistance response team, or the DART, will be capable of flying quickly anywhere in the world if called upon in the event of a natural or humanitarian disaster. They will be able to fly heavy equipment, such as generators, water purification systems and hospital units, to areas that desperately need our support.

I am pleased to note that the government has committed to meet the long overdue need to replace our aging Hercules. Our Hercules fleet has logged more flying hours than any military Hercules fleet in the world. New tactical airlift will also improve the way our Canadian Forces manage on domestic and international operations.

• (1150)

These planes are a lifeline for our Canadian Forces men and women who are deployed on operations. They are used for transporting equipment, troops and supplies from within their area of operation. They need to be replaced. The government is wasting no time in doing exactly that.

Similarly, this government recognizes the need to purchase new medium to heavy lift helicopters to support our troops in meeting the challenges posed by increasingly dangerous environments that today's mission presents. At home and abroad, the helicopters will allow the Canadian Forces to reach remote and isolated locations and respond more quickly and efficiently to emergencies.

To date, our Canadian Forces on operations have had to rely on our allies to provide helicopter transport. This limits our military's ability to conduct independent operations. It also means that our troops have had to opt for ground transportation when helicopters have been unavailable. This places them at a greater risk of ambushes, landmines and improvised explosive devices.

The new helicopters will significantly reduce these risks. They will also increase Canadian operational independence and enhance our credibility with key allies and international organizations.

Private Members' Business

The Conservative government has also committed to move forward with the joint ship project. We will procure three new ships to improve our military's ability to travel significant distances and stay deployed for extended periods of time. The new ships will enable naval task groups to remain at sea for up to six times longer than they can now.

Finally, our procurement initiatives include the purchase of approximately 2,300 new, medium size logistic trucks. For some time now this has been one of our military's most pressing equipment needs. These new trucks will replace the current fleet which has been in use since the 1980s and is reaching the end of its service life.

Whether deployed on operations overseas, providing assistance during domestic emergencies or in day to day operations in Canada, these vehicles will be the army's backbone, getting supplies and people where they are needed in the most efficient way possible.

I believe these procurement announcements will help the Canadian Forces in their current missions both in Canada and around the world, as well as allow the Canadian Forces to meet the challenges they will face in the decades to come.

We cannot stop there. Our military has a tradition of success and a culture of excellence, from the trenches of the Great War on the battlefields of Europe, Vimy Ridge, Somme, Ypres, to the defining moments of the second world war, the Battle of the Atlantic, the liberation of Holland and Juno Beach. These words alone spur on images of Canadian soldiers from Edmonton, Calgary, Fort Assiniboine, Cold Lake, Westlock and countless other small communities across our country helping to define our nation, while defying overwhelming odds to bring freedom and hope to people and places in the world whom had long since given up on such thoughts.

It is from these brave men and women that we have learned that it is our responsibility to protect and defend democracy, that we cannot take solace in the oceans that separate us because isolationism will not work and cannot work in a world that is continually growing smaller.

I am proud to say that this tradition that was started over a hundred years ago is still being carried on today by the men and women in Canadian Forces uniforms. I have met many of the men and women from my riding who have taken on the responsibility of carrying on this tradition. I have had the privilege to greet many of them on cold windswept nights on the tarmac and look them in the eye and thank them for their service, and on too many occasions I have looked in the eyes of their loved ones that they have left behind.

These men and women draw out an emotion in all of us that comes from our inner core. It is one of overwhelming gratitude and as we speak with them we cannot help but to ask why. The answer I consistently get back is duty, honour and country.

It is for these reasons that we must accept our duty as parliamentarians to show support not only by kind words, but by actions. Our men and women of the Canadian armed forces have demonstrated beyond any doubt that they are worthy of the crests they wear. It is now our duty to our country to honour their commitment by providing them with the equipment and resources they need to continue to excel at their job.

This is why I am proud to support this motion. Thank you Mr. Speaker and God bless.

The Acting Speaker (Mr. Royal Galipeau): Before I recognize the hon. member for Renfrew—Nipissing—Pembroke, I need to advise the House that this will be her right of reply. After she speaks, no one else will speak.

The hon. member for Renfrew—Nipissing—Pembroke.

• (1155)

Mrs. Cheryl Gallant (Renfrew—Nipissing—Pembroke, CPC): Mr. Speaker, I wish to thank all members in the House who participated in the debate on Motion No. 244 and thank the representatives of the other parties for indicating that their parties intend to support the motion.

I hope that all members of the House share my belief that an all party expression of support by the House is appreciated by the families of our serving military members. I thank the members for Vancouver South and Scarborough Centre for their kind words regarding the poem written by Jocelyn Girouard, daughter of Chief Warrant Officer Robert Girouard, entitled, *Dear Daddy*, that I had the privilege of reading in the House.

If anything demonstrates the human dimension of what we do in this place, it has to be when a decision is made to send Canadian women and men to one of the world's most troubled spots and the possible tragic outcome such a decision may have.

Sometimes in the cut and thrust of debate in this place emotions rise. Members, however, must never lose sight of who exactly is being impacted by what is being said. My motion is for the friends and families, and daughters like Jocelyn Girouard, and the sons, daughters, spouses, fathers and mothers who are left behind.

As an MP elected in 37th and 38th Parliaments, this House knows that I conscientiously and sincerely represent the best interests of all Canadians in questioning the government of the day about defence policy. Never among the rank and file of the men and women in uniform was my loyalty to Canada ever questioned, and never among Canadians was my loyalty to Canada questioned in the context of my role of providing scrutiny to the government of the day. It was my constitutional role as a member of the loyal opposition in the previous parliament.

There are numerous opportunities for members of the opposition to hold the government accountable for its actions and this is a unique time. Not since the Korean war has Canada been vigorously engaged in an international conflict. From the time the previous government committed Canada to send soldiers to Afghanistan, it has been a steep learning curve.

I thank my colleague for Bruce—Grey—Owen Sound for his contribution to this debate and more importantly for his support for the women and men who are currently serving overseas, not just in Afghanistan but in many other locations around the globe, including right here at home.

He reminded Canadians that when a job needed to be done, from providing flood relief in Manitoba to digging Toronto out of a huge winter storm, our troops were there.

*The Budget***GOVERNMENT ORDERS**

[English]

THE BUDGET

FINANCIAL STATEMENT OF MINISTER OF FINANCE

This past summer I had the pleasure of attending the salmon spectacular in Owen Sound and had the opportunity to meet the member interacting with some of the soldiers from Meaford, which is a base in the member's riding. What they expressed was that they really appreciated, and it makes a difference, seeing the outpouring of support from Canadians, be it wearing a ribbon, wearing red on Fridays or sending the troops mail overseas.

However, one thing that was expressed was that it was not quite enough to wear the ribbon to say they supported the troops. They needed to know that Canadians understand and support what they are doing.

I would like to thank the member for Scarborough Southwest for his comments as well. He is a wonderful member to work with on the committee and the member for Sackville—Eastern Shore. He mentioned the SISIP deduction. The government is committed to ensuring that those who sacrificed so much to defend Canada do receive their fair compensation.

The member Northumberland—Quinte West mentioned the OSISS allocation in the budget. I would hope that all the members who expressed a concern over post-traumatic stress disorder will be supporting the budget as well as this motion.

•(1200)

In closing, I would like to ask all members of this House to not forget them and, on behalf of the women and men and their families, thank them for supporting Motion No. 244.

The Acting Speaker (Mr. Royal Galipeau): It being noon, the time provided for debate has expired. Accordingly the question is on the motion.

Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Royal Galipeau): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Royal Galipeau): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Royal Galipeau): In my opinion, the yeas have it.

And five or more members having risen:

The Acting Speaker (Mr. Royal Galipeau): Pursuant to Standing Order 93, the recorded division stands deferred until Wednesday, March 28, just before the period of time set aside for private member's business.

The House resumed from March 21 consideration of the motion that this House approves in general the budgetary policy of the government, and of the amendment.

Mr. Tom Lukiwski (Parliamentary Secretary to the Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Mr. Speaker, at the outset, I would like to inform you that I will be splitting my time with the hon. member for Lévis—Bellechasse.

I am very pleased to stand in this place today to speak in favour of budget 2007, which works well on behalf of all Canadians. In addition, I want to speak specifically about how it impacts my home province of Saskatchewan and, more particular, dispel some of the myths that we have heard from assorted local politicians and media members about the equalization program.

This is a good budget for a number of different reasons and on a number of different levels.

First, it talks about fixing the fiscal imbalance. We had a situation with members of the Liberal Party who refused to admit that there was something known as a fiscal imbalance. We admitted it freely prior to the last budget and we took steps to make reparations, to fix what was known as the fiscal imbalance and turn it into a fiscal balance, where all provinces would receive increased benefits through transfer payments. More important, a set of rules would be established so that all provinces, on a go forward basis, could see exactly how these transfer payments would be structured and the formulas used to enact payments to the provinces on a yearly basis.

This has troubled provinces for the last 20 or 30 years. Finally we can say that we have put those fears to rest and the fiscal balance has been established.

However, it goes beyond dealing with the provinces. We also see in budget 2007 great advances and moneys made to different sectors of our economy.

Agriculture, as an example, is benefiting greatly. Over \$1 billion of new money are going to agricultural producers, some of it in the form of a new safety net program, similar to the old NISA program, in which \$400 million of the \$1 billion would go as cost of production moneys to producers and \$1.5 billion would go toward increasing and promoting our fledgling biofuels industry.

The Budget

I have said in and outside this place on many occasions that while I do not think the biofuels industry itself will be the absolute panacea for all our agricultural concerns, it will certainly go a long way to ensure that agricultural producers will have another market for their product. I think we will find in years to come that commodity prices will increase and we will see the ancillary benefits of the biofuels industry, allowing producers to engage in and invest in the industry in a meaningful way. Therefore, they will finally be part of an industry that will use some raw products and produce a product that will be in great demand across the province. It is a great day for Saskatchewan agricultural producers.

We have also seen increased money for seniors, the environment and a lot more money for infrastructure, which I totally applaud. There will be over \$33 billion over the next seven years for infrastructure. I know how that will impact my riding. I have been working with some of the municipalities within my riding of Regina—Lumsden—Lake Centre on projects that require infrastructure money, and we finally have it. We have a secure, predictable pot of money for infrastructure projects that will assist all municipalities and combat the infrastructure deficit, which they have talked about for the last number of years. It is a great day for Saskatchewan's towns, villages and large cities.

I will turn my attention for a moment to the one aspect of the budget that seems to be generating the most controversy, at least the most discussion, in my province of Saskatchewan, and that is equalization.

In the campaigns of 2004 and 2006 Conservatives said that they wanted to revamp the equalization formula. We said that we would switch from a five province standard to a 10 province standard, and we did that in budget 2007. We said that we would allow provinces to exclude 100% of non-renewable natural resources, and we did that in budget 2007.

The point of controversy is the fiscal cap that we have also introduced. I want to spend a few moments on explaining why this is an absolutely fair and right thing to do in terms of equalization throughout the country.

● (1205)

As most people know, equalization is a constitutionally entrenched program, which was established in 1957 in an effort to allow all provinces within Confederation to deliver services at relatively the same level of taxation as their neighbours. To do that, a formula was established to try to determine the fiscal capacity or relative wealth of each province. The provinces that were not quite as well off, that had a lower than average fiscal capacity, would receive equalization payments. That program had gone through numerous changes in the last 50 years, but there was never really a concrete set of rules that would allow provinces to forecast into the future what their equalization payments would be. Nor was there a set of firm or fair rules that would establish the payment to have not provinces from the equalization formula. That is what we have done.

However, many local politicians and some federal politicians have joined in the debate over the controversy in Saskatchewan. They have said that Saskatchewan is being penalized because even though there is 100% removal of non-renewable natural resources, it will not be receiving the full amount of that because the cap.

The cap is put on to ensure that no equalization receiving province will end up with a fiscal capacity higher than a non-receiving equalization province. In other words, no province that receives money from the equalization program should be then in a position of greater wealth than a province that does not receive equalization moneys. That just stands to reason.

An analogy that I like to use, and I have used on a number of occasions, is a situation when I was much younger. I had a group of friends, who were probably eight, nine or ten years old at the time. We would hang out together, go to movies, parties and that kind of thing. I can recall that one of our friends never seemed to have as much money as the rest of us.

When we had a plan to go to the movies, for example, this young fellow would go around to the rest of us and ask if we could lend him a 25¢ or 50¢ to help him get in to the movie. The odd time when we got into the movies lo and behold we found the guy who had borrowed the money ended up with more money than the rest of us. What would really tick me off was he would buy more candy than we would and he would not share it. I did not think it was fair at that time and I do not think the concept is fair today.

That is what we are talking about today. The cap ensures that no equalization receiving province would have a higher fiscal capacity than a non-receiving province. We put Ontario as the benchmark.

Members like the member for Wascana, Premier Calvert and Mr. Brad Wall, the leader of the Saskatchewan official opposition have decried this. They say that it is unfair to Saskatchewan. However, they are missing the concept of equalization. Equalization and the spirit of equalization is intended to equalize the revenues and the fiscal capacity among provinces. It is not meant for one province to take money and then end up in a higher fiscal capacity situation than the provinces that give the money. That is just not fair and it does not make sense.

Therefore, in my opinion, the criticism from some of those politicians is nothing more than cheap political partisan politics made for political gain on a short term basis. What the equalization program also does is protect Saskatchewan.

God forbid my home province ever gets back into a have not category, but should it happen, this equalization formula, because it eliminates 100% of non-renewable natural resources, will allow Saskatchewan then to participate in the equalization program and receive much more money than it has ever done in the past.

The other point I want to make is this. Some of the critics of the equalization formula are pointing to next year's projections and saying that Saskatchewan is projected to receive no money from equalization because of the equalization formula being revamped and because of the fiscal cap. I wish to dispel that myth.

Should Saskatchewan receive no money from equalization next year, it is because it does not qualify for equalization. Its wealth is such that it does not qualify. Similarly Ontario, which has never received one penny from equalization in the 50 years since the program was established, and Alberta, which is the wealthiest province in Confederation these days, do not receive equalization payments.

The Budget

If Saskatchewan gets to the point where it does not receive equalization, it is in that position because of its wealth. It has now the third hottest economy in Canada. That is something we should be celebrating. We should be standing up and saying that finally Saskatchewanans can stand on their own two feet.

Yet we have our critics. We have the member for Wascana, Premier Calvert and others saying this is a bad thing. They want to continue to be on the government dole and receive money from every other provinces, regardless of their situation economically. It is just not fair. We put rules in place to ensure that all provinces will be treated equally. That is why Saskatchewan is a big winner in this budget. That is why Canadians are big winners in this budget.

• (1210)

Hon. Garth Turner (Halton, Lib.): Mr. Speaker, I listened to my hon. friend's comments with some interest. I have often thought that the transition from citizen to politician is complete when a person is elected and goes to Ottawa then all of a sudden turns around to tell his riding, his voters and province what they should think and argues passionately in the House of Commons for less for his particular region, voter or people. That typifies the hon. parliamentary secretary's comments. He is now arguing for less for his people and his province and is justifying a federal government formula which his own province violently opposes.

I have two questions for the hon. member.

First, would he comment on two things that were published in the media the other day, in a Canadian press report, which was carried in his province? One is the comments of Premier Calvert pointing out that the budget imposes this cap on equalization payments. Maybe he could explain it me. I am from Ontario and we do not need all that stuff, but as far as I know Saskatchewan does. Mr. Calvert says that regardless of which formula is used, the province only gets \$226 million this year, not the \$800 million for which the province had hoped.

Second, could the hon. member comment on some of the comments made by one of his provincial colleagues the other day, another member of the House, who called Premier Calvert a liar? His colleague actually said the premier was "lying through his teeth". Does the hon. member agree with that? Is the premier of his province a liar or is his hon. colleague on that side of the floor a liar?

Mr. Tom Lukiwski: Mr. Speaker, I find it very interesting that the hon. colleague from Halton stands in this place and says that he is amazed that someone would go to Ottawa and then start speaking on issues other than on what he was elected.

I believe the member for Halton has a lot of explaining to do to his constituents. He said that he believed anybody who crossed the floor should immediately resign and run in a byelection. Yet the hon. member for Halton has done exactly the opposite. It is a bit hypocritical to hear the member stand in this place and criticize any member at any time or any issue.

Hon. Garth Turner: Answer the question.

Mr. Tom Lukiwski: We have a lot of shots from the cheap seats, the peanut gallery over there. It just goes to show that we touched a nerve, that the hon. member knows he was wrong in what he did, yet he does not have the jam to stand up and admit he was wrong.

With the respect to the member's questions on equalization and why we now say we want to see the equalization formulas revamped in an honest and fair way, and that is all we have ever said, there has to be rules of fairness and equity. That is exactly what this equalization formula does. In particular, it is reflective of the relative fiscal capacity of each province, and situations change from year to year. This is something that clearly the member does not understand.

Three years ago, if the current rules were place, Saskatchewan would have received probably up to three times as much money as this year. The fact is this. Over the last number of years, the Saskatchewan economy has taken off, far beyond anyone's expectations, and the equalization payments are reflective of that.

• (1215)

Mr. Dennis Bevington (Western Arctic, NDP): Mr. Speaker, I congratulate my hon. colleague from Saskatchewan for his presentation and his note that Saskatchewan's economy is doing so well under the able leadership of Lorne Calvert and the New Democratic Party. Even though Saskatchewan has had to fight its way through and has not had the glorious resources that other provinces have, it has done very well with what it has.

Fiscal imbalance, resource revenue sharing are all important issues to my riding as well. It is a jurisdiction, a province in waiting. The movement on devolution and resource revenue sharing for our region is not in the budget. It has not happened. Every year that it does not happen, whether it under the Liberals or under the Conservatives, we lose hundreds of millions of dollars.

Does the member think this is a fair situation for a burgeoning new territory to be held back on its fiscal ability to build the infrastructure to allow it to create a province that can rival the others in the country?

The Acting Speaker (Mr. Royal Galipeau): The hon. parliamentary secretary should know that the hon. member for Western Arctic made the clock expire, but I will allow a short moment to respond.

Mr. Tom Lukiwski: Mr. Speaker, I appreciate your indulgence. All I can say to my friend, the hon. member, is that each province has its own ability to create its own set of circumstances, which allows its fiscal capacity to rise. We have seen that in Saskatchewan. I wish him all the luck in hoping that his territory does the same.

[*Translation*]

Mr. Steven Blaney (Lévis—Bellechasse, CPC): Mr. Speaker, as the representative of families, businesses and seniors in Lévis, Bellechasse and Les Etchemins in this House, I am honoured to take the floor today to give my unequivocal support to the 2007 budget of Canada's new government, an historic budget that will restore fiscal balance for taxpayers and steer a steady course towards sustainable development.

The Budget

You are aware of my environmental convictions and my dedication, and that of all parliamentarians, to make this a country with a healthier environment. You are also aware of my steadfast support for families and workers. Thus, I am pleased with the Minister of Finance's initiatives contained in the new budget. We are turning the page on a long decade of inaction and empty speeches and we are taking action in four strategic areas: restoring fiscal balance in the Canadian federation, adopting effective measures in the environmental sector, supporting families and seniors and investing in infrastructure.

The citizens of my riding are hard-working and dynamic people. They are proud to live in such a beautiful region. Today, I am pleased that some constituents from the riding of Lévis—Bellechasse are present in the House. I am proud to welcome the Paquet family with their daughter Émilie Paquet, world champion in traditional kata, and her coach, Dgina Girouard. I extend a very warm welcome to them in this House, the House of Commons that is their own. I would like to say to them that we are here working on behalf of the families of Bellechasse and for the good of the community.

I would like now to cite some examples of the concrete measures contained in the 2007 budget to help families enjoy a better life. We are talking about fiscal policies that support the family, substantial transfers to the provinces, sustainable, planned transfers, and a new beginning for our municipalities to create healthy, positive communities. We are talking about substantial sums of money over a long period to correct the fiscal imbalance. We are talking about \$39 billion over seven years that will be redistributed to the provinces and in doing so meets a commitment that we made during the election campaign. In my riding, people often say to me, "You are doing what you said you would do and you are delivering the goods". That was a basic commitment of our campaign; a commitment by our government and, today, by means of the 2007 budget, we are delivering the goods, not just for one year but for seven years; \$39 billion over seven years.

With that money, Quebec, like the other provinces, can properly fund its social programs and continue to offer quality services to our fellow citizens. Among other amounts, we are talking about \$21.3 billion in additional funding for health care. That is in addition to existing agreements.

It is important to remember that by restoring fiscal balance, the government is helping to strengthen the economic union; it is making Canada a strong nation, in which our wealth is distributed fairly and the specific needs of each province are recognized.

Restoring fiscal balance was the first priority. The second is the environment. Focusing on the environment has become a necessity if we are concerned about our future and the future of our children. Protection of the environment has become a priority. We must preserve the natural bounty that makes Canada the envy of the world. Concrete measures for the environment include \$4.5 billion to be invested in ecoenergy to improve the energy efficiency of homes and businesses and to promote development of clean energy technology. In addition, the ecotrust program will provide \$346 million to Quebec for implementation of its climate change plan to reduce greenhouse gases. The time for empty speeches is past; it is time for action. We are taking action, and in doing so we

are giving Quebec the tools to show leadership on the environment within the Canadian federation.

Last week, I was in Montreal with the Prime Minister at AMERICANA, the largest environmental technology trade show in North America. It was the first time that a prime minister has served as honorary president of this major environmental trade show, and our Prime Minister renewed his commitment to make Canada a "clean energy superpower".

• (1220)

We need energy for transportation and to feed ourselves. We should be able to do this on a sustainable basis. This is why our new budget introduced two measures to promote environmentally-friendly transportation. I consider these measures very important because they encourage taxpayers who display environmentally positive behaviour and introduce consequences for polluters. For instance, there will be rebate of up to \$2,000 for the purchase of a new fuel-efficient vehicle and, conversely, a green levy on new fuel-inefficient vehicles. These are two real and significant incentives that will have a direct impact on the pocketbooks of taxpayers willing to do something to help the environment.

Furthermore, as we all know, the Alberta oil sands are being developed. They represent a significant source of energy production, but we must ensure that they are developed while respecting the strictest environmental standards. Our government will do this by phasing out the accelerated capital cost allowance and encouraging that industry to develop new, clean technologies, such as carbon capture and storage.

Those are concrete measures to counter the fiscal imbalance and favour the environment.

I would now like to talk about families. The budget contains good news for families—like Mr. Paquet's family, who are here this morning—because families work hard and already pay too much in taxes. The government therefore introduced advantage Canada, a long-term plan that, as the Minister of Finance indicated, rewards hard work and encourages job creation. Also, Canadian families will receive a \$2,000 tax credit for every child under 18. This means \$310 per child in the pockets of families. This builds upon the initiatives in the previous budget, such as the \$500 tax credit for sporting activities. These additional measures in no way diminish the importance of the \$100 a month the government pays for every child under six. In fact, we are correcting the fiscal imbalance, not only with the provinces, but also with taxpayers. There was also a tax disadvantage for married couples. This amount will be adjusted, which will mean a tax break of \$209 for married couples.

The Budget

As far as our seniors are concerned, our government made a brave decision by eliminating tax advantages to income trusts. This was done together with a measure to benefit senior couples, that is, income splitting. This is an intelligent solution that allows the transfer of a portion of the higher income to the lower income, thereby lowering the couple's tax rate. One of the boldest social measures in this budget is the one that helps people who enter the job market at low wages. In order to help them enter the job market more completely, our minister has implemented measures to break down the welfare barrier and ensure that low-income workers are not disadvantaged in comparison with welfare recipients. This is a practical tax measure to help workers who are in great need of it.

In my riding of Lévis—Bellechasse there are a number of businesses. I like to say that my riding is the economic tiger of Bellechasse, with its many manufacturing and agricultural businesses. I received over a hundred letters from these businesses asking us to increase the lifetime capital gains exemption, which is currently \$500,000. Budget 2007 increases the exemption to \$750,000, which is very good news for the farms and small businesses in Lévis—Bellechasse. As hon. members can see, there is something for the imbalance, the environment and for families. Nearly 30 municipalities in Lévis—Bellechasse need to make major infrastructure improvements. More than \$16 billion has been added over seven years for a total of \$33 billion for infrastructure. This is a record in Canada. This funding will be used to improve drinking water treatment systems and waste water treatment, and to ensure working sewage and water systems. I call on all parliamentarians to join me in saying yes to the budget, yes to Quebec, yes to fiscal balance, and yes to Canada. I hope they will support us during the vote on budget 2007 in this House.

• (1225)

[English]

Hon. Garth Turner (Halton, Lib.): Mr. Speaker, I listened to my hon. colleague with much interest and congratulate him on his speech on the budget.

I have a question for my friend. It relates to the premier of the province of Quebec, Jean Charest. Of course today an historic election is being held in the province of Quebec, which could yield an historic result if the polls are correct. Immediately after the budget, funds were transferred to the province of Quebec, funds in excess of a 34% increase over what had been sent to that province previously. Monsieur Charest declared in a speech that he would be using \$700 million of those funds for a personal tax cut for the citizens of the province of Quebec, presumably if he is returned as premier tonight.

Could my hon. friend comment? Many of my constituents have been in touch with me and have said that it seems quite unfair to them that constituents of my riding of Halton in Ontario did not get an income tax cut from this budget. They felt it was rather unfair, in fact, that income taxes were raised in the first Conservative budget of 2006 and that the lowest tax bracket was raised, not lowered, as many people had thought.

There was no income tax break whatsoever for the people of my riding or the people of Ontario or in fact the rest of Canada in this federal budget, yet Monsieur Charest is taking the increased transfer payment and using it to drop taxes in the province of Quebec. How

does my hon. friend justify that? If he could give me an answer I could relay to my constituents to help justify this situation, it would be helpful.

[Translation]

Mr. Steven Blaney: Mr. Speaker, I would like to thank the member for his question. Today is election day in the province of Quebec. It is important to let democracy speak. Today, it is Quebecers' turn to speak. I therefore encourage them all to go to the polls today.

I have a question for my colleague opposite.

He has an opportunity to support a budget that puts an end to 13 years of inaction on environmental issues, during which time greenhouse gas emissions rose by 35% in Canada.

We have put an end to fudging the numbers and we have given Canadians the straight goods by telling them that concrete measures must be taken to fight climate change.

Moreover, our budget will restore fiscal balance in this country and will ensure stable funding for Ontario, New Brunswick, and all of the provinces, thereby giving them a solid foundation for long-term budget planning, which they did not have before, and responding to the Council of the Federation's requests.

Does my colleague opposite support this budget, which will improve the Canadian federation and help build a stronger country?

• (1230)

[English]

Mr. Wayne Marston (Hamilton East—Stoney Creek, NDP): Mr. Speaker, following the Liberal error, I mean era—I guess error could apply and it is a Freudian slip if I ever heard one—there are more Canadian people sleeping in our streets and more Canadian children going to bed hungry. There is nothing in the budget to address poverty.

Beyond that, the new mayor of Hamilton, Mayor Eisenberger, came here and spoke to the government in regard to Randle Reef, the most significant environmental hot spot in the Great Lakes. Ninety million dollars is needed to clean up that one spot alone, but there is a mere \$11 million in the budget.

As well, in Hamilton there is a crisis in manufacturing, as there is across Ontario. We have lost 125,000 jobs. Hamilton Specialty Bar Corporation is in crisis and is about to fold. Can the member tell me why an industrial strategy to protect Canada's manufacturing sector and to keep those jobs was not contained in this budget?

[Translation]

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

The Budget

Last Friday I visited a business in my riding, a cooperative in Bellechasse, where I was told that there is an excellent way to stimulate the manufacturing sector, a measure that would give the sector a shot of adrenalin. This measure involves writing off investments over a two-year period, 50% per year. This is an excellent measure that has been very well received by the manufacturing sector and needs the government's support.

This budget includes measures that will stimulate the Canadian manufacturing sector.

[English]

Ms. Colleen Beaumier (Brampton West, Lib.): Mr. Speaker, I will be splitting my time with the member for Charlottetown.

With Monday's budget speech and the follow-up spin control true to form, the Conservative government is again trying to paint a picture of itself that has nothing to do with the reality that lurks behind its public facade. Sure there are bells and whistles in this budget. There are baubles and trinkets. Not surprisingly, there are plenty of little economic treats that can be digested in unreflective sound bites.

As is so often the case with the Conservatives, things are not really as they seem. Despite all the showy gestures behind all the jolly generosity, there is actually very little of substance or vision in the budget. Never before has a finance minister spent so much of Canada's hard earned wealth and yet managed to accomplish so little for Canadians.

For my own constituents in Brampton I see nothing of substance or vision. I see no initiatives that will immediately address hospital wait times, and the real and daily hardships that result for the people of Brampton because of them.

I see nothing like a long term, predictable funding mechanism to address public transit. Nor do I see an integrated and comprehensive plan to reduce traffic gridlock. Ad hoc projects will never defeat this wasteful hardship affecting the well-being of real people in Brampton each and every day.

I do not see any broad based tax relief for the taxpayers and the businesses employing Brampton's residents. Certainly, there are targeted cuts, but they add up to a whole lot of nothing for most Canadians, especially for our brothers and sisters and our sons and daughters who are working hard today so they might raise a family in comfort tomorrow.

As important as all of these considerations truly are, I am rising in the House today to call attention to an unsettling and disturbing silence that lurks in the budget and is obscured by the Conservative Party's shrill and deceptive fanfare. Indeed, it is a disturbing and unsettling silence that lurks at the very heart of the Conservative government. Moreover, it is a silence which, I think, concerns all Canadians.

Today I want to call attention to how little attention the Conservative government pays to the reality of racism as it exists in Canada today. I see nothing in last Monday's budget which improves the federal government's activities to combat racism or anything that directly and immediately improves the conditions of a new visible minority in Canada.

It is tempting, I suppose, to say that racism is no longer a reality in Canadian society and that there is no longer any need for substantial federal funding to combat racism, to promote inter-cultural understanding, and to encourage new Canadians to participate in community and civic life.

It is very easy to hope that Canada's splendid economic successes initiated by previous Liberal governments were to the benefit of all Canadians, regardless of their social, cultural or ethnic identity. Unfortunately the hope is false. Racism is still very real in Canadian society today. The facts speak for themselves.

Visible minorities settling in Canada in 2007 can expect to be much worse off than if they had arrived in the 1970s, despite meeting stringent selection criteria and being more skilled and educated than ever before.

A study of Statistics Canada's latest ethnic diversity survey published in January 2007 by the Institute for Research on Public Policy revealed that newly arrived visible minority immigrants earned 23.2% less than their white counterparts. They made only about 65% of the earnings of native born Canadians. Even more disturbing was the fact that the poverty rate for visible minority immigrants was 26.6%, that is almost double the poverty rate for other Canadians. As a result, 40% of all new visible minority Canadian children now live in poverty. The IRPP report also revealed that over one-third of visible minorities reported experiences of discrimination.

● (1235)

The net result is that new Canadians, and especially the first generation of Canadians to be born here are feeling increasingly alienated and unhappy with their place in Canadian society.

This is bad news for all Canadians. It is bad news because alienation, poverty, ongoing hardship and dissatisfaction for any person or community are the root causes of gangs, violence and crime.

It is bad news because racism leads to growing inefficiencies in the market. The best people should fill the best jobs, regardless of their social, cultural or ethnic origin.

It is bad news because the best and the brightest of potential immigrants will no longer regard Canada as the blessed place of genuine opportunity and advancement.

The Budget

It is bad news because unaddressed racism in our own country makes Canada's tough talk on matters of international principle and human rights seem hypocritical in the eyes of the international community. If a government truly wants to be tough on crime, if a government truly wants to encourage growth and promote the economic well-being of all Canadians, if a government truly wants to attract the best and the brightest the world has to offer, and if a government truly wants to earn the respect of the international community, it must work hard to eliminate racism within its own borders.

I see nothing in the Conservative budget which makes the battle against racism a priority or even a general concern. This, as I said, is bad news because racism harms all Canadians socially, culturally and economically.

The Conservatives I expect will attempt to trumpet their nominal efforts to promote the economic integration for new Canadians. However, this only demonstrates how little they understand the true nature of the problem. Economic integration alone will never eliminate racism and true economic integration is impossible so long as racism remains prevalent.

It does not matter how rich people may be or how prestigious their degree may be, in the eyes of a bigot they will always be treated as second class citizens. Bigotry, racism and social discrimination has to cross all levels of society and will only be conquered by the combined efforts of all Canadians and all levels of government, but especially the federal government. The federal government has a special duty to fund initiatives which will promote inter-cultural understanding, increase participation in community and civic life and combat racism.

One such initiative is Canada's much acclaimed official multiculturalism policy. Introduced in 1971 by Prime Minister Pierre Elliot Trudeau, Canada's official multiculturalism policy is highly regarded throughout Canada and the world. The policy, which operates within a bilingual framework, requires the government to assist all cultural groups to develop and contribute to Canadian society, to overcome barriers to full participation, and to promote cultural interchange among all Canadians in the interests of national unity.

Today, the Department of Canadian Heritage administers a number of multicultural programs which are meant to meet the obligations of the policy, including Canada's action plan against racism.

I do not really understand but both the Prime Minister and the Secretary of State (Multiculturalism and Canadian Identity), one time members of the Reform Party, have both actively and publicly campaigned for the abolition of Canada's official multicultural policy and for the elimination of supporting funds.

Furthermore, the present Prime Minister publicly reaffirmed his long time goal of eliminating all federal funding in support of Canada's multiculturalism policy, although the numbers in Monday's budget on this issue are murky and deceptive, and this seems intentional. When we dig at it a little, it becomes apparent that the Prime Minister is one step closer to achieving his aim, and this disturbs me.

My claim is that straightforward racism remains prevalent in Canadian society today and if the government is truly intent on improving the well-being of all Canadians, it must work very hard to eliminate racism in the here and now. I see nothing in the budget which makes elimination of racism a priority.

Instead of writing cheques to aggrieved citizens tomorrow, I say let us push for a society without racism and without further cause for apology today. Nothing in the budget moves us substantially closer to this goal and should be a great disappointment to all Canadians. This is one reason again to vote against the budget.

• (1240)

Mr. Dean Del Mastro (Peterborough, CPC): Mr. Speaker, I listened to the hon. member's speech and I would have to conclude that it is only dealing with platitudes, idealism and outright fiction. In fact, it is not based on truth whatsoever.

I would love to hear from the hon. member as to whether or not she thought the landing fee that was instituted by the Liberal government constituted racism or whether or not the failure of the Liberals to come up with any kind of system to recognize credentials for foreign workers constituted racism.

I would love to know whether her contention that poverty leads to gangs, violence and crime implies somehow that immigrants who are not able to get their credentials recognized become criminals? What exactly is she saying because it was extremely confusing to me and it sure dealt with a lot of fiction and not much truth.

Ms. Colleen Beaumier: Mr. Speaker, I think that is a sanctimonious attitude. We know that the foundation of the Prime Minister was to get rid of multiculturalism. We know that the foundation and one of the five principles of the constitution of the Reform Party was to eliminate multiculturalism. I do not see how anyone in the Conservative Party, pretending that this is a new Conservative Party, can possibly deny the heritage that led to the formation of that party.

Hon. Shawn Murphy (Charlottetown, Lib.): Mr. Speaker, the issue I will be talking about today is an issue that I believe has not been mentioned in this debate before. It is an issue that I consider to be extremely significant and will have profound and significant repercussions, especially to the smaller provinces and their ability to fund their health care systems, post-secondary education and social services.

I am talking about the fundamental restructuring and the changes to the funding formula for the Canada social transfer and the Canadian health transfer. These changes, which I consider to be profound and fundamental, have really gone on without too much comment from the media, the analysts or anyone else for that matter.

To put my comments in perspective I will go back to 1977 when the federal government, in an effort to allow the provinces the ability to fund the growing health care system and the growing social safety net, agreed at that time that it would transfer certain tax points to the provinces. The actual numbers were 13.5 tax points on personal income tax and one tax point on corporate income taxes.

The Budget

The value of those tax transfers at the time was \$2.7 billion. Subsequently, the value for that major tax transfer that took place is now \$20.5 billion.

I should also point out that all calculations done by the Department of Finance subsequent to that basically refer to this major tax transfer that took place 30 years ago. This is fundamental to our understanding of how the federal government finances health care, post-secondary education and other social services in this country.

A tax point is worth different amounts in different regions of the country. An example would be that a tax point on the personal income tax side was worth \$310 per capita in Alberta and in neighbouring Saskatchewan it was worth \$150. That was the case then.

So, there was a major discrepancy and the federal government could not just take the tax points and transfer them to the provinces without coming forward with a correcting formula, which it did, and which had to be fair to all Canadians.

The government did make the tax transfers. A formula was developed and the cash revenue that was subsequently advanced to the provinces was based on the value of these tax transfers which would fluctuate up and down depending on the wealth or the income, I should say, of the individuals and companies residing in the applicable jurisdiction.

To give an example, currently in the last fiscal year, under the Canada social transfer, Alberta would have received \$187 per capita. Ontario would receive \$249 per capita and the province of British Columbia would receive \$282. That factors in the value of the tax point based upon the original transfer that took place 30 years ago, and that was all in accordance with the original principles.

I should say that the health transfer and the social services transfer has changed over the years. It has gone from different formulas, but that basic formula acknowledged in the tax transfer that took place in 1977 has always remained intact. That would be taken into consideration when the basic per capita payments were made to the individual provinces.

What is going on now on the Canada social transfer is that we are doing away with that formula in its entirety and going to a basic per capita formula. When the health accord expires in 10 years time we are doing away with that as well. At that point in time we are going to a basic per capita formula.

Someone might ask, what is the problem with a per capita formula? The equalization formula is there so the provinces can offer compatible services at compatible levels of taxation. I have no problem with it at all, assuming that the original tax points had been kept. If the \$30 billion were available to the federal government, we would distribute that on a per capita basis to all provinces for health care funding and social service transfers. That is not what happened.

• (1245)

So members can follow what I am saying, there has been a basic fundamental change in the way the federal government finances health care and social services for the provinces. There is going to be a small increase of \$7 to \$289 per capita in the social transfer, but to

bring the provinces in line, Alberta will receive \$333 million, Ontario will receive \$445 million and the other eight provinces will share \$14 million. Members can see the profound problems with this as we go forward. More important, in 2013-14 according to the budget documents, the very same formula will be applied to health care funding. This will have two or three times the repercussions that the formula change is having this year.

This all has occurred under the radar screen. I would urge all members of Parliament and provincial treasurers to pay close attention to this. Some members may think that they may not be in politics in 2013-14 so they really do not care, but members were sent here to represent the people who elected them. It is something we should be giving very serious consideration to as we move forward in this budget debate.

Some people may argue that it is only one thing and it may not be a big issue, but it is a continuum of a whole host of other programs, priorities and initiatives which basically dismantles the role of the federal government. When we look back at the history of this country, and the initiatives and the programs that were established by the federal government, it is significant.

The federal government was here when medicare was established. No one was saying that that was a provincial jurisdiction. The federal government was here when the baby bonus was established, which subsequently evolved into the child tax benefit and the child tax credit. The federal government was here when old age security, the old age pension, came into effect. The federal government was here when that was expanded and enhanced through the guaranteed income supplement. The federal government in this House developed the Canada pension plan. The federal government in this House also developed the employment insurance program which is now available to all Canadians.

I am not going to be as partisan or as foolish as to say that they were all Liberal programs; some of them were and some of them were not, but whatever happened, they were improved, they were enhanced and they were continued by successive governments. However, that is not the case here. These are all being transferred gradually, if we read what is going on in this budget and when we hear what is going on in this House, to the provinces, lock, stock and barrel. What I am saying is that those are not the values that built this nation.

There is a momentum going on in this House and in this country toward decentralization, individualism and privatization, which I consider to be very unhealthy. Canada is becoming a loose association of autonomous regions. These autonomous regions claim to define the national interest. My point is that Canada is larger than its diverse parts. We are in a race to the bottom and we may reach it sooner rather than later.

In conclusion, we are dismantling Canada as we know it and it is being done without a whimper. We are going to end up with a lesser country. I urge everyone to consider this issue very carefully, because it is important and significant. I urge everyone to vote against this budget unless this particular issue can be resolved to the satisfaction of all Canadians.

The Budget

•(1250)

Mr. Dean Del Mastro (Peterborough, CPC): Mr. Speaker, that was certainly interesting. The member actually indicated that he believes respect for jurisdiction is unhealthy. I find that kind of confusing, but not nearly as confusing as his presentation regarding equalization. He muddled that up with the Canada social transfer which we know is not the same thing.

In fact the Canada social transfer, as the member should well know if he has read the budget, has been significantly enhanced. There is over \$39 billion in additional commitments over seven years toward social transfers right across the country. There is \$33 billion committed to infrastructure improvements right across this country. There is significant support to municipalities through the gas tax revenues and through the elimination of GST to municipalities. There are tax cuts for seniors, incredible increases in health care, \$42 billion over the next two years, tax cuts for families. Exactly what in this budget is the member voting against?

It is clear he does not understand the difference between the Canada social transfer and equalization. If I could help the member with that, would he support the budget? It seems to me that is the only part he is objecting to.

•(1255)

Hon. Shawn Murphy: Mr. Speaker, you just got a lesson on how difficult it is to have an intelligent debate in the House.

I talked about the fundamental change in the Canada social transfer funding formula and then the member across stated that it has been significantly enhanced. I gave the figures. Ontario got \$400 million and some, Alberta got \$300 million and some, and the other eight provinces got \$14 million. Those are the figures. No one in the House should say it has been significantly enhanced. It has not been significantly enhanced. It has been changed fundamentally. The very same change that I talked about in the Canada social transfer is going to take place in seven years' time with respect to the Canada health transfer.

Obviously there are those who do not understand the point I am trying to make which is that this is going to have significantly profound effects on the ability of a lot of provinces to fund health care and social services for their citizens. We have to go back to what happened in 1977 when the provinces and the federal government agreed to transfer tax points.

Mr. Dennis Bevington (Western Arctic, NDP): Mr. Speaker, I am interested in the fiscal relationships the hon. member has described.

I will go back to revenues for provinces and the federal government. The one that really sticks in the craw of the NDP is the one reducing corporate income taxes at the federal level. That is one of the prime reasons we have trouble supporting the budget both now and in the past.

Is it not true that the best place to collect corporate taxes is at the federal level? At the provincial level we have seen the situation where the provinces are fighting with each other for the lowest rate in order to attract corporations to actually file in their province. When we degrade corporate income tax at the federal level, we are

degrading the one that is uniform across the country and does not have this problem.

I would like the hon. member to speak to that point because the Liberals introduced the idea of reducing corporate tax a number of years ago.

Hon. Shawn Murphy: Mr. Speaker, the corporate tax rate in Canada has to be competitive with other competing countries. The member touched on what I was saying. There is a role for a strong central government here in Canada. We cannot lose sight of that.

On that very point, and this is what I find somewhat ironic in this discussion, members in the party across have stated that taxes have been decreased. I want to remind them that as we are talking, people are filling out their tax returns. People know that taxes went up in 2006 and they are going up in 2007. People are in no mood to be spun by politicians that their taxes are going down, because when they fill out their income tax forms and write their cheques they know that taxes are going up and they are paying the money.

Mr. Dean Del Mastro (Peterborough, CPC): Mr. Speaker, I will be splitting my time with the member for Kildonan—St. Paul.

I am honoured to rise this afternoon to speak in support of budget 2007 presented by the Minister of Finance. This budget has the potential to positively impact Canadians in each of our constituencies. I know that in my riding of Peterborough the additional support for working families, lower taxes, investments in infrastructure and more support for our seniors and students will relieve a heavy burden from many of my valued constituents.

In this vein, let us abandon our partisan adversarialism for a moment and put the best interest of Canadians before ideological pride. The finance minister has done this and budget 2007 reflects our government's commitment to institutionalizing what Canadians have identified as their key priorities.

I am proud to be part of a government that is committed to keeping its promises, a government committed to fiscal fairness and accountability, but more so, a government committed to working with and on behalf of all Canadians. What a refreshing change for Canadians to see their hard-earned tax dollars being invested in programs that will directly benefit their lives.

I would now like to speak briefly to some of the key measures included in budget 2007.

Let me begin with our government's tax fairness plan which allows pension income splitting, fairness in the treatment of RRSPs and a pension plan for those seniors who choose to work later in life. This will directly impact 20,285 of my valued constituents in Peterborough. This government's commitment to seniors finally offers them financial security in what should be their golden years.

The dark days that characterized the previous government's rule are officially over. There is light at the end of the tunnel. We have demonstrated this over the past year and will continue to do so in the years ahead.

The Budget

Another example of our government's commitment to Canadians is reflected in our new tax relief plan for working families. The new working families tax plan will deliver a \$2,000 tax credit for each child under the age of 18. For the families of over 24,680 children under the age of 18 in Peterborough this new tax credit will result in tax savings of \$7.6 million.

This government is committed to helping families over the welfare wall. The working income tax benefit, WITB, will provide \$500 for individuals and \$1,000 for families. For the past year I have been a voice for hard-working families in our community and I am proud to deliver real results for them today. Mine is a working class riding and this is a working class budget. The introduction of a working income tax benefit will provide immediate relief to those in our community who work hard to make ends meet.

Our government is also committed to providing \$1 billion in new assistance to farmers for improvements in the national farm income programs. Our budget addresses the high production costs involved in farming and we will make a \$400 million direct payment to help relieve this burden. We will also invest \$600 million to kick-start contributory style producer savings accounts. Unlike the previous government, our government recognizes that farmers feed cities and as such it is our responsibility to see that they do not go hungry.

Following 9/11, the SARS outbreak and the new requirements for passports under the western hemisphere travel initiative, the tourism industry suffered greatly. The creation of the foreign convention and tour incentive program demonstrates this government's acknowledgement that tourism is a driving economic force for many local communities.

In Peterborough alone, the tourism industry contributes tens of millions of dollars to our local economy. The rural townships surrounding Peterborough such as Otonabee South Monaghan and Smith-Ennismore-Lakefield rely on the tourism industry year round for employment. Urban municipalities such as the city of Peterborough use festivals as a means of attracting tourists to their communities. It is with this thought in mind that our government commits to investing \$39 million in funding our new local arts and heritage festivals, as well as \$5 million for historical and heritage buildings.

Our government is committed to the future. This is reflected in our increased annual support for the provinces and territories for post-secondary education by \$800 million, for a total investment of \$3.2 billion by 2008-09. This represents an increase in transfers for post-secondary education and federal support will continue to grow by 3% every year thereafter. This is good news for Trent University and Fleming College. This commitment to our future will position our citizens in a better place to prosper in an increasingly competitive global marketplace.

Overall, this budget is great news for working families in my community and across the country. As the details of the budget are being debated in the House of Commons, I will continue to stand up for Peterborough to ensure that the issues of importance to our community continue to be brought forward and discussed.

I call on members of the House to support budget 2007.

● (1300)

Hon. Charles Hubbard (Miramichi, Lib.): Mr. Speaker, Miramichi is a great place in New Brunswick and I am sure the hon. member knows where it is.

I would like to refer to the fact that he has brought to the House today some very interesting statistics and in fact details of how the government affects his riding. In his speech, the member mentioned Trent University, and we have to be critical of the budget's outlook on the future of our country in terms of our youth, the education of our people, and research and development. I am wondering if he might now give us some information on how the people attending Trent University will be affected by the budget and whether or not there is any help for those students.

Second, on research and development and the money allocated in the budget, that small amount of money without an increase in the amount, how is that affecting the university in terms of its faculty, its students and the outlook for people in Peterborough?

● (1305)

Mr. Dean Del Mastro: Mr. Speaker, that is an excellent question and I am happy to answer it. I had a meeting with Trent president Bonnie Patterson on Friday, when we spoke at length about the federal budget. She was particularly thrilled with the additional commitment the government made for a 40% increase to federal spending on post-secondary education. She was even more thrilled with the 3% annual escalator clause in the budget, which means that the federal government's commitment to post-secondary education will be maintained at a level that meets the inflationary needs of the universities.

When we talk about post-secondary education there are two things to keep in mind. There is the cost, and we absolutely know that we need to keep post-secondary education affordable, but there is also the quality of post-secondary education. Certainly the presidents of Canada's universities have stressed at great length that they need funding so they can maintain the very highest quality of post-secondary education.

In addition to the funding allowing them to address both needs, we also made a significant investment of over \$500 million in the Canada Foundation for Innovation. This is money that post-secondary education facilities across this country access and use to invest in research materials that provide our students with the very best education available. University and college presidents across this country are thrilled with this budget. I am very proud that the finance minister brought it forward.

The Budget

Hon. Shawn Murphy (Charlottetown, Lib.): Mr. Speaker, in his original comments, the member talked about promises. Breaking promises is something that the Prime Minister is getting used to, and he is actually getting quite good at it. We first had the income trust situation. A lot of investors invested based upon that promise and that commitment. As a result, they lost \$25 billion in capital.

We heard the promise that all appointments would be made on merit, not patronage. I live in eastern Canada. I am not aware of any appointment east of Montreal that was not based on political patronage. If anyone on the other side, or anyone in Canada for that matter, can claim otherwise or knows of facts that support another assertion, I ask them to please contact me.

The most recent promise that the Prime Minister fundamentally broke is the Atlantic accord. He went to Newfoundland and Labrador, the province of Nova Scotia and the province of Saskatchewan and promised that there would be no clawback and no cap and that these accords would be honoured by the government. He put this commitment in writing. No caps. These letters are in the public domain. He broke a promise.

My question is for the member across. I do not know what you did in a previous life, but I am sure this is not the way you governed your life and this is not the way you did your business transactions on a day to day basis. When are you going to say that enough is enough?

The Acting Speaker (Mr. Andrew Scheer): The hon. member for Charlottetown knows that he must address comments through the Chair, not directly to hon. members.

Mr. Dean Del Mastro: Mr. Speaker, quite frankly, enough is never enough when it comes to supporting the provinces and their ability to support health care and education in Canada. I think the federal government has a responsibility to provide the provinces with exactly what they need, and it needs to do so on the basis of good government. I think that is exactly what the budget outlines.

As I said earlier, we are respecting provincial jurisdictions and, furthermore, we are enabling the provinces to deliver the services that all of our constituents want us to deliver, including health care, education and infrastructure, for which there were significant investments by this government in budget 2007. Again, I am sure proud of this budget and I call on all members to support it.

Hon. Shawn Murphy: Mr. Speaker, I rise on a point of order. The question was about the promises that were broken and the member across did not in any way, shape or form try to address—

The Acting Speaker (Mr. Andrew Scheer): That sounds like debate.

The hon. member for Québec.

[*Translation*]

Ms. Christiane Gagnon (Québec, BQ): Mr. Speaker, I would like to share my time with the member for Montmagny—L'Islet—Kamouraska—Rivière-du-Loup.

Today, we are debating the budget—

The Acting Speaker (Mr. Andrew Scheer): Order. My apologies to the hon. member for Québec, but I made a mistake.

The hon. member for Kildonan—St. Paul was supposed to be next. She is sharing her time with the hon. member for Peterborough.

I apologize once again for my mistake.

• (1310)

[*English*]

Mrs. Joy Smith (Kildonan—St. Paul, CPC): Mr. Speaker, Canada is great because Canadians made it great. The people who built this country worked hard to realize their vision. They set us on a bold course to greater hope and opportunity. We feel a debt of gratitude to our ancestors, who fought for our freedom and who built this country with their hands and their hearts.

Canada's new government has now taken steps in building the Canada that we would be proud to pass on to our own children.

On Monday, March 19, Canada's new government delivered a budget that would benefit working families. This budget, I am proud to say, applies to places like my own riding of Kildonan—St. Paul.

Budget 2007 will reduce the tax burden on working families.

The budget will protect our environment.

It will modernize our health care system.

I am sure that many people in the room today are asking themselves, why does fiscal balance matter? It matters because it is an issue that touches every single Canadian.

Fiscal balance is about better roads and renewed public transit. It is about better health care and better equipped universities. It is about cleaner oceans, rivers, lakes and air. It is also about training that helps Canadians get the skills they need. It is about building a better future for our country.

Through budget 2007 we are providing the provinces and territories with well over \$39 billion in additional funding to restore fiscal balance in Canada. We are returning equalization to a principled, formula based program.

What does this mean in Manitoba? Restoring fiscal balance will provide Manitoba with more than \$3.1 billion in 2007-08. This includes \$1.8 billion under a new equalization system, \$807 million under the Canada health transfer, \$350 million for Canada's social transfer, including additional funding for post-secondary education and child care, and \$83 million for infrastructure.

There is a real infrastructure advantage in this budget: an estimated \$17.6 billion in base funding, which consists of the gas tax fund, and an increase from 57.1% to 100% in the rebate that municipalities receive for the goods and services tax they pay. That is very important. Base funding for Manitoba in 2007-08 is forecast to be \$46 million.

The Budget

The Government of Canada is providing \$26.8 million in gas tax funding for municipalities in Manitoba in 2007-08. The provincial government allocates funding among municipalities consistent with the approach set out in an agreement between the province and the Government of Canada.

One very important initiative in Manitoba is the enhancement of the Red River Floodway. As a result of a recent federal commitment of \$170.5 million, Manitoba will be able to complete the expansion of the Red River Floodway and thus significantly enhance the level of flood protection enjoyed by the residents of the city of Winnipeg. This is a critical initiative for Manitoba.

Preserving and protecting our environment is a priority for Canadians and the government. We have made tremendous strides in our budget. In order to protect our Lake Winnipeg, the Red River and other Manitoba rivers, we are establishing a new national water strategy that has been put in place through the budget. It will also improve municipal sewer and water facilities in my riding of East St. Paul and West St. Paul.

The new Canada ecotrust for clean air and climate change will provide support to those provinces and territories identifying major projects that will result in real reductions in greenhouse gas emissions and air pollutants. Our government is getting things done. Canada's new government intends to provide Manitoba with almost \$54 million through this initiative.

Water quality in Lake Winnipeg has deteriorated due to the accumulation of nutrients in the lake. Budget 2007 provides \$7 million over the next two years to Environment Canada to develop an initiative. We want cleaner water.

We want cleaner air. Also on the environmental side, we are introducing a program that provides rebates to people who buy fuel efficient or alternative fuel vehicles. We will also sponsor initiatives that take older, polluting cars off the road. We are introducing a green levy on gas guzzlers.

• (1315)

Our government has spoken very clearly and very loudly about the initiatives we need to address in our province in terms of the environment.

The health of our economy is also important. Debt reduction is a key element for all Manitobans and all Canadians.

Our government is lowering our national mortgage by \$9.2 billion on top of the \$13.2 billion we have put against the debt since elected. This is the equivalent of \$700 in debt relief for every Canadian. That means a lot to Canadian families.

What is even better is the fact that Canadians will receive a direct benefit. Through our tax back guarantee, lower debt will mean lower interest payments, which will mean lower taxes.

Let me be clear. Every dollar saved from our lower interest payments will be returned to Canadians through personal income tax reductions. That is a good start, but our government firmly believes that we still pay too much tax.

In my riding of Kildonan—St. Paul, parents struggle daily with the challenge of raising a family. With the higher costs of living,

housing and energy, it is not easy. We need to make it more affordable for people to have children and to raise them.

As a result, we are creating a working family's tax plan. This plan has four components.

First, for families with children it includes a brand new \$2,000 per child tax credit for children under 18 years of age, which will help families keep ahead. This will save Manitoba parents \$54.1 million. That is money families can use to buy new shoes or clothes for their children or to save for a new computer.

Second, we are ending the marriage penalty through an increase of the spousal and dependant amounts to the same level as the basic personal amount, to provide up to \$209 of tax relief to a supporting spouse or single taxpayer supporting a child or a relative, saving Manitoba residents an estimated \$8.4 million.

Third, we are helping parents save for their children's education by strengthening the RESP program.

Fourth, we are helping seniors by raising the age limit for RPPs and RRSPs to 71 from 69 years of age, which will save Manitoba taxpayers \$1 million.

Canadians are a caring people. We offer a helping hand to our friends and our neighbours who find themselves out of work.

Yet social assistance programs can produce unintended consequences. In Canada, too many people feel trapped on welfare. A single mother with one child who takes a low income job can lose almost 80¢ of every dollar she earns. That is because of higher taxes and reduced benefits for things like drug and dental coverage.

To help people over this welfare wall, we are investing more than \$550 million a year to establish a working income tax benefit. This measure will help remove the barriers that discourage people from enjoying the dignity and independence that come with a job.

This new working income tax benefit of up to \$500 for an individual and \$1,000 for a family will reward work and strengthen incentives to work, with benefits for Manitoba workers of \$18.9 million. This is very important.

We believe in a safer Canada. This budget has taken significant positive steps to make our communities safer for families and their children. As a result, we are launching a new national anti-drug strategy to combat the use of illegal drugs.

We are also providing funding to protect our most precious asset, our children. We are providing \$6 million over two years to the RCMP to protect children from online sexual exploitation and trafficking.

Also, we are taking into consideration our heroes, such as our firefighters. Canada's firefighters must have the training they need to safely and effectively respond to emergencies to protect citizens.

The Budget

Budget 2007 provides \$1 million over two years to help the Canadian arm of the International Association of Fire Fighters, through Public Safety Canada, implement a hazardous materials training program that would be available to all first responders, including firefighters, police, paramedics and utility workers.

In addition, the government will invest funds to combat white collar crime. That includes attracting and retaining the best qualified police and other expert resources to the RCMP's integrated market enforcement teams.

Our government is getting the job done. Our government is addressing things directly to families.

• (1320)

In the field of education, we feel that Manitobans and all Canadians need to excel in education. We are taking action today that will help build a workforce for tomorrow. We are investing \$1.3 billion in new money for science and technology and we are supporting our universities.

[Translation]

Mrs. Claude DeBellefeuille (Beauharnois—Salaberry, BQ): Mr. Speaker, I am pleased to ask the member a question. This question was suggested to me by the voters of Huntingdon who unfortunately lost their jobs two years ago. In fact, 800 jobs were lost when two textile factories closed.

Some dozens of workers aged 55 and older have been waiting and are very disappointed in the Conservative government, which did not allocate approximately \$75 million in its budget to help workers 55 and older find new jobs. Despite their efforts and abilities, they have not been able to find work. The job market wants nothing to do with them. Now they have to apply for social assistance and feel abandoned.

I know that the member opposite is a sensitive person, since we spent some time together during a mission on the status of women. I would like her to explain why her government did not allocate \$75 million to help older workers who, despite their best efforts, have not been able to find work. Why was this amount not set aside?

[English]

Mrs. Joy Smith: Mr. Speaker, the budget has addressed many of the issues the hon. member has addressed. We were on the status of women committee together. As the hon. member knows, the \$5 million cost savings in status of women have now been put into programs for women. The Minister of Canadian Heritage and Status of Women announced that on April 1 \$5 million would be put into women's program. Any program can be put in place to help women in that area, no matter their age or ethnic background.

In terms of job development, we believe that manufacturing and tax fairness go hand in hand, which is why we put \$2 million in corporate income tax relief from changes in capital cost allowances for buildings and \$16 million in additional corporate income tax relief for companies from the temporary two year write-off for equipment for the next two years. When manufacturing companies have a chance to write-off their machinery, which is basically what it is, then they can afford to hire the workers to put onboard.

Hon. Garth Turner (Haltoun, Lib.): Mr. Speaker, my hon. friend began her speech in a stirring way by talking about the work that had

been done to build our country by our ancestors. I am wondering if she has a word for our ancestors, some of whom are alive today and who we call parents, grandparents and senior citizens, on why the budget did not address the situation of the taxation of income trusts. The government has erased some \$25 billion in private savings because of the taxation of income trusts.

Could the hon. member explain to us why the taxation of income trusts is included in the budget? Could she also explain why it is linked to the income tax fairness package which prevents any member of the House from having a say on an issue such as pension splitting without also guaranteeing that we are robbing parents and grandparents of the assets that she talked about of \$25 billion, the greatest theft of private wealth by a government in Canadian history?

Mrs. Joy Smith: Mr. Speaker, I thank the member opposite for that question or I should say the recent member opposite for that question.

As the hon. member knows, as far as income trusts are concerned, a government in this beautiful country must make decisions that are good for all Canadians. The decision that was made with respect to income trusts had to be made. Existing income trusts can stay in place for four years. People have time to work with their portfolios. A lot of the markets have now gone up. The income trust situation is well in hand. If that initiative had not been addressed, Canadians would be paying higher federal taxes and that is not acceptable. This government gets the job done for all Canadians.

• (1325)

[Translation]

Ms. Christiane Gagnon (Québec, BQ): Mr. Speaker, as I was saying earlier, I will be sharing my time with the member for Montmagny—L'Islet—Kamouraska—Rivière-du-Loup, a riding that follows the river for 150 beautiful kilometres and stretches 75 kilometres to the south to the American border.

During this debate, I would like to speak about the budget. This budget touches on a fundamental issue for sovereignists, the fiscal imbalance. We know that this budget does not meet our expectations with regard to the fiscal imbalance as we understand it. This budget provides a financial framework that addresses the imbalance in part but not for the long term. When another government takes the reigns, we know very well that negotiations will have to take place again. Let me say that, with this budget, we expect to have a short-term fiscal imbalance.

This has been a fundamental issue for sovereignists. If not for the sovereignists, we would not be debating this budget. In my opinion, when our colleagues in this government talk about resolving the fiscal imbalance once and for all it is just rhetoric. In fact, we are far from resolving the fiscal imbalance.

The Budget

Many years ago, former Quebec premier René Lévesque succeeded in obtaining some tax transfers to Quebec. Subsequently, another premier, Bernard Landry, established the Séguin commission which called for the transfer of tax points and GST to the Government of Quebec. For, in reality, it is the provinces that manage the hospitals, schools and other institutions and that must provide more services to the population. It is not the federal government, I must point out. However, the federal government has the money because its taxation power is great, too great compared to its responsibilities.

We would have expected the federal government, which is currently a Conservative government, to go in a different direction in terms of the desire and the power to tax. However, it has retained some room to manoeuvre in order to continue intruding on provincial jurisdictions, particularly where there is shared jurisdiction.

The Prime Minister chose to bring down his budget at a very strategic time for Quebec, where an election campaign is underway. It is well known that the purpose was to help get one government elected over another. Today is election day in Quebec, and efforts have been made to give a boost to a federalist party.

The Prime Minister of Canada did say there would first have to be a federalist government in Quebec with which to negotiate. He was reminded, however, of the well known fact that no premier of Quebec, especially not in a PQ government, would let anyone interfere in the selection of Quebec's premier. It is up to the government, to Quebeckers and especially to the people to choose a government today. This budget has been used as blackmail. That is somewhat shocking. They have to take Quebeckers for irresponsible people to have pressed for a vote to take place today.

They not only want to decide who the Premier of Quebec will be, but other things as well. I am trying to demonstrate through my speech today how this new Prime Minister wants to make decisions for Quebec and also impose his choices in the appointment of judges and immigration commissioners.

Besides wanting to choose who will be the Premier of Quebec, it is clear that this Prime Minister and his government have a tendency to want to decide for others, instead of following the rules of democracy. The Prime Minister tried to make political hay in the election campaign, but it blew up in his face, because that is clearly not acceptable to Quebec.

• (1330)

Consider also how the issue of fiscal imbalance has been addressed. The Minister of Finance said that the fighting about the fiscal imbalance was over. But political observers and analysts, who are not necessarily sovereignists, have agreed with us that this was not the end of the fighting. This budget certainly does not resolve the fiscal imbalance.

The Prime Minister also seems to want to be generous to Quebec by saying that the government has resolved the issue of Quebec having a seat at UNESCO. That too is misleading. Take a closer look at what it means to have a seat at UNESCO. It means an empty chair out in the hall, and only as long as Quebec agrees with the federal government. Giving Quebec a seat at UNESCO means nothing.

What good is a seat at UNESCO without the right to speak? It was sad to see Mr. Béchard, Quebec's Liberal environment minister, sitting on the fence. He was sitting on the fence when the opposition criticized the federal government's attitude toward the environment, and he was sitting on the fence when it wanted to talk about one voice for Quebec. He was sitting there with the former federal Minister of the Environment, who has since lost her job. It is clear that the new government has broken its promises. We were hoping for greater understanding after what we went through with the Liberal government.

There are some major oversights in this budget. We will vote for the budget because it gives Quebec more money, and the more money Quebec has to meet its people's needs, the more independent Quebec will be in terms of making its own strategic decisions about education, health and social programs. We know that the \$800 million the government plans to give to Quebec will help the Government of Quebec develop better strategies for social programs, education and health.

One of the important things this budget overlooks is the employment insurance fund. We were hoping this problem would be resolved so that people could be treated fairly. Many people cannot receive employment insurance because they do not meet the eligibility criteria. The Bloc has been fighting this battle for years, but there is nothing in this budget to suggest that the federal government is working on a concrete policy for, among other things, an independent employment insurance fund. An independent employment insurance fund would prevent that money from going into the consolidated revenue fund, where the government can use it and claim it is being generous to the other provinces.

The same is true for social housing. Money should be transferred to the provinces to allow the provincial governments, including Quebec's, to start building more social housing. We know that many women are retiring and that the population is aging. These people need help at a time when their purchasing power is dwindling because they have lower incomes.

The Bloc Québécois is willing to support this budget to bring power back to Quebec. We can put this money to good use. Look at the figures proposed by the various political parties. As for the leader of the Liberal Party of Quebec, Mr. Charest has decided to lower taxes. How will that help? Equalization is there for social programs. We can see what Mr. Boisclair, the leader of the Parti Québécois has decided to do with that money. For years we have been criticizing the shortfall in health and education. Mr. Boisclair had to make responsible choices to further help the entire health and education system in order to better respond to the needs of the schools and hospitals. It will be interesting to see the attitude of the leaders in the election campaign after today's vote.

The Minister of Finance was quite wrong when he said that the era of bickering was over.

I sit on the Standing Committee on Health. As far as federal spending power is concerned, Mr. Dumont, the leader of the ADQ, says he will entrench federal government spending power in the Constitution. We are far from that.

The Budget

•(1335)

In my opinion, that is wishful thinking. He is somewhat naive. Tomorrow, the Standing Committee on Health, on which I sit, will table a report on obesity. I cannot disclose the content of the report, but there will certainly be encroachments into provincial jurisdictions. It will become clear tomorrow that the report tabled by the Conservative government could have been a Liberal report, judging by the urge to interfere in provincial jurisdictions.

[*English*]

Mr. Dean Del Mastro (Peterborough, CPC): Mr. Speaker, I listened with great interest to the hon. member's speech. While she digressed into some topics that are not at issue in the House, I will address the government's historic move toward fiscal balance from fiscal imbalance and the principled manner in which it looked at the equalization formula.

There are a couple of things. The provinces of Quebec and Ontario, provinces that have very large populations, received per capita based funding in the Canada social transfer, something they have been looking for a long time, on top of the new equalization formula. It is very fair for the Maritimes and provinces out west that rely on equalization to provide services. On top of that, there are also measures that directly support the municipalities.

I am curious as to whether the hon. member has spoken to the municipalities in her area about the direct support the federal government will provide to them and how this money will enable them to better provide services to the constituents in her community. This is on top of the principled approach we took toward fiscal balance and equalization.

[*Translation*]

Ms. Christiane Gagnon: Mr. Speaker, we will support the budget. There is no denying that the money on the table will help.

They say that they wanted to correct the fiscal imbalance, which is not true. The fiscal imbalance has not been corrected because we have to negotiate. To me, this budget looks like blackmail before the next election. It seems like we are being told: keep electing us and, over seven years, we will give you what we promised, otherwise we will take it back. The Liberal government will be no different.

Correcting the fiscal imbalance is synonymous with tax points. The issue would be closed. From year to year we would not be trying to have the most money possible so that the provinces and Quebec receive their fair share to meet the needs of the population.

I am very comfortable with this. I know very well that this budget has one-time expenditures. We will see how things play out. I am sure that history will prove me right.

[*English*]

Mr. James Bezan (Selkirk—Interlake, CPC): Mr. Speaker, I want to add my voice to all members who support the budget. It is a great budget. My friend from Peterborough mentioned how it is fixing the fiscal imbalance. This has been a big issue in my province of Manitoba.

We are seeing more equalization transfers go to provinces that have been struggling. Manitoba, P.E.I., New Brunswick, Nova Scotia and Quebec are definitely in that category. This budget fixes

that fiscal imbalance. Finally, Manitoba can invest, on par, in infrastructure programs with the increase in social transfers. It can also carry on investing in health care and post-secondary education, all big wins for Manitoba.

For my riding, the one thing I am really excited about in the budget is the national water strategy. It has allocated \$7 million to the Lake Winnipeg basin to finally clean up the lake and address the needs of the tourism industry, the commercial fishery, and to look at the overall scope of nutrient loading the lake.

This is a good news budget right through, and I wanted to add my voice of support for this great budget.

•(1340)

[*Translation*]

Ms. Christiane Gagnon: Mr. Speaker, the Bloc Québécois will certainly support this budget. As I mentioned earlier, however, this budget will not correct the fiscal imbalance and they should stop trying to get people to believe otherwise.

This is an ongoing issue and we will continue to fight for a true correction of the fiscal imbalance, which would mean tax points being returned to the provinces rather than left with the federal government.

As for equalization, I would like to underscore that 100% of revenues from natural resources, including gas, were not included. Once again, the issue is not resolved.

Nonetheless, this budget will certainly help the provinces to better fulfill their responsibilities. If the fiscal imbalance had really been corrected at this time, we would be talking exclusively about tax points returned to the provinces.

Mr. Paul Crête (Montmagny—L'Islet—Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, I would like to thank the hon. member for Québec for agreeing to share her time with me.

Today we are debating the Liberal amendment that would have us reject the budget. The Bloc Québécois decided to vote in favour of this budget, not because it is an ideal budget, but because it does give Quebec some of the money it needs to be able to fulfill its obligations. For the first year of this budget, this amounts to \$1.763 billion. For the second year, this is increased to \$2.808 billion. And for the third year, it is \$3.338 billion. This represents a significant effort in terms of additional funds for Quebec. This is part of the debate on the fiscal imbalance.

Unfortunately, the Conservative government ended its efforts at the calculation of the additional money it has in its surpluses that could go to the province of Quebec so as restore the financial imbalance somewhat. However, it has not corrected it in any permanent way.

If they had transferred income tax points, we would have reached a permanent position that would have assured Quebec of revenue that it could hold on to for the future. Now, we are simply dependent on the power of the money flowing into the federal government. If, in three to five years, that flow diminishes and we are in a more difficult financial situation, Quebec will in no way have obtained satisfaction.

The Budget

In this Parliament, on one side there are the centralizing parties, the Liberal party and the NDP, who are unhappy to see money going to the provinces. On the other side, there is the Conservative party that has decided to respect one of its election promises by giving more money to Quebec. For our part, the Bloc has said that the commitment was not simply to put money on the table but also to change the way in which it is done. For example, the federal spending power really should have been defined. In no way does this budget reflect the solutions that the Bloc Québécois and Quebec, as a whole, had put forward to deal with the principles of income tax points or spending power.

All the current leaders of the provincial parties in Quebec have said that it was not enough and that the fiscal imbalance has not been corrected. Each of them said how they would use the additional money. In the end, Mr. Charest's position was probably the worst. For a long time he claimed that the fiscal imbalance had to be corrected to provide money needed for services. Then, the first thing he decided to do with the additional money was to reduce taxes, something that he had not done in four years. He did not keep his promise. I believe that he damaged Quebec's position with that attitude. In contrast, Mr. Boisclair, of the Parti Québécois, said he would use the additional funds where they are most needed, whether in education or for health care. That will ensure a better balance.

The real solution to the problem of fiscal imbalance is to provide additional funding to Quebec in an automatic way, by a transfer of income tax points. At the same time, when the Conservative government comes forward with money today it can be used to ensure the quality of services.

In any event, we shall find out this evening what Quebeckers have decided. It is apparent that, of the options available to voters, the Parti Québécois will govern Quebec fairly and enable it to achieve sovereignty. We could thus put an end to these debates about fiscal imbalance.

A great deal of energy has been spent on this issue in the past four years, since the Séguin commission was established by Bernard Landry, then the Quebec premier and a Parti Québécois member. Many steps have been taken to date, such as the commitment by the Conservative Party made during the election to resolve the fiscal imbalance. Today, they are not providing a solution at all. What the government is doing is making a payment and saying that is the solution and it can give no more. However, everyone in Quebec knows that this debate will continue. As long as we do not have permanent funding, the issue will not be resolved. In the end, sovereignty is the best way to ensure adequate funding for Quebec, which would then have control over 100% of its taxes and could allocate them in the way it deems most appropriate for Quebeckers.

In this budget, there are a few items that I would like to discuss in addition to the fiscal imbalance. First, I am frustrated that there is no money for older workers in the budget. Last year at this time, we had managed to ensure that, in the Speech from the Throne and then in the budget, there were signs that steps were being taken towards a solution, that there was an acknowledgement that the situation of older workers was a problem. Finally, a committee was established and is examining this issue.

●(1345)

What would it have cost to include the \$75 million needed to implement a good program for older workers, for people who cannot re-enter the workforce after everything has been done to help them find a job? The government could have made that financial commitment so that once the committee makes its recommendations, the money could be allocated accordingly.

They chose not to go there. I think this shows just how closed-minded the Conservatives are: they do not believe that this kind of program to redistribute wealth is either justified or necessary. The Standing Committee on Industry, Science and Technology has seen how globalization and the opening of new markets have created interesting possibilities. However, there are also major drawbacks, which are now having an impact on several economic sectors.

Thousands of jobs have disappeared in the manufacturing sector. Some people find other work, but in the end, several hundred, if not several thousand workers over 50 have no source of income. Now, despite the fact that they dedicated their lives to their companies to support their families, they end up on social assistance. We were hoping the budget would include a measure to address this problem.

People in my riding were hoping for a solution to another problem. During last year's election campaign, the Conservatives promised to reopen the RCMP detachments that the Liberals had closed. In light of this government's public safety agenda, it is surprising that no real solution has been put forward and that they did not think reopening the detachments would be necessary to ensure adequate public safety.

The Conservatives made a promise and I know they are looking for a way to resolve the situation. It was quite simple. It was simply a matter of announcing it in the budget. This would have allowed the regions to have adequate coverage. They did not announce it, despite receiving many letters from municipal authorities from all the regions concerned, and despite pressure from the Bloc Québécois through its continued efforts. This year we would have expected to find a solution to this in the budget.

I would like to raise one last point. The Bloc Québécois had also proposed expanding a fiscal concept that exists in Quebec, namely a tax credit for young graduates who settle in the regions. This \$8,000 tax credit has proven effective and has started to reverse the trend in certain regions of Quebec where we are seeing young people returning. We would have liked the federal government to come up with a similar measure. We believe that, as a way of keeping people in all regions of the country, this would have been a positive step, and not very costly. It would have allowed young graduates to settle in the regions and start their families and ensure that our local and rural populations can support the necessary municipal and school services.

The Budget

This budget was expected in Quebec and it came during the election campaign. The Bloc Québécois decision to vote in favour of the budget was supported by most Quebecers, who are nonetheless aware that we are receiving this money because the federal government happens to have a major surplus.

This in no way restores balance in the Canadian federation. Nothing has been permanently corrected. The battle still needs to be waged in the coming months and years in order to get real transfers of tax points and permanent ways of correcting the situation that do not depend on federal government funding.

Surprisingly, in the budget before us, the current government is suggesting that it could continue to interfere in provincial jurisdictions. Furthermore, a list of sectors has been identified for this.

The principle is not being corrected. The presumption by the Minister of Finance and certain Conservative members that the fiscal imbalance has been corrected is absolutely not shared by Quebec. Roughly 80% of the population believes that the battle will continue until a solution is found.

As far as I am concerned, the real solution is Quebec having control over 100% of taxes, deciding as a sovereign state how this money is to be spent and not having to devote so much energy anymore in an unproductive battle that has been going on for months and years, with results like the ones before us today.

The Bloc Québécois will support this budget because of the extra money that Quebec desperately needs. But that support in no way means that the debate on fiscal imbalance is over for Quebec. The Bloc Québécois will continue to spearhead Quebec's action on this side of the House.

• (1350)

[English]

Mr. Dennis Bevington (Western Arctic, NDP): Mr. Speaker, I do not think that my hon. colleague's premise that he will wait for the successful completion of a sovereignty exercise in Quebec before moving forward on many of the issues that affect working people in this country is the approach that would fit with the people in his constituency.

The Conservatives are trying to sell the budget on the basis of it being a working class budget for working people. However, when we see no help for EI; no help for day care that is of any significance any more; corporate tax cuts of some \$9 billion carried on; tax exemptions that are not targeted or do not deliver the maximum to lower paid Canadians but actually deliver the maximum to middle and upper class Canadians, when we see what the budget actually entails and we take it apart piece by piece, we realize pretty quickly that the budget is not about working class people.

Is my hon. colleague prepared to leave working class people in Quebec waiting until some date of a potential sovereignty vote before dealing with these issues?

[Translation]

Mr. Paul Crête: Mr. Speaker, my hon. friend is confirming what I indicated in my speech: there are two parties in this House which are especially centralizing. The NDP and the Liberal Party consider, for

example, that the federal government has to be in charge of the distribution of wealth in Canada. What the Bloc Québécois has fought for and gained in this budget is the transfer of billions in extra money to Quebec. This money should be transferred shortly.

But the long term battle is not over. For it to be over, we would have to be talking about permanent transfers in the form of tax credits. Still, when they look at what the Bloc has accomplished, particularly on the softwood lumber and free trade agreement front, the public and the workers in my riding feel that we have made the right decision, a decision with the interests of Quebec at the heart of it. It was imperative that we get the money back as soon as possible, so that Quebec businesses would have a chance to keep their heads above water.

People feel the same way about this budget. During the election campaign in Quebec, all three leaders of the main parties commented that the choice made by the Bloc Québécois was the right one. Quebec has for a long time been of the opinion that the federal government has far too much money for the responsibilities it has, whereas the provinces clearly do not have enough.

I will conclude by talking about the need to support the budget. However, the debate on fiscal imbalance must continue.

[English]

Hon. Jim Karygiannis (Scarborough—Agincourt, Lib.): Mr. Speaker, although I disagree with my hon. colleague on his take on sovereignty, I would pose a couple of questions for him.

The budget talks about hybrids and gives money to hybrids. One of the things, however, the budget does not do is give money to Canadian manufacturers to establish technologies and work on technologies to have hybrids that are made in Canada. All the hybrid money will go to cars made outside Canada. It certainly is a slap in the face to Canadian auto workers.

The budget also failed to recognize and continue the work that the GTA caucus of the Liberal Party and the Liberal government was doing to extend mass transit in certain parts of Toronto. For example, in my riding the subway line was to be extended. In my riding we were supposed to be getting more LRT. The Conservative government has certainly failed with the budget.

How does my hon. colleague feel about hybrids, especially since he will be supporting the budget?

Statements by Members

• (1355)

[*Translation*]

Mr. Paul Crête: Mr. Speaker, with respect to manufacturing, a unanimous report was submitted by the members of the Standing Committee on Industry, Science and Technology. This report recommended, among other things, that capital cost allowances be accelerated, so that the purchase of equipment can be written off over two years instead of seven or eight, making production more efficient. This measure can be found in the budget, and personally, I am very satisfied with it. The committee made many other recommendations, but the government did not immediately accept them. I hope that it will in time.

Regarding the environment, obviously the Conservatives are still trying to turn things around. But they still have some major problems. They do not want to create a carbon exchange, which has been recommended by economists as well as environmentalists. We must continue to put pressure on them and ask questions so that they make changes. First of all, they have to recognize the importance of the Kyoto protocol.

[*English*]

Mr. Mike Allen (Tobique—Mactaquac, CPC): Mr. Speaker, I will be splitting my time with my colleague, the member for Cambridge.

First and foremost, I want to point out that this budget is balanced and fair for all Canadians. While cutting taxes for working families and introducing pension income splitting for seniors, the government is also investing in key priorities, such as infrastructure and the environment.

[*Translation*]

While offering a balanced, fair budget with long-term measures to offset the fiscal imbalance, we also set up the wait times guarantee trust. And thanks to our tax back guarantee, lower debt will mean lower interest payments, and therefore lower taxes.

[*English*]

I am proud to say that I am a part of a government that realizes the importance of a sound economic plan to ensure the prosperity of Canada over the long term and not a focus on one-off side deals that compromise all principles of fairness.

In my limited time to talk about the budget I want to take the opportunity to relate to the House how this budget positively impacts the areas of my riding of Tobique—Mactaquac. I specifically want to discuss the support for agriculture and forestry, a commitment to infrastructure and to helping our truckers, small businesses and families. Those are all very important to my riding and all areas where this budget has delivered and will continue to deliver results.

When it comes to agriculture, our government continues to support with unprecedented levels.

[*Translation*]

For agriculture, this budget includes two new commitments totaling \$1 billion that will help improve our agricultural sectors. For instance, \$400 million will go directly to farmers to help them deal with rising costs.

We are also adding \$600 million to create contributory style producer savings accounts, which will be available as soon as agreements can be reached with the provinces and territories.

[*English*]

The \$600 million for the savings program, in my view, is a start to implementing an income support program that will lead to a new program which will make up for the serious deficiencies in the current CAIS program. We expect that \$10 million of this funding will go directly to farmers in New Brunswick, enabling them to stay competitive in local, regional and international markets. This effort, combined with the next round of discussions and consultation on agricultural policy framework, will be good for farmers. It will be good for farmers because we are doing this right and not ramming a program down the farmer's throat, as we saw with the current CAIS program.

There is no question that producers in my riding are very interested in a new generation of programming that includes a saving component, somewhat like the old NISA program, and ensuring we deal with the cost of production. The farmers certainly shared those ideas with the Minister of Agriculture when he was in Tobique—Mactaquac a mere weeks ago.

This budget also addresses a key element for diversifying the products we produce through funds earmarked for biofuels. This biofuels program will also benefit renewable fuel for agricultural producers by allocating \$1.5 billion for renewable fuel production, including the technology and projects associated with ethanol biodiesel.

I will save the rest of my speech for after question period.

The Acting Speaker (Mr. Andrew Scheer): The hon. member can continue his speech after question period and he will have about six and a half minutes left.

STATEMENTS BY MEMBERS

• (1400)

[*English*]

VICTIMS OF CRIME

Mr. Harold Albrecht (Kitchener—Conestoga, CPC): Mr. Speaker, I would like to draw attention to an initiative to remember those who are most affected by crime.

In the midst of debate over proper sentencing, conditional sentencing, long term sentencing and house arrest, it is easy to lose sight of the people most affected by crime, the victims.

Statements by Members

For the past week, statements in every provincial legislature and the Senate have been drawing attention to the victims of crime. I am pleased to add my voice to this chorus.

Crime always has consequences. I have met the parents of a young man who was murdered. We know that no sentence will bring this young man back to life but we can do a better job of caring for those who are left with only memories.

Our government has taken some great steps of compassion toward crime victims. We have announced a federal ombudsman for victims of crime, as well as funding for programs and services to support Canada's victims of crime.

National Victims of Crime Week is the last week of April. I ask everyone to please think about how we can help crime victims, not just in April but throughout the entire year.

* * *

GREEK INDEPENDENCE DAY

Mr. John Cannis (Scarborough Centre, Lib.): Mr. Speaker, this past Sunday, March 25, Canadians of Hellenic descent celebrated their 186th anniversary of the liberation of Greece from the Ottoman Empire.

In 1821, after 400 years of oppression from the Ottoman Empire, the Hellenes, through the leadership of people such as Theodoros Kolokotronis, Palaion Patron Germanos, Melas, Karaiskakis, Miaoulis and many others, fought bravely so that once again they could live as free people.

Historic battles, such as the battle of Souli, and heroes like Lord Byron of England, collectively all made supreme sacrifices, for what? For a spirit called Hellenism, but more so, they fought for freedom, for liberty, for justice and the rule of law.

In 1821, the birthplace of democracy was once again liberated.

It is, therefore, my hope, as we move into this new millennium, that tensions of the past are put to rest so that Greece and Turkey can focus on nurturing the positive energies of their people leading to a prosperous and peaceful future.

[Member spoke in Greek as follows:]

Zito to eikosi enna.

* * *

[Translation]

MANAWAN ATIKAMEKW RESERVE

Mr. Pierre Paquette (Joliette, BQ): Mr. Speaker, I congratulate the Lanaudière native friendship centre and Connexion-Lanaudière on the official launch of the Internet site marking the 100th anniversary of the establishment of the Manawan Atikamekw reserve.

The Internet site commemorates the 1906 establishment of the Atikamekw community in Manawan through text, archival photos and videos. This ambitious project required months of work and depicts the settlement of the aboriginal community, focussing on the nomadic life, the end of that lifestyle, their settlement and life on the reserve, and the difficulties in adapting to that life. It also shows how

the move to the reserve altered the lifestyle of the Atikamekw and clearly explains the current difficulties experienced by this northern Lanaudière community.

I invite you to visit the web site at www.manawan.org where you will find some very interesting information.

Once again, congratulations, and I hope everyone will visit this site.

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[English]

CONSTRUCTION WORKERS

Mr. Wayne Marston (Hamilton East—Stoney Creek, NDP): Mr. Speaker, for ordinary, hard-working Canadians, last week's budget is a total failure. It fails to address the growing prosperity gap and throws about new programs and tax credits to the few lucky enough to get a place around the boardroom table where it was written.

Governments, whether Liberal or today's Conservatives, continue to ignore the reasonable demands of a group of Canadian workers, our construction workers. There are no measures for construction workers by trade and apprentices to deduct travel and accommodation expenses incurred by employment away from their homes. People who work from home can deduct certain expenses relating to a home office but people for whom the very nature of their jobs require frequent travel to job sites, the location over which they have no control, there is nothing similar.

The NDP is the only party to put forward a concrete legislative solution to this problem with a private member's bill introduced by my colleague from Hamilton Mountain. The long distance truck driver has an enhanced meal credit program in recognition of the additional expense borne while travelling for work, why not construction workers?

It is long past time—

The Speaker: The hon. member for Fundy—Royal.

* * *

THE BUDGET

Mr. Rob Moore (Fundy Royal, CPC): Mr. Speaker, I am honoured to be a Conservative member of Parliament from New Brunswick and proud that the government is getting things done for my province.

Only the Conservative government recognizes that the Fundy Trail is one of Canada's natural wonders and is investing in it for Canadians' continued enjoyment.

Only the Conservative government made the Saint John Harbour clean-up a priority project by investing \$26.6 million to clean up Saint John Harbour.

Only the Conservative government is delivering for New Brunswickers through budget 2007.

Statements by Members

A new child tax credit will provide up to \$310 per child in tax relief for New Brunswick parents. New initiatives will deliver nearly \$10 million for New Brunswick farmers and New Brunswick will receive an unprecedented level of federal support totalling \$2.3 billion.

Canada's government is getting things done for Canada and is helping to build a strong and prosperous New Brunswick.

* * *

• (1405)

HOCKEY

Hon. Andy Scott (Fredericton, Lib.): Mr. Speaker, it is a proud day in Fredericton as the University of New Brunswick has captured its second Canadian Interuniversity Men's Hockey Championship.

The Varsity Reds won the University Cup with a thrilling 3-2 overtime victory against the top ranked host, Université de Moncton. It was a sweet win, given les Eggle Bleu knocked off UNB to claim the Atlantic title just two weeks ago in double overtime.

UNB advanced to the national final by edging Saskatchewan and blanking Trois-Rivières. Congratulations to these fine student athletes, head coach Gardiner MacDougall, his staff and the entire athletics department.

Last night's game was another testament to the quality in the Atlantic Hockey Conference. It will be great to see another championship banner hanging from the rafters of the Aitken Centre.

* * *

CURLING

Mr. Ron Cannan (Kelowna—Lake Country, CPC): Mr. Speaker, I rise today to congratulate the Kelowna Curling Club team who yesterday became the Women's World Curling Champions.

Skip Kelly Scott, Gina Schraeder, Sasha Carter, Renee Simons, Michelle Allan and coach Gerry Richard beat Denmark in the championship game 8-4, a resounding win that capped off a near perfect tournament.

With their win last night, Kelly Scott and Sasha Carter became the only Canadian women to ever achieve both World Junior Women's and World Women's titles.

This latest Kelowna connection cements Kelowna's reputation as the curling capital of Canada. Kelowna has produced world champions in men's, women's, junior men's and junior women's divisions, the Canadian National Blind Championship and has won gold in the Paralympics.

Team Kelowna has curled together for five years, has won the last two Canadian championships and will go on to try to win its third in 2008 as Team Canada.

On behalf of the constituents of Kelowna—Lake Country and Canadians across this country, we salute Kelly Scott and her team for bringing the Women's World Curling Championship back home to Canada.

[Translation]

CANADA GAMES

Mr. Luc Malo (Verchères—Les Patriotes, BQ): Mr. Speaker, in February I attended the Canada Games held in Whitehorse and I noted that the young athletes representing Quebec were exceptionally dynamic and energetic and united by an intense sense of solidarity. Their enthusiasm and efforts enabled them to dominate the medal standings: they won 52 gold, 376 silver and 34 bronze, for a total of 122 medals.

Once again they proved that, in sports, Quebec is a nation to be reckoned with and capable of taking responsibility for its own dreams and ambitions. I congratulate all the athletes who defended the Quebec colours so brilliantly and I would like to salute the chef de mission, France Vigneault, as well as all the members of her team who did an outstanding job. I also wish to thank Yukoners for the warm and friendly welcome extended to the competitors and supporters.

* * *

[English]

HUMAN RIGHTS

Mr. Kevin Sorenson (Crowfoot, CPC): Mr. Speaker, today I welcome Ms. Nazanin Afshin-Jam to Ottawa. She is a singer, songwriter, model and former Miss Canada and most impressively, a human rights advocate.

Recently she successfully led a campaign to free an Iranian teenager who was condemned to death for defending herself and her niece from attempted rape by three men.

Ms. Afshin-Jam is in Ottawa to testify before the Subcommittee on International Human Rights tomorrow. Her testimony is important and Canadians know that our government is diligently working to protect the human rights of Iranians.

Just last week, the Minister of Citizenship and Immigration granted asylum to an Iranian jailed for demonstrating against his government.

In light of the efforts and the numerous documented stories of political persecution in Iran, I urge all hon. members to take notice of the mass injustice in Iran and the need for significant change.

* * *

ACTION FOR NEIGHBOURHOOD CHANGE

Mr. Ken Boshcoff (Thunder Bay—Rainy River, Lib.): Mr. Speaker, for the past two years, Action for Neighbourhood Change has been supporting the efforts of residents in five Canadian neighbourhoods to improve the quality of life in their community.

The program has been led by the United Way, in partnership with the Caledon Institute, the Tamarack Institute and the National Film Board. The Liberal government recognized the value of this initiative and provided financial support through three federal departments.

Action for Neighbourhood Change has been exploring how citizens can take the lead in revitalizing their neighbourhoods and what kind of investment and support is needed to succeed.

Statements by Members

The Simpson-Ogden area in Thunder Bay is one of the participating neighbourhoods and the positive results are clear: a beautification campaign is ongoing; a strong sense of community pride has emerged; and residents have begun projects to inspect substandard housing, to develop anti-crime programs, to expand arts and environmental programs for teens and to enhance after school programs.

This program is too important to let it fade away. I call on the minority government to revisit its budget and help address this vital need for northwestern Ontario.

* * *

●(1410)

CANADA-U.S. RELATIONS

Mr. Rob Merrifield (Yellowhead, CPC): Mr. Speaker, the United States is Canada's largest trading partner with over \$1.5 billion of trade per day between our two countries. In fact, 40 of the 50 states rely on Canada as their number one buyer of products.

With the objective of promoting a stronger relationship with our southern neighbour, the Canada-United States interparliamentary group hosted today, with the Department of Foreign Affairs and International Trade, a meeting with six congressional aides. They work for Senators Collins, Snowe, and Sununu, and Congressmen Michaud, Allen and Lynch. Their names are Carol, Gail, Elizabeth, Rosemary, Dan and James. They are in Ottawa to learn more about Canada-U.S. relations.

As Canadians, we know a significant amount about our southern neighbour and it is great to see U.S. leaders showing an interest in their northern neighbour. It is by sitting down and sharing information that we build strong and lasting friendships and are able to create an even better and more cooperative working environment.

* * *

WINTER SPORTS

Mr. Dennis Bevington (Western Arctic, NDP): Mr. Speaker, I would like to devote my statement today to the athletes of the Northwest Territories. Though we are few in number, the people of the NWT are strong in heart and our athletes prove it.

Congratulations to Brendan Green of Hay River who won gold at the Canada Winter Games in Whitehorse and who this weekend won gold and silver at the National Biathlon Championships and Sarah Daitch of Fort Smith who, by winning double gold at Haywood Noram/Madshus Sprints, earned a spot on Canada's team to the Nordic World Ski Championships in Sapporo, Japan. These are just two of the NWT's great cross-country skiers who follow in the tradition of Inuvik's Olympians Sharon and Shirley Firth.

Also in cross-country, Thomsen d'Hont and Mike Argue brought back a silver medal to Yellowknife in the 1.2 kilometre team sprint from the Canadian Championships in Quebec City.

In curling I congratulate Jamie Koe's Yellowknife rink for its great showing at the Tim Horton's Brier in Hamilton and particularly Mark Whitehead who took home the Ross Harstone Trophy.

Northerners love our winter sports be they curling, dogsledding, Arctic sports—

The Speaker: The hon. member for Vancouver Centre.

* * *

HOUSING

Hon. Hedy Fry (Vancouver Centre, Lib.): Mr. Speaker, the number one priority in my city of Vancouver is housing. Why? Property values have skyrocketed in the last decade. Last year alone they went up 24%. The problem is that incomes did not go up 24%. Low and middle income families cannot afford a home or rent a place in which to bring up their kids. Yet the Conservative government did not even mention the word housing in its recent family orientated budget.

To add insult to injury, B.C. will receive no equalization payments this year or next. Why? We are considered wealthy because we have high property values.

The script could have been written by Monty Python, but it is too tragic.

B.C. Conservative ministers have nothing to say. They have either no influence or they are woefully out of touch with reality.

The new Conservative government certainly does not have the same priorities as most Vancouver families.

* * *

[Translation]

EUROPEAN UNION

Ms. Francine Lalonde (La Pointe-de-l'Île, BQ): Mr. Speaker, it is with great admiration that the Bloc Québécois acknowledges the 50th anniversary of the signing of the treaties of Rome, which served as the basis for the unification of Europe. These 50 years of construction of the European Union, which changed the face of Europe, have banished the spectre of war, and opened up a new dimension of exchange and equality among peoples, regardless of their numbers, culture or language.

We wish Europe long life and the ability to face the many economic and political challenges of the future. As Angela Merkel, Chancellor of Germany, said in her speech yesterday:

The dream of previous generations has come true in the unification of Europe. Our history reminds us that we must protect this for the good of future generations. We must always renew the political shape of Europe in keeping with the times.

* * *

●(1415)

[English]

SLAVE TRADE ABOLITION

Hon. Carolyn Bennett (St. Paul's, Lib.): Mr. Speaker, I rise today to commemorate the bicentennial of the abolition of slavery.

Oral Questions

The British parliamentary act that abolished the slave trade was the first global human rights legislation impacting the situation of Africans and other enslaved peoples.

Spadina Museum: Historic House & Garden in my riding of St. Paul's regularly hosts events to educate Torontonians and tourists alike about the lives of former slaves who escaped to Canada via the underground railroad. I remember Dawn Roach's moving performance of Mary Pipkin, a former slave who escaped to Canada and came to work with the Austin family at Spadina House in St. Paul's.

The horror and barbarism of the slave trade should never be forgotten. The contributions of former slaves and their descendants in my riding and across the country continue to be celebrated.

Dr. Ofua Cooper, Albert Wiggan, Kim and David Watkins, Clifton Joseph, Starr Jacobs and Reverend Owen MacPherson are a few of the amazing Canadians who will ensure that we never forget.

* * *

ABORIGINAL AFFAIRS

Mr. Rod Bruinooge (Winnipeg South, CPC): Mr. Speaker, on March 22, World Water Day, the Minister of Indian Affairs and Northern Development tabled a report in the House that detailed the improvements that have been made to water quality on reserve over the past 12 months.

One year ago, the minister announced a plan of action that would ensure that all first nation communities would have access to clean, safe drinking water.

Twelve months later, the government is very proud to note that the number of high-risk water systems in first nations communities has been reduced from 193 to 97 and of the 21 communities identified as a priority last year, 7 have had their water problems addressed.

Canada's new government recognizes the vital importance of water as a resource to be protected and as a critical component of safe, healthy, sustainable communities. We have made significant progress. We will continue to deliver results on water and on other issues that continue to affect the quality of life for aboriginal people in the country.

ORAL QUESTIONS

[English]

CHILD CARE

Hon. Stéphane Dion (Leader of the Opposition, Lib.): Mr. Speaker, the former Liberal government had a plan that it negotiated with all of the provinces to have child care and early childhood learning as a national policy in Canada. It was developed under the leadership of the member for York Centre.

We know now, more than ever because there was a report released by Dr. Mustard, that Canada needs to catch up so much if we compare it with other countries.

Why on earth did the Prime Minister and the Conservative government cut this plan?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, this year the government will transfer a record amount to the provinces for early childhood development and early childhood learning and education, as well as additional moneys for the creation of child care spaces.

At the same time, the government is putting \$2.5 billion into direct child care payments to Canadian parents. I know that the Leader of the Liberal Party wants to take that away, but that is what we believe should happen.

Hon. Stéphane Dion (Leader of the Opposition, Lib.): Mr. Speaker, only the Prime Minister and the Conservative government think that income support is the equivalent to child care for families. It is only they who think that child care comes from the mailbox.

This being said, we will try to fix the mess they created through a claw back against the poor in the way they framed their system.

The fact is that this year the Conservatives only invested \$250 million for child care when we were planning \$1 billion. Is the Prime Minister able to increase it to \$1 billion to have a real national plan for child care in Canada?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, only the current leader of the Liberal Party could think that taking money away from Canadian parents is a good thing for children. That is what he told the *National Post* that he wants to do in October. That is wrong. It is wrong for Canadian families, wrong for parents and wrong for children. It is just plain wrong.

Hon. Stéphane Dion (Leader of the Opposition, Lib.): Mr. Speaker, the government just has to stop the claw back at the expense of the poor families of our country. It is what it is doing with the claw back on child care for the people in need. This is shameful.

[Translation]

Let us now talk about families. In Quebec alone, the Government of Quebec has a \$270 million shortfall because it withdrew from the national child care plan, which had been negotiated with the Government of Quebec.

Can he promise to ensure that the Government of Quebec and the other provincial governments will see their commitment honoured when they sign these agreements? These agreements have to be honoured. I am asking for this on behalf of all the provinces.

• (1420)

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, we have created a new universal family allowance for Canadian families. At the same time, we have proposed a solution to the fiscal imbalance.

The Leader of the Opposition is opposed to giving this family allowance to families in Quebec and the rest of Canada. What is more, he is opposed to correcting the fiscal imbalance. This is not a good position to take; it is the centralizing position of his party.

We prefer to correct the fiscal imbalance together with the provinces.

Oral Questions

[English]

THE BUDGET

Mr. Michael Ignatieff (Etobicoke—Lakeshore, Lib.): Mr. Speaker, the government's budget last week left millions of Canadians in the dust. They are our urban poor, aboriginal Canadians living on reserves, and Canadian families living paycheque to paycheque trying to keep their heads above water.

For these Canadians, it was little or nothing. Why does the government keep putting its own interests ahead of the interests of Canadians? Why has it forgotten the very meaning of fairness?

Hon. Jim Flaherty (Minister of Finance, CPC): Mr. Speaker, if we want to talk about tax fairness in Canada, we do not need any lessons from the party opposite that has made it clear that it will vote against the income trust legislation.

The Liberal Party along with the Leader of the Opposition also made it clear, without reading or even knowing what was in the budget, that when we went after tax havens, they would be in favour of tax havens for Canadian businesses. That is what they know about tax fairness.

[Translation]

Mr. Michael Ignatieff (Etobicoke—Lakeshore, Lib.): Mr. Speaker, instead of lowering taxes for the less fortunate, the government is increasing them. Instead of creating child care spaces in order to provide a true choice to Canadian families, the government has created none. Instead of helping families who work in order to make ends meet, this government is making minimal investments and claiming victory.

In a time of enormous surpluses, why is this government passing up the chance to help Canada's least fortunate families succeed?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, the choice of the Liberal Party is clear. Its choice is to hold on to the family allowance for Canadian families and parents. Our policy is to give money to Canadian families. The Liberal Party wants to withdraw its support from families. That is a bad choice for Canadian families and children.

* * *

THE ENVIRONMENT

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, the Minister of the Environment raised concerns a few days ago when he said that the Canadian government had no intention of cutting a deal with international markets to buy credits outside of Canada. However, this credit exchange system is recognized as an excellent way to reduce greenhouse gas emissions, which cause global warming.

Does the Prime Minister understand that this mechanism does not cost taxpayers anything and, furthermore, that it is set out in the Kyoto protocol?

Hon. John Baird (Minister of the Environment, CPC): Mr. Speaker, we have been very clear for quite some time. In October 2006, we revealed to Canadians our intention to regulate industry, not only to reduce greenhouse gases, but also to reduce smog and pollution. Clearly, we will conduct consultations on this policy over

the coming weeks to really respond to the need to reduce greenhouse gases.

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, it seems that the Prime Minister likes suggestions. I have an excellent suggestion for him, which he could put in his suggestion box.

Since the Prime Minister refuses to participate in an international carbon exchange market, why does he not introduce absolute reduction targets, which would allow for the creation of a domestic carbon exchange that should be set up in Montreal?

Hon. John Baird (Minister of the Environment, CPC): Mr. Speaker, I had the opportunity to visit the Montreal stock exchange a few months ago. I learned a great deal from the people working there. We have been very clear. Our goal is to reduce greenhouse gases. It is not our goal to give public money, taxpayers' money, to Russia to buy credits there, where we have never seen any real reductions. Our policy remains unchanged.

● (1425)

Mr. Bernard Bigras (Rosemont—La Petite-Patrie, BQ): Mr. Speaker, the business people who attended the AMERICANA trade show demanded that the federal government set clear, precise targets for greenhouse gas reduction. The people demanding these targets are environmentalists, entrepreneurs, economists and investors.

In light of the economic community's pressing demands, may I suggest that the government forget about its intensity targets and set precise, absolute greenhouse gas emissions reduction targets as soon as possible?

Hon. John Baird (Minister of the Environment, CPC): Mr. Speaker, we have always said that it is important to regulate the industry to reduce greenhouse gases. To do that, it is important to have numbers. We have had good consultations with environmental and industry groups. In a few weeks, we will release our numbers, our plan to reduce greenhouse gases and improve air quality in Canada.

Mr. Bernard Bigras (Rosemont—La Petite-Patrie, BQ): Mr. Speaker, Alain Lemaire, the CEO of Cascades, said, "We want indications as to when we can expect a carbon exchange, when we will know where we are headed, and what standards will be in place."

When will the government respond to Alain Lemaire and the business community?

Hon. John Baird (Minister of the Environment, CPC): Mr. Speaker, it is very important to act here, in Canada, to reduce greenhouse gases. For 13 long years, we had two things in Canada: the Liberal government and the Bloc Québécois here in Ottawa. Absolutely nothing was done. Now, we have a Prime Minister and a party in power that wants to bring about real greenhouse gas reductions. The member waited 13 long years. Now he has to wait 13 long weeks after my appointment to the portfolio. That is not much to ask.

Oral Questions

[English]

CHILD CARE

Hon. Jack Layton (Toronto—Danforth, NDP): Mr. Speaker, when the Conservatives were in power in Ontario they made a practice of ignoring the reports from Dr. Fraser Mustard, who wrote about the importance of investing in early childhood development. Of course now, we have what he calls a chaotic mess.

Part of this is because the Conservatives have their own understanding of the ABCs. It is called anything but child care. No wonder our children are getting left behind, no wonder we are dead last on the OECD ratings, and no wonder our kids are having a harder time learning than kids in other countries.

When is the Prime Minister going to start to learn some lessons about all this and get us a serious child care program in Canada?

Hon. Monte Solberg (Minister of Human Resources and Social Development, CPC): Mr. Speaker, supporting parents does not create a chaotic mess. The government has faith in Canadian parents which is why we have put \$2.4 billion a year into the universal child care benefit.

In fact, today, all in, we contribute \$5.6 billion a year toward early childhood development, including that funding to parents, the most of any federal government in history.

Hon. Jack Layton (Toronto—Danforth, NDP): Mr. Speaker, I recall not too long ago when the members on this side were pointing fingers over to the other side, accusing them of having broken their promises and creating no spaces, which happened to have been true, and then they came in with their own plan. They said they would create thousands of spaces.

Well here we are a year later and what have we got? A big fat zero, and the fact is, there is no commitment here for serious child care whatsoever. In fact, we spend 0.25% of our GDP on early childhood. That is worse than the United States.

When is the Prime Minister going to take our young children seriously and their families, and make sure they have the child care that they need?

Hon. Monte Solberg (Minister of Human Resources and Social Development, CPC): Mr. Speaker, again the member is wrong. No sooner had we announced \$250 million in the budget for child care spaces, the government of Saskatchewan, an NDP government, announced in its budget it was going to create 500 spaces. Where the Liberals failed, we are getting the job done.

* * *

THE BUDGET

Ms. Yasmin Ratansi (Don Valley East, Lib.): Mr. Speaker, last week's Conservative budget shows the government has completely abandoned tax fairness for the second time in two years. It is a disturbing pattern. Income taxes are going up every year under the government and the income trust disaster cost investors \$25 billion overnight.

The minister somehow called this gross injustice his tax fairness plan. Taxes are up and private savings have been decimated. Where is the fairness in this?

● (1430)

Hon. Jim Flaherty (Minister of Finance, CPC): Mr. Speaker, there is certainly tax relief for families in Canada today. There is a \$2,000 per child tax credit for children under the age of 18.

Perhaps it is because we recognize, on this side of the House, something that the other side of the House fails to recognize, and that is there are lots of hard-working people in Canada who, at the end of the month, have trouble paying their bills. We are going to help them out with their children, with those expenses for children, with a sum of \$310 a year on average per child.

The other part, which is very important and I am sure the member opposite wants to support this once she has read it, is the workers income tax benefit to get over the welfare—

The Speaker: The hon. member for Don Valley East.

Ms. Yasmin Ratansi (Don Valley East, Lib.): Mr. Speaker, the plain truth is this. Taxes started going up the day the government took power. In 2005 the lowest income tax rate was 15%. After the 2006 budget, the rate was raised to 15.5% and last week's budget did absolutely nothing to reverse this inexplicable tax increase on those who earn the least.

Is this what the Conservatives consider fairness?

Hon. Jim Flaherty (Minister of Finance, CPC): Mr. Speaker, may I remind the hon. member that for a budget to become law, it has to pass. Our budget last year passed. Both budget implementation bills passed. The provision that she refers to never passed in this House and never became the law of Canada.

What we have done in tax relief since budget 2006 is \$37.8 billion for individuals and \$3.5 billion for business which is total tax relief of \$41 billion, Ralph. That is a lot of money for Canadians.

The Speaker: I would remind the Minister of Finance that while it may be entertaining to address colleagues, he should address his remarks to the Chair.

The hon. member for Don Valley West.

* * *

[Translation]

THE ENVIRONMENT

Hon. John Godfrey (Don Valley West, Lib.): Mr. Speaker, a week before the budget, the Minister of Finance decided to subsidize General Motors vehicles with big engines, because they can also run on an ethanol E85 blend. The Minister of Finance is likely the only taxpayer in Whitby—Oshawa who can fill up his car at the only E85 fuel pump in the country, which is here in Ottawa.

Why is the minister subsidizing vehicles that in no way help improve the environment?

*Oral Questions**[English]*

Hon. John Baird (Minister of the Environment, CPC): Mr. Speaker, this government is very proud of the initiatives we have taken both on reducing greenhouse gas emissions and on bringing real measures to have Canadians involved.

We are very proud of the initiative, for the first time ever, to see the federal government provide incentives to get people to buy fuel efficient cars. We on this side of the House will not leave ethanol behind.

I can appreciate that with the Liberal Party opposite a lot of talk happened but very little happened on ethanol. The Liberals did not get the job done. This government wants ethanol vehicle fleets to be part of Canada's future. That is why we are very proud to put the Chevy Impala E85 on the list.

Hon. John Godfrey (Don Valley West, Lib.): Mr. Speaker, I would remind the Minister of the Environment that it looks like the finance minister decided to add a few gas guzzlers to the green car list.

General Motors vehicles that can also run on E85 are indeed eligible for a tax funded \$1,000 rebate. The problem is the only pump where drivers can fill up in Canada with E85 is in Ottawa. What good does that do for a driver in Calgary?

Did the minister add these models to the list simply because they are assembled by people in his riding?

Some hon. members: Oh, oh!

The Speaker: Order. The hon. the Minister of the Environment has the floor.

Hon. John Baird (Minister of the Environment, CPC): Mr. Speaker, again we are seeing more evidence that the Liberals did not read the budget.

It is unacceptable that only one station in Canada is offering 85% ethanol. That is why this government is investing in a biofuels and ethanol strategy.

If the hon. member checks page 71, he will see that Ottawa based Iogen is one of Canada's leading biotechnology firms. It is about part of the investment of \$2 billion in cleaner fuels. This government is delivering where the previous government failed.

The real issue here is the Liberals do not like Chevy Impalas because they are a bunch of limousine Liberals.

* * *

● (1435)

[Translation]

TRANSPORTATION

Mrs. Carole Lavallée (Saint-Bruno—Saint-Hubert, BQ): Mr. Speaker, the company—

Some hon. members: Oh, oh!

[English]

The Speaker: Order. We will have a little calm in the House please while we proceed with the next question.

[Translation]

The hon. member for Saint-Bruno—Saint-Hubert has the floor.

Mrs. Carole Lavallée: Mr. Speaker, Pratt & Whitney in Longueuil is seeing its engine test flight operations in Saint-Hubert compromised, because the Saint-Hubert airport needs to extend its runways. Without such an extension, those operations face the risk of being exported.

Does the Prime Minister realize that, by refusing to commit to improving the Saint-Hubert airport, the federal government could be directly responsible for the loss of many jobs on the south shore, across from Montreal?

Hon. Lawrence Cannon (Minister of Transport, Infrastructure and Communities, CPC): Mr. Speaker, I had the opportunity to meet with executives from that company last week. We examined the various programs available from the Canadian government through the Department of Transport. In that regard, none of these programs meet their needs.

However, we are still examining the file, in cooperation with the company. My colleagues, the Minister of Industry and the Minister of the Economic Development Agency of Canada for the Regions of Quebec, are taking action.

Mrs. Carole Lavallée (Saint-Bruno—Saint-Hubert, BQ): Mr. Speaker, in the Boeing file, the Bloc Québécois made a suggestion to the government that would be fair to the Quebec aerospace industry, namely, to guarantee a percentage of the spinoffs that reflects the importance of the Quebec industry. The government rejected our suggestion.

Will the Prime Minister agree, this time, to our suggestion to invest in the improvements to the Saint-Hubert airport in order to maintain Pratt & Whitney's operations at that airport? This is crucial to the greater Montreal region and to Quebec's aerospace industry.

Hon. Jean-Pierre Blackburn (Minister of Labour and Minister of the Economic Development Agency of Canada for the Regions of Quebec, CPC): Mr. Speaker, the Economic Development Agency of Canada for the Regions of Quebec was asked to contribute some \$70 million to rebuild this airport runway. You will agree that, in view of our total budget of approximately \$200 million, it is a considerable sum of money.

Nevertheless, we shall see what we can do and what all the parties involved will contribute. A serious analysis will be undertaken once the formal application is submitted.

* * *

SECURITIES

Ms. Paule Brunelle (Trois-Rivières, BQ): Mr. Speaker, the Minister of Finance insists on interfering in Quebec's and the provinces' jurisdictions by establishing a pan-Canadian securities commission. Quebec, the territories and all provinces except Ontario already have a mechanism for facilitating securities transactions and they reject the minister's proposal.

How does the minister reconcile his position with his government's commitment to respect the jurisdictions of Quebec and the provinces?

*Oral Questions**[English]*

Hon. Jim Flaherty (Minister of Finance, CPC): Mr. Speaker, this is an area of discussion in which the provincial ministers and the federal minister have engaged over the period of some 14 months or so. There are a number of studies.

One of the key concerns is that having 13 securities regulators in Canada creates a great deal of red tape and a great paper burden without much benefit. If we are going to look at making our economic union function better, it is one area in which we might well gain some ground. It is a continuing matter of discussion. I look forward to having more discussions with the finance ministers about this in Quebec in June when we meet again.

[Translation]

Ms. Paule Brunelle (Trois-Rivières, BQ): Mr. Speaker, I would like to remind the minister that Quebec is against his plan and has said so loud and clear. A passport mechanism already exists to facilitate inter-jurisdictional transactions. According to a recent OECD study, it is a model of efficiency.

Why does the minister insist on wanting to change a mechanism that works and impose another that would strip Quebec of an area of exclusive jurisdiction?

[English]

Hon. Jim Flaherty (Minister of Finance, CPC): Mr. Speaker, the hon. member is right. There has been significant progress among the provinces in working toward a system that will work better for all Canadians and work better for Canadian businesses. That is exactly where we want to go.

We think we can go further together in terms of a common securities regulator for Canada. I emphasize to the member, this is not a federal securities commission; this is a securities commission for all of the governments in Canada. That is what we have been discussing. It certainly would not be a national regulator.

* * *

●(1440)

AFGHANISTAN

Hon. Marlene Jennings (Notre-Dame-de-Grâce—Lachine, Lib.): Mr. Speaker, the Conservatives used the Afghanistan Independent Human Rights Commission as a shield, claiming to have funded it when in fact they have paid it nothing. The director of the commission in the Kandahar region says he cannot monitor all the prisoners and that torture and abuse are rife in Afghan prisons.

The defence minister is either grossly incompetent or he callously disregards human rights. He is not fit to run the Canadian armed forces.

When will the Prime Minister start supporting our troops, do us all a favour and fire the defence minister?

Hon. Gordon O'Connor (Minister of National Defence, CPC): Mr. Speaker, contrary to what the member says, I spoke with the representative in the Kandahar area. He personally assured me that he could do the job, and that is he will monitor our detainees in the Afghan system and if he finds any fault, he will report it to us. He has personally confirmed that.

[Translation]

Hon. Marlene Jennings (Notre-Dame-de-Grâce—Lachine, Lib.): Mr. Speaker, I do not know why we should believe him when he has already misled the House and has had to apologize for it.

He has misled us once again with regard to the Afghans. Last week he stated that his department was not attempting to interfere in the investigation into the condition of detainees. However, a letter confirms that DND is actively attempting to block the Military Police Complaints Commission.

When will the minister own up to his political interference?

[English]

Hon. Gordon O'Connor (Minister of National Defence, CPC): Mr. Speaker, on three or four other occasions I have said specifically that all four investigations, that is, the National Investigation Service, the board of inquiry and the two Military Police Complaints Commission investigations will proceed.

* * *

MINISTER OF PUBLIC SAFETY

Mr. Mark Holland (Ajax—Pickering, Lib.): Mr. Speaker, on Friday former MP Jim Hart said that an offer of compensation was made to all Alliance MPs by the public safety minister at his first caucus meeting as leader. The minister has claimed that there was no such deal or discussion prior to Mr. Hart's decision to leave.

Not only does this contradict Mr. Hart's statement, the facts fly in the face of new documents which point to a negotiated compensation package in advance of Mr. Hart's resignation, an action that would be illegal.

Given the allegations are now before the RCMP, can the minister responsible for the RCMP confirm that his agency is investigating their own minister?

Hon. Peter Van Loan (Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Mr. Speaker, this is an old story.

The member for Ajax—Pickering could be helpful. While he is busy finding lost property and returning it to its proper owners, perhaps he could help taxpayers by finding the \$40 million the Liberals took in the sponsorship scandal and returning it to its proper owners, the taxpayers of Canada.

Mr. Mark Holland (Ajax—Pickering, Lib.): Mr. Speaker, if the Conservatives had not left behind thousands of pages of documents, they would be right in that this would not be a new story, but in their rush to government, they left the truth behind.

Jim Hart does not dispute the authenticity of the new documents provided to the RCMP. He does not dispute that a negotiation between him and the minister's then chief of staff took place in advance of the resignation, a scheme which appears to not only contravene the Criminal Code but also points to the illicit use of taxpayers' dollars.

By not stepping aside, the minister responsible for the RCMP is tacitly placing pressure on the investigation and blocking the truth. When will he step down?

Oral Questions

Hon. Peter Van Loan (Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Mr. Speaker, offering inducements to someone to step aside for another Liberal is something the Liberal Party knows an awful lot about. After all, does everyone know that the leader of the Liberal Party, the member for Saint-Laurent—Cartierville, was elected to Parliament only after a Liberal MP, Shirley Maheu, was given an appointment to the Senate so that he had a place to run? The Liberals seem to know something about inducements.

* * *

FORESTRY

Mr. Ron Cannan (Kelowna—Lake Country, CPC): Mr. Speaker, British Columbians finally have a federal government that is acting on our priorities.

While the previous government watched and did little, the mountain pine beetle infestation grew from a few city blocks to an area almost three times the size of Vancouver Island. The truth is the previous government did not contain this beetle. The infestation now threatens Canada's vast pine forests and the well-being of some 180 communities.

Could the Minister of Natural Resources tell this House what our government is doing to combat this disaster?

Hon. Gary Lunn (Minister of Natural Resources, CPC): Mr. Speaker, first let me thank the member for Kelowna—Lake Country and also the member for Cariboo—Prince George for their work on this file.

One of our government's first actions when taking office was to commit \$1 billion over 10 years to combat this infestation. In our very first budget only months after taking office, we committed to \$200 million. We have 100% fully funded the British Columbia forest service request for mitigation this year. We were pleased to announce \$25 million. We will continue to ensure the long term sustainability of communities and that these communities are protected, this after the 10 years of inaction by previous Liberal and NDP governments in the province.

●(1445)

The Speaker: The hon. member for Skeena—Bulkley Valley.

* * *

THE ENVIRONMENT

Mr. Nathan Cullen (Skeena—Bulkley Valley, NDP): Mr. Speaker, it has come as no surprise to Canadians that the government has become a follower rather than a leader when it comes to the issue of the environment.

The Conservatives should be thoroughly embarrassed by their handling of the climate change file, regulating air pollution, and now they are being scolded by American governors about polluting our waters. The governor of Montana, hardly one known for his tree-hugging ways, has demanded that the environment minister conduct an environmental assessment on an open pit coal mine in British Columbia.

Will the minister immediately order an assessment on the project, do his job and get the job done for once?

Hon. John Baird (Minister of the Environment, CPC): Mr. Speaker, the Government of British Columbia has just completed its pre-assessment process and will be establishing the terms of reference for its environmental assessment of this process. We will await its hard work. I have a lot of confidence.

Should the government of the United States at the national level like to request the involvement of the International Joint Commission, that would certainly be a request we would be open to considering.

Mr. Nathan Cullen (Skeena—Bulkley Valley, NDP): Mr. Speaker, the governor of Montana has requested this of the minister. Now the people of British Columbia are demanding this and the minister is away on the file.

When will the Conservatives learn that everyday Canadians expect leadership when it comes to the environment, not spinning and further delay?

The government has made a travesty of the Canadian international reputation on climate change. It has already lost a minister. It has lost control of its only environmental bill.

When are the Conservatives going to do something for a change and do something about this open pit coal mine being proposed in British Columbia? Will he order the assessment, yes or no, now?

Hon. John Baird (Minister of the Environment, CPC): Mr. Speaker, I say to the member opposite he is certainly contributing a terrific amount to global warming with that type of rhetoric.

The Government of British Columbia is conducting an environmental assessment on this issue. We will wait and watch that take place and look at what it comes forward with and recommends. At the end of that process, should our neighbours south of the border at the national level wish to request the International Joint Commission's involvement, we would be very open to receiving such a request.

* * *

CITIZENSHIP AND IMMIGRATION

Hon. Andrew Telegdi (Kitchener—Waterloo, Lib.): Mr. Speaker, despite the Minister of Citizenship and Immigration's claims that only 450 Canadians have lost their Canadian citizenship due to arcane citizenship laws, in reality the number could be upwards of 200,000 individuals, whose lives potentially could be devastated by this injustice.

Will the minister admit that she has downplayed the magnitude of this issue and misled Canadians and will she take immediate steps to review the Citizenship Act to better protect Canadian citizenship in the future?

Hon. Diane Finley (Minister of Citizenship and Immigration, CPC): Mr. Speaker, I really think it is time that the party opposite stops trying to mislead Canadians about these numbers.

Four hundred and fifty people have come forward and have been identified as having this kind of problem with their citizenship.

Oral Questions

That is why we have put together a special hotline, dedicated case agents and a streamlined process to address them. I am pleased to say that we have already been able to grant 33 of them citizenship and resolve their problems.

Hon. Andrew Telegdi (Kitchener—Waterloo, Lib.): Mr. Speaker, it is abysmal that the minister is satisfied with a piecemeal and reactionary approach to protecting Canadian citizens.

Why has the minister minimized the impact of the issue, played favourites, failed to proactively seek out those who remain unaware that their citizenship status has been affected and ignored demands to undertake a full review of Canada's Citizenship Act?

Hon. Diane Finley (Minister of Citizenship and Immigration, CPC): Mr. Speaker, it is the party opposite that should be apologizing to Canadians, first, for creating this situation and, second, for doing nothing about it over four mandates, six ministers and three majorities. Third, it should apologize for scaremongering people about the extent of the situation.

We are the ones who are getting the job done. People know that.

* * *

CANADIAN WHEAT BOARD

Hon. Wayne Easter (Malpeque, Lib.): Mr. Speaker, the Minister of Agriculture and Agri-Food will soon have the tainted results of his discredited plebiscite with barley producers.

KPMG is now counting the numbered ballots. However, KPMG has called some producers to see which of their ballots they want counted. Canadians should know that in this vote the ballots were numbered and traceable, there was no voters list and there were no scrutineers from opposing camps.

Will the minister explain what happens to those voters that KPMG cannot reach? Or is that just the side that favours the government approach and is it the more votes the merrier?

• (1450)

Hon. Chuck Strahl (Minister of Agriculture and Agri-Food and Minister for the Canadian Wheat Board, CPC): Mr. Speaker, what we do know is how the Liberal Party is going to handle this. The Leader of the Opposition was in the Prairies the other day and said he is not quite sure what he is going to do, but he has “a lot of imagination” so we should just leave it with him.

We are not leaving it with him. We are leaving it with farmers. We have asked them some clear questions in a plebiscite. Do they want barley to stay as it is? Do they want more freedom of choice?

I look forward to what they are going to have to say, because on this side of the House we respect farmers and what they have to say about the Canadian Wheat Board.

Hon. Wayne Easter (Malpeque, Lib.): Mr. Speaker, the Leader of the Opposition will allow farmers to have a voice, which that party has not done.

Let us review the process. Gag orders were placed on farmer-elected board members. Appointed board members were fired. The CEO was fired for standing up for producers. Now we have numbered and traceable ballots. Finally, the minister called a plebiscite but it has a fraudulent question.

Now there is evidence of multiple ballots and calls to voters from the returning officer, KPMG itself. Does the Prime Minister think this is a credible process?

Hon. Chuck Strahl (Minister of Agriculture and Agri-Food and Minister for the Canadian Wheat Board, CPC): Mr. Speaker, if he wants to impugn the honourable integrity of KPMG, I guess he can try.

We are in contact with farmers all the time. It is a little different from when the Liberals are in charge and the Liberals deal with the Wheat Board. Farmers who want to contact people when the Liberals are in charge have to phone their lawyers because they are in jail for trying to market their own product.

* * *

[Translation]

MANUFACTURING SECTOR

Mr. Guy André (Berthier—Maskinongé, BQ): Mr. Speaker, job losses are adding up in the manufacturing sector. Shermag, a furniture manufacturer, announced that in May it would be permanently closing two plants in Quebec, causing a loss of 283 jobs. The Standing Committee on Industry, Science and Technology has tabled a report that makes 22 recommendations to the government for supporting the manufacturing sector.

With 33,000 industrial jobs lost in Quebec in February alone, does the Minister of Industry intend to implement the 22 recommendations in the report promptly in order to protect the threatened jobs?

[English]

Mr. Colin Carrie (Parliamentary Secretary to the Minister of Industry, CPC): Mr. Speaker, on the hon. member's question, he is correct in that the industry committee did put forth 22 recommendations, and what I would like to ask him to do is actually read the budget. Because if he read the budget he would see that the major recommendation, the two year writeoff for machinery and equipment, will help boost the cashflow of investment. Canada offers a significant tax advantage for this.

We have moved forward on all these commitments. This is the best budget for manufacturers that has ever occurred.

* * *

[Translation]

FISHERIES AND OCEANS

Mr. Raynald Blais (Gaspésie—Îles-de-la-Madeleine, BQ): Mr. Speaker, the budget brought down by the Minister of Finance last Monday virtually ignored the fisheries sector. There is not a single measure that could help solve the crises the fisheries sector has been experiencing for several years now.

Can the Minister of Fisheries and Oceans confirm if there is additional funding in the next budget to help small craft harbours?

[English]

Hon. Loyola Hearn (Minister of Fisheries and Oceans, CPC): Mr. Speaker, while I thank the hon. member for his question, let me also thank him and the Bloc for coming out publicly and asking the Liberals to move ahead with Bill C-45.

Let me say for the member, who is a very good representative for his fishermen, that we will, not through the budget but through the regulatory process and work already under way, be very shortly announcing positive moves that will help his fishermen and fishermen all across the country.

* * *

GOVERNMENT APPOINTMENTS

Hon. Raymond Simard (Saint Boniface, Lib.): Mr. Speaker, will the Prime Minister confirm that the Ontario Provincial Police are currently investigating allegations against registered lobbyist and Conservative campaign chair John Reynolds in relation to irregularities in the 2006 civic election in Ottawa?

• (1455)

Hon. Peter Van Loan (Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Mr. Speaker, in terms of the perspective of the government, the individual in question says he contacted the Minister of the Environment about a possible appointment. The minister said he did not know what he was talking about. I think that is all on the record and the individual in question exonerated the Minister of the Environment.

* * *

FEDNOR

Mr. Barry Devolin (Haliburton—Kawartha Lakes—Brock, CPC): Mr. Speaker, I have a question regarding federal investment in northern Ontario.

Over the past 10 or 15 years I have had the opportunity to spend a lot of time in Ontario's north. I believe that northern Ontario is a treasure trove of human and natural resources and that the best is yet to come for that region. It is also my belief that the previous Liberal government did not do very much to realize this potential.

Can the minister responsible for FedNor explain to the House what Canada's new government is doing to create a brighter future for northern Ontario?

Hon. Tony Clement (Minister of Health and Minister for the Federal Economic Development Initiative for Northern Ontario, CPC): Mr. Speaker, I want to reveal to the House that our new government of course is committed not only to development across Canada but to development in northern Ontario, unlike the current leader of the Liberal Party, who during his leadership campaign wrote off northern Ontario and many other parts of Ontario by saying that in general people should simply move to where the jobs are.

Not only has this government announced five years of stable funding for FedNor, something the previous government never did, we have also announced well over \$16 million of investments in northern Ontario this last year alone. I call upon the hon. members

Oral Questions

opposite from northern Ontario, wherever they are from in northern Ontario, to—

The Speaker: The hon. member for Winnipeg North.

* * *

FINANCIAL INSTITUTIONS

Ms. Judy Wasylycia-Leis (Winnipeg North, NDP): Mr. Speaker, the finance minister has failed to explain to Canadians why the big banks have to take so much money out of people's pockets with ever increasing ATM fees.

The banks have failed to explain why, with record profits, they have to nickel and dime Canadians.

Will the Minister of Finance step up to the plate? Will he tell the banks that \$19 billion in profits is enough and it is time to scrap the fees? Will he do this or will he wimp out and fall back to supporting Bay Street, like so many other finance ministers before him?

Hon. Jim Flaherty (Minister of Finance, CPC): Mr. Speaker, I am not sure who the member is referring to as finance ministers before me. Some are on the other side of the House, of course, but in terms of the question I encourage the member to go ahead with the hearings before the House committee. As members know, the finance committee has decided to look into the subject of ATM fees.

I have had active and recurrent discussions with people in the banking industry on this subject. I look forward to seeing the report from the committee.

Ms. Judy Wasylycia-Leis (Winnipeg North, NDP): Mr. Speaker, the trouble is that the minister talks a lot but in the end he uses words like choice and competition, just like the big banks, as an excuse to stick it to working families with ever increasing fees. He has to answer questions about this.

Today I want to ask him this. Are these same big banks not negotiating exclusive rights contracts to key markets like airports and school campuses, virtually guaranteeing that consumers are hit with fees? This is more than an inconvenience and it certainly is not competition.

I want to know. When is the finance minister going to realize that banks are pulling the wool over his eyes about competition and start to act for ordinary Canadians on ATM fees?

Hon. Jim Flaherty (Minister of Finance, CPC): Mr. Speaker, the member speaks about ordinary Canadians. In the budget we brought in something that had been talked about in this House for a long time: the workers income tax benefit. I cannot believe it, but the member who asked the question and her party intend to vote against the workers income tax benefit.

We also introduced for the first time in the history of Canada a registered disability savings plan for the most severely disabled people in Canada. I cannot believe that the member and her NDP colleagues are going to vote against a registered disability savings plan.

*Routine Proceedings***ABORIGINAL AFFAIRS**

Hon. Anita Neville (Winnipeg South Centre, Lib.): Mr. Speaker, the federal interlocutor for the Métis nation makes excuses for his government's betrayal of aboriginal Canadians by saying that it is not about the money. Does this mean his government need not live up to financial commitments?

The Manitoba Métis Federation remortgaged assets to continue delivering programs and services because it has not received funding for the year that is ending in nine days. Why is the government forcing aboriginal organizations to rely on lines of credit instead of delivering funding in a timely and responsible manner?

• (1500)

Hon. Jim Prentice (Minister of Indian Affairs and Northern Development and Federal Interlocutor for Métis and Non-Status Indians, CPC): Mr. Speaker, my friend needs to make sure that she has her facts straight. The arrangements with the Manitoba Métis Federation have been executed. The funding is in process and will be in place by the end of the year.

* * *

THE BUDGET

Mr. Chris Warkentin (Peace River, CPC): Mr. Speaker, last Monday the finance minister delivered a balanced budget that will make things easier for working families by making investments in health care, the environment and infrastructure.

As well, the budget also reduces taxes for these working families through the working family tax plan. Could the minister responsible provide more details on this plan?

Hon. Jim Flaherty (Minister of Finance, CPC): Mr. Speaker, the member for Peace River has asked an insightful question about tax reductions in Canada. Canadians pay too much tax. On this side of the House, we know that. Since taking office, we have provided \$37.8 billion in tax relief for individuals only over this and the next two fiscal years.

Budget 2007 has four significant tax reductions: the \$2,000 child tax credit per child under the age of 18; \$550 million for the working income tax benefit, or WITB; eradicating the marriage penalty; and improving RESPs for Canadian families.

* * *

[*Translation*]

STATUS OF WOMEN

Ms. Johanne Deschamps (Laurentides—Labelle, BQ): Mr. Speaker, the Minister of Canadian Heritage and Status of Women maintains that she cares about the status of women, but she is changing eligibility criteria in order to deny funding to women's rights advocacy groups.

How can the minister claim to be contributing to the advancement of women when she is cutting funding to the agencies that defend women's rights?

[*English*]

Hon. Bev Oda (Minister of Canadian Heritage and Status of Women, CPC): Mr. Speaker, I want to be very clear. Canada's new government understands the difference between supporting not only

organizations but real women, women in the communities, women who actually—

Some hon. members: Oh, oh!

The Speaker: Order. The hon. Minister of Canadian Heritage has the floor.

Order, please. We want to hear her answer.

Hon. Bev Oda: Mr. Speaker, we understand and we live with women in our neighbourhoods and our communities. We understand the challenges they face.

That is why our budget recognizes the part that women play in their communities and in their families. Women need this support in order to meet the challenges. That is why we have addressed \$5 million in addition, in new money, to support women in Canada.

ROUTINE PROCEEDINGS

[*English*]

SLAVE TRADE ABOLITION

Hon. Jason Kenney (Secretary of State (Multiculturalism and Canadian Identity), CPC): Mr. Speaker, I am honoured to rise to mark the bicentenary of one of the great achievements in the fight for freedom and human dignity, the abolition of the slave trade in Canada and throughout the British Empire.

Two hundred years ago, on March 25, 1807, King George III granted royal assent to the act for the abolition of the slave trade, which read as follows:

Be it therefore enacted by the King's most Excellent Majesty... That... the African Slave Trade, and...all manner of dealing and trading in the Purchase, Sale, Barter, or Transfer of Slaves, or of Persons intended to be sold, transferred, used, or dealt with as Slaves, practiced or carried on, in, at, to or from any Part of the Coast or Countries of Africa, shall be, and the same is hereby utterly abolished, prohibited, and declared to be unlawful;

• (1505)

[*Translation*]

These words were the beginning of the end for the vile practice of the African slave trade, a practice that would be unthinkable today.

For three hundred years, millions of African men, women and children were kidnapped from their homes and families, transported across the Atlantic in horrible conditions and then sold into a life of duress and misery across the Americas.

It is impossible to say how many thousands died on this journey due to illness, mistreatment and even murder since those believed to be too weak to survive the voyage were simply thrown overboard.

*Routine Proceedings**[English]*

Today we celebrate the victory of those brave abolitionists who overcame overwhelming opposition to call a nation and an empire to her conscience.

Foremost among those heroes of human dignity was the great William Wilberforce whose lifetime struggle against the evil of slavery did not stop with the adoption of the act we celebrate today, but continued to his deathbed in 1833 when he learned that Parliament had adopted his bill abolishing slavery altogether.

To this day, Wilberforce and his passion for speaking truth to power remains a model for all of us as parliamentarians.

On this day we should also call to mind the leadership of Canadians in the struggle against slavery, foremost amongst whom was Lieutenant Governor John Graves Simcoe who in 1793 persuaded the legislature of Upper Canada to pass the first meaningful restrictions on slavery in the British Empire.

We also recall those who made Canada the North Star of the underground railroad for tens of thousands who escaped American bondage to come to British North America, beginning with the thousands of black Loyalists who helped to settle Nova Scotia.

Finally, we should remember the courageous role of Canadian sailors in the Royal Navy, many based out of Halifax Harbour, who, at great risk to themselves, helped to enforce the ban on the African slave trade throughout the 19th century.

While we celebrate the bicentenary of these great achievements, we must acknowledge that unjust racial discrimination is one of the sad vestiges of slavery and we must reaffirm our dedication to combating such racism in all of its forms. The achievements of great Canadians, such as His Honour Lincoln Alexander and, indeed, of Her Excellency the Governor General, demonstrate that Canada has met this challenge in so many ways. Canada is truly a land of hope and equality of opportunity and a refuge for the oppressed.

[Translation]

Let us honour the memory of the abolitionists by fighting against slavery and the conditions similar to slavery, which continue to exist even today.

Millions of individuals throughout the world do not enjoy personal freedom when they live in conditions of forced labour or sexual slavery, among others.

[English]

The government is dedicated to acting against the vile practice of human trafficking here in Canada. In this regard, I would like to commend the Standing Committee on the Status of Women for its recent report on human trafficking entitled, "Turning Outrage Into Action to Address Trafficking for the Purpose of Sexual Exploitation in Canada".

Today, 200 years later, let us remember the glorious work of William Wilberforce and his colleagues, brave men and women, who were willing to take on a vile and odious industry and to bring the beginning of freedom to millions of people of African origin who had so unjustly been deprived of it.

● (1510)

Ms. Colleen Beaumier (Brampton West, Lib.): Mr. Speaker, I am very proud today to stand in the House to mark and to honour this important date in the ongoing and ever present struggle against oppression and discrimination.

I am especially proud because I stand in the full and confident knowledge that my party, the Liberal Party, has a long and proud history of standing up for the rights of the vulnerable and for all those who are discriminated against arbitrarily on account of their social, cultural or ethnic background.

As just one recent example of this commitment, I remind the House that it was the member of Parliament for Laval—Les Îles, a member of the Liberal Party, who introduced a motion last Friday that reads:

That the House recognize the importance of March 25, 2007, as the International Day for the Commemoration of the 200th Anniversary of the Act to Abolish the African Slave Trade in the British Empire.

It is a credit to all members of the House that the motion passed unanimously.

Anniversaries, such as the one we mark today, are important because they provide us with the opportunity to reflect on how far we have come and how far we must still go in the ongoing battle against oppression and discrimination. As odious and unthinkable as slavery may be to us, for very many people in the world today, slavery remains a reality.

Moreover, it saddens me to remind the House that slavery is not something that exists only in distant and foreign lands. No, slavery can and does exist even today here in Canada. We members of the House, the government and all Canadians must be ever vigilant and ever ready to identify new forms of human degradation which are all but slavery in name.

It is right, I think, to highlight the special role played by William Wilberforce in the struggle to abolish the slave trade and slavery itself. What most impresses me about Mr. Wilberforce's personal struggle was his commitment to principle and his far-reaching vision. Unwilling to be swayed by public opinion or to curry political favour at the expense of the vulnerable, Mr. Wilberforce pushed against the tide of public opinion, which, in his day, supported slavery, and eventually he helped to turn that tide.

On this day all members of the House and all Canadians must remember that the achievement of high ideals requires lasting conviction and sometimes the strength of will to resist popular opinion. Nevertheless, above all else on this day, we must remember and honour as best we can those who directly suffered at the cruel hands of the trans-Atlantic slave trade.

The trans-Atlantic slave trade may have left an ugly scar on the history of the world but racism, forced detention and labour, and dehumanization of millions that is associated with it, left very real scars on very real people who endured it.

Tragically, it took the lives of at least three million people. It was a barbaric and appalling chapter in the history of humanity. The misery and suffering borne by men, women and children of African descent as the result of this horrific practice should never be forgotten.

Routine Proceedings

We must congratulate ourselves for turning the page on this moment in history but we must never forget the reality of that history.

[*Translation*]

Mr. Maka Kotto (Saint-Lambert, BQ): Mr. Speaker, I would like to thank you for giving me an opportunity today in this House to draw attention on behalf of the Bloc Québécois to the bicentennial of the abolition of the slave trade in the British Empire.

Prior to March 25, 1807, the black slave trade made it possible for the British Empire's industry, merchant fleet and English ports to flourish. Beginning in the 16th century, all of Europe took part in the transatlantic slave trade to the enormous profit of a few. An estimated 250 million Africans died or were deported to the Americas during four centuries of the slave trade.

Why?

Because the cotton industry became such a major source of revenue for the southern states of the United States.

Because European immigrants went to America so they could own their own land and were therefore reluctant to work for others. There was also a shortage of labour because there was so much land.

Because people wanted to maximize their land ownership and their profits. They needed a vast supply of labour. Slaves were cheap labour that made it possible to get the work done at low cost while maximizing profits.

Because an oligarchy realized that it could get very rich very easily by exploiting a black slave population.

Because black slaves from tropical West Africa were considered efficient labour because they were used to working in the heat and were immune to certain tropical diseases.

Slaves were cheaper for landowners. Slaves were cheaper, just like workers in developing countries today in various globalized economic sectors.

On March 25, 1807, by a vote of the Commons, Great Britain—which, of the European powers, was considered to be the most active in the slave trade—officially ended this unspeakable practice that reduced black men to beasts of burden and left scars that can still be felt in Africa today.

I have walked along the beaches of the Gold Coast, the West African coast, many times. I have felt a deep connection to the narratives stored in the collective African memory. I have felt the despair of a woman who drowned her little boy because she could not bear the idea of seeing him become a slave one day.

Many times I have pictured these slave ships leaving the west coast of Africa with a cargo of slaves headed for the Americas. I have felt the atrocities during the months of crossing, a gloomy eternity, horror-filled centuries of these countless European ships engaged in the slave trade. I have had a glimpse of all the horrors, humiliation, desperation and heroism experienced by the captives of these ships and I have been plunged into the depths of despair.

When the long lasting horror of the slave trade came to an end, countless shattered men and women had to learn how to live again, step by painful step.

Today we must honour the memory of the victims of the slave trade, acknowledge the fight of the abolitionists, slaves, former slaves, statesmen and ordinary citizens, and give credit to those who enacted abolition.

I want to focus on the memory of William Wilberforce, from England, and on the memory of Victor Schoelcher, from France. Let us not stop addressing the poverty and inequality that still exist in Africa and the West Indies.

● (1515)

Let us not stop fighting the inequality, discrimination and racism that persist today and that affect, in particular, populations originally from Africa and the Caribbean that are now established here in Canada. Let us fight unrelentingly against modern day slavery in all its forms.

[*English*]

Mr. Wayne Marston (Hamilton East—Stoney Creek, NDP): Mr. Speaker, it is with a great sense of humility that I rise on behalf of the NDP caucus to speak on this occasion of marking the bicentenary of the abolition of the slave trade, one of the most evil enterprises in our history.

Millions of men, women and children in Africa were forcibly abducted and relocated across an ocean. Countless lost their lives in the journey and those who survived were subjected to some of the most heinous and reprehensible treatment imaginable.

In recognizing and marking the bicentenary, it is time to focus on the slave trade and some truly inspirational individuals who dedicated the fight for human dignity that brought it to its end.

Many of those have been mentioned here today. I want the House to know that we in the NDP are equally appreciative and awed by the inspirational work of political representatives, grassroots activists, and in many instances soldiers and law enforcement officials in many countries, including Canada, who helped bring about the end of this disgraceful endeavour.

As a member from Hamilton I was proud when I heard the name of the Hon. Lincoln Alexander mentioned earlier here today. Linc, as he is affectionately known, remains a fine example of a man with the principles and beliefs that made Canada the great country it is today.

It is also critical at this time of commemoration that we focus on the impact of the slave trade and what it still has in our world today. The slave trade fostered the more modern issue that continues to affect Canada and many countries around the world and that is racism.

I welcome the comments made here today by the government and other opposition party colleagues but, as I did several months ago and again on Friday when the motion was passed to commemorate the bicentenary, I must repeat that this is not enough.

Our words here today are not enough. We cannot fight human trafficking whose roots are likely found in the slave trade by making statements alone.

Only with real efforts to eradicate poverty and injustice throughout the world can we combat the reasons why people are abducted, sold or trafficked in our modern world. Last week's budget put us nowhere ahead in the push to meet our international commitment of 0.7% of national GDP in official foreign aid.

We cannot just be grateful for the women's committee recent report. We must act now on the 33 recommendations made in the report on combating human trafficking.

We cannot educate our youth about the bicentenary if we do nothing to support the grassroots efforts around this country that are trying to hold public educational events and programs commemorating the end of the slave trade.

Last week's budget and the response of Canadian Heritage to date has been to ignore the requests for help from individuals and groups across this country seeking to educate and commemorate this important anniversary. We should be commemorating this important bicentenary with a plan of action to move forward to continue the fight against racism.

It is not too late and I hope the words in this House today will help rededicate all in this House to the important fight against inequality, injustice and intolerance.

* * *

● (1520)

[Translation]

COMMITTEES OF THE HOUSE

NATURAL RESOURCES

Mr. Lee Richardson (Calgary Centre, CPC): Mr. Speaker, I have the honour to present, in both official languages, the fourth report of the Standing Committee on Natural Resources.

[English]

The committee report is entitled "The Oil Sands: Toward Sustainable Development".

Pursuant to Standing Order 109, your committee requests a government response.

* * *

PETITIONS

CHILD CARE

Ms. Chris Charlton (Hamilton Mountain, NDP): Mr. Speaker, I have two petitions today. I am pleased to table the first petition on behalf of the hard-working families of Hamilton Mountain about the lack of child care spaces in our community.

On the day that yet another early year study confirms that Canada is dead last in investing in early learning and child care, the petitioners are expressing their frustration with the government's ABC approach to early learning which under the Conservatives has come to mean anything but child care.

The petitioners are asking Parliament to invest in real early childhood education by passing the NDP's Bill C-303 to create

Routine Proceedings

significant child care spaces through a national, high quality, universal, not for profit, affordable and accessible child care system.

● (1525)

STATUS OF WOMEN

Ms. Chris Charlton (Hamilton Mountain, NDP): The second petition, Mr. Speaker, also comes from hard-working families in my community of Hamilton Mountain and it comes in the year 2007 which is the 60th anniversary of the UN Declaration on the Elimination of Discrimination Against Women.

These petitioners are outraged at the cutbacks to the Status of Women regional offices, particularly the one in Hamilton. They will be there protesting this Friday morning at 10:30. They are upset about the removal of advocacy and equality from the mandate of Status of Women Canada, long before we have achieved any such equality.

They are petitioning the Parliament of Canada to take some serious steps to ensure adequate funding and support for seven fundamental areas that need redress. These include: violence against women prevention, a national housing plan, support for women's equality seeking organizations, affordable quality public child care, pay equity, access to justice, and support for the voluntary sector agreements with the federal government.

I am pleased to say that these petitions are not just signed by women. They are also signed by many men in my community who are concerned about the future of their daughters, their granddaughters, and the standard of living of their wives, their aunts and their parents.

JUSTICE

Mr. Bruce Stanton (Simcoe North, CPC): Mr. Speaker, this afternoon I have a petition to submit on behalf of several dozen constituents in the riding of Simcoe North.

They are essentially compelling the government to reconsider and re-evaluate sentences handed to criminals, particularly that those sentences be in proportion to the crimes in which these offences occur. They cite several concerns particularly relating to criminal activities of younger criminals.

I submit that for the consideration of the government and ultimately the House of Commons.

[Translation]

SUMMER JOBS

Mr. Christian Ouellet (Brome—Missisquoi, BQ): Mr. Speaker, today I am tabling a petition from five women's centre organizations in my riding.

The petition I am tabling was signed by 89 people and asks the Minister of Human Resources and Social Development to bring back the youth summer employment program that was in place in past years. The petitioners are also asking for a review so that it can be run by local people instead of centralized government officials who are far away and unfamiliar with each riding's needs.

The Budget

[English]

IMMIGRATION

Ms. Peggy Nash (Parkdale—High Park, NDP): Mr. Speaker, I am presenting today a petition on behalf of 183 residents of my riding of Parkdale—High Park and of the city of Toronto concerning my once in a lifetime bill, Bill C-394.

As I am sure the House knows, life is difficult for new Canadians. When they come here, it is a huge adjustment for them. Often they do not have close family and friends to help them adjust.

That is what the bill is designed to address. The family reunification aspect is a key part of immigration policy and the current rules are too restrictive. It means that many family members are not eligible for sponsorship.

The petitioners are calling for the Parliament of Canada to ensure that Canadian citizens and landed immigrants are given a once in a lifetime opportunity to sponsor a family member from outside the current family class as currently defined in the Immigration and Refugee Act as contained in my Bill C-394.

* * *

QUESTIONS PASSED AS ORDERS FOR RETURNS

Mr. Tom Lukiwski (Parliamentary Secretary to the Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Mr. Speaker, if Questions Nos. 166 and 167 could be made orders for returns, these returns would be tabled immediately.

The Speaker: Is that agreed?

Some hon. members: Agreed

[English]

Question No. 166—**Mr. Pat Martin:**

With respect to aircraft used by Transport Canada for departmental use: (a) how many aircraft are owned, leased or under contract by the department; (b) when were they bought, rented or leased; (c) at what cost were they bought, rented or leased; (d) from whom were they bought, rented or leased; (e) what were the terms under which each aircraft was bought, rented or leased; (f) what are the total operational costs associated with these aircraft on an annual and monthly basis for the last year; (g) what are the costs associated with each aircraft, broken down on a yearly and monthly basis; (h) what are the costs of these aircraft according to province; (i) what section(s) or division(s) of the Department has the responsibility for these aircraft; (j) under whose authority is use of the aircraft granted; and (k) what is the home airport of each aircraft?

(Return tabled)

Question No. 167—**Ms. Dawn Black:**

With regards to defence procurement by the government: (a) for programs planned, but not approved, (i) are funds available to acquire and support the program, (ii) what are the reasons for its non-approval, (iii) if the Department has been waiting for approval, how long has this delay been; (iv) do these programs have a schedule for their future and what are their respective schedules and milestones; (b) for programs approved for which no contract has yet been signed, (i) are funds available to acquire and support the program, (ii) what are their respective schedules and milestones, (iii) have these programs proceeded according to schedule, (iv) what is the budget for these programs, (v) who are the competitors for these contracts, (vi) how much anticipated work will be done in Canada, (vii) where in Canada will this work take place; and (c) for programs for which contracts have been signed, (i) is contract performance proceeding according to schedule, (ii) how is contract performance being monitored, (iii) what has been delivered to date, (iv) what are the next key deliverables and when are they scheduled for delivery, (v) when is the

final product delivery scheduled, (vi) how much has been paid to date and, for all payments, is the amount in accordance with the contract, (vii) are there any factors that have increased program cost and, if so, what are they?

(Return tabled)

* * *

[English]

QUESTIONS ON THE ORDER PAPER

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

The Speaker: Is that agreed?

Some hon. members: Agreed.

The Speaker: I wish to inform the House that because of the ministerial statement, government orders will be extended by 19 minutes.

GOVERNMENT ORDERS

• (1530)

[English]

THE BUDGET

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

Mr. Mike Allen (Tobique—Mactaquac, CPC): Mr. Speaker, it is an honour to rise again to speak to the budget.

When I left off I was talking about the renewable fuels and what a benefit that will be to our agricultural community, helping our industry diversify. For instance, a company like Eastern Greenway Oils in my riding in the community of Waterville started the production of biodiesel on a small scale and are actually working to help develop that and also do test markets in New Brunswick and beyond.

These renewable fuels initiatives as well as our environmental initiatives will help the forestry industry as well. As stated by Avrim Lazar, the president of Forest Products Association of Canada, the industry has switched to fossil fuels like biomass, a clean and green carbon neutral energy source derived from the industry, which has actually got it to the point where 60% of its production and sector's energy needs is coming from these types of fuels.

I firmly believe that these budget commitments that we have made, both last year and this year, will help to expand that impressive number in years to come.

While we have contributed significantly to the agriculture and forest industries, we are also investing in the backbone of industry and communities in Tobique—Mactaquac, which is namely infrastructure and trucking.

The Budget

A significant point in fixing the fiscal balance is the recognition that we do have a large infrastructure deficit in Canada. The new long term infrastructure plan outlined in budget 2007 delivers an astounding \$33 billion over seven years. Whether it be our large municipalities, small towns, villages or many of the local service districts that dot our province, this funding will serve to maintain and enhance the backbone of our livelihood in Tobique—Mactaquac.

New Brunswick itself will receive \$64 million for infrastructure. These dollars will be spent on things to enhance our safety and standard of living, things like roads and the much awaited development of route 8, which runs from just inside the federal riding of Fredericton clear through the riding of Tobique—Mactaquac, some 36 kilometres in length.

Infrastructure also means water and waste water, like the project we just announced in the town of Nackawic, in partnership with the province of New Brunswick and the town of Nackawic, and the development of key recreational facilities in other municipalities, such as Grand Falls and Hartland. This commitment is good news for these communities.

With respect to trucking, the riding of Tobique—Mactaquac has one of the highest per capita concentrations of trucking in Canada. Some refer to trucking as the backbone of industry in New Brunswick. My riding exemplifies the movement of this with the movement of agricultural and forestry products, many of which are exported, such as potatoes and lumber, to the U.S. These goods would just not get to market without the trucking industry and its drivers.

[Translation]

For example, when I talked to people at various trucking companies in my riding as part of the pre-budget consultations, three major concerns emerged: the regulatory regimes that companies and truckers have to deal with, the need for them and their equipment to comply with environmental regulations, and the minimal allowances provided to truckers. I am proud to see that our government is beginning to address these concerns.

[English]

In addition to our action on regulation and our ecofreight initiatives, we are also helping our truckers.

[Translation]

Meal allowances have been a serious concern for truckers for a long time. This budget will increase allowable deductions for meals from 50% to 80% for this group that plays an important role in our economy.

[English]

This respects the fact that these people must be away from their homes for long periods of time and must ensure that the allowance for their travel had better reflect the costs and the need for these folks to be more healthy.

The requirements of a long haul driver have changed over the years. With the increased technical complexity of the equipment and complicated regulation, this job is not just driving a truck. In fact, many of these fine individuals are a company's first line of customer

service when delivering products to their customers. It is time we started showing them the respect they deserve.

In fact, Peter Nelson, the executive director of the Atlantic Provinces Trucking Association, said, "This is a positive step forward in recognizing the valuable contribution of our long-haul drivers". Again, this is good news for a sector of our economy".

Finally, ordinary New Brunswickers stand to gain in excess of \$60 million per year from the tax initiatives proposed in this budget.

I will reiterate that I am sharing my time with the hon. member for Cambridge.

There will be \$60 million in tax benefits going to New Brunswick. Small business, the lifeblood of our economy, also benefits. In the March 24 edition of the Fredericton *Daily Gleaner*, Andreea Bourgeois, the director of provincial affairs for New Brunswick, the Canadian Federation of Independent Business, commented on the help the federal budget had provided to small business. She stated:

Looking at the big picture, we got a big victory for our members. The one that I can tell you that members are most happy with is the increase in the capital gains exemption from \$500,000 to \$750,000.

She also went on to praise the efforts to reduce the tax burden and paper burden by 20% by 2008. It was not just the statement that we would reduce the paper burden, but the commitment to a timeline to get it done.

We are going to do our best to help put the financial life back into small business.

● (1535)

[Translation]

In conclusion, I would like to say that this is a good budget. It is balanced because it takes care of the environment, fills the infrastructure funding gap, addresses the fiscal imbalance, provides tax relief and takes care of our health system.

[English]

The common theme in this budget is taking action. A common theme from this government, since it was elected last year, is taking action. I am proud to support the budget and the principles it represents for our country, my province and my riding of Tobique—Mactaquac.

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, I understand the member's enthusiasm, but taking action sometimes does the wrong thing. Take, for example, the promise of the government that it would never tax income trusts. In fact, on October 31, 2006, the government broke its promise and announced the taxation of income trusts, which led to the loss of the value of the nest eggs of ordinary Canadians, many of whom are seniors, of about \$25 billion.

The Budget

What is worse is the finance minister was called before the finance committee to account. Does the government remember the term "accountability"? The minister refused to lay out the calculation of the so-called tax leakage. In fact, expert witnesses had shown clearly that the methodology was flawed, that the tax leakage was nominal and that the approach used by the government was absolutely draconian and unaccountable. It was telling Canadians that it did not care, that it had to do this for another reason. It has not said what that reason is.

Could I hear the member's words on accountability and on the fraud perpetrated on the Canadian people. According to the Prime Minister, the greatest fraud is to break a promise.

Mr. Mike Allen: Mr. Speaker, the biggest fraud I remember is the \$40 million that we are still missing from the Liberal Party of Canada.

This is all about tax fairness. We implemented tax fairness and income splitting. I watched the Minister of Finance at the finance committee meeting go into great detail during his PowerPoint presentation. It seems to me that the opposition party does not want to listen. This is for tax fairness. If there were no tax leakage, why are all the ministers of finance and provinces supporting our efforts?

The Acting Speaker (Mr. Royal Galipeau): Before I recognize the hon. member for Mississauga South, I would like to note that while he was asking his question, everyone was attentive. Maybe we could have some attention when we get the response also.

The hon. member for Mississauga South.

Mr. Paul Szabo: Mr. Speaker, let us talk more about accountability. In the press today a member of the Conservative Party is challenging his government with regard to the interpretation of accountability provisions under the accountability act.

Accountability is something that the government seems to have abandoned. The committee is of the view that the deputy ministers are accountable for the operations of their departments. They know what the roles of the ministers are and those ministers come and go. However, the deputy ministers and the senior bureaucrats have to be there to administer. They have the control.

Why is the member's party member challenging his government in terms of the definition of accountability?

• (1540)

Mr. Mike Allen: Mr. Speaker, when it comes to accountability, starting January 23, 2006, we started to see accountability. We started to see accountability with this whole budget process. We started to see a budget process where the finance minister went out and consulted across the country. He acted on that.

Regarding the truckers meal allowance, the finance minister said that he could not believe or imagine that the truckers had gone on for 20 years when Liberals raised the allowance and then taxed it all back. That is not accountability. Accountability is when a finance minister reaches out and does the right thing for Canadians just like budget 2007.

Mr. Gary Goodyear (Cambridge, CPC): Mr. Speaker, I am proud today to stand on behalf of my riding of Cambridge, North Dumfries. I want the House to know that this budget was written by

people like those in Cambridge and North Dumfries, by mayors, councillors, owners of small and large businesses, patients and their doctors, moms and dads, students, singles and seniors.

The finance committee heard from over 500 witnesses. The minister set up an interactive website where he asked Canadians to participate by logging on at home or at the local library and give their concerns and their comments and, more important, their ideas for solutions. There were round tables and lots of meetings.

In the many meetings I attended, I spoke of the concerns that I had heard from my own mayors, problems like ongoing infrastructure and the tremendous traffic congestion, not only in the city of Cambridge, but on the 401. The mayors complained about the need for more money from the provinces, which of course meant the need for better support from the federal government. We spoke of the park and ride program, the long awaited mystery GO train and a simple theatre for our booming and growing community.

I listened to our councillors, who work very hard from all political stripes at the city and regional tables. They spoke of child care. They also spoke of transportation not only to and from the Greater Toronto area, but also around the growing Waterloo region. Mostly they spoke about predictability of funding and sustainability.

I also spoke to many constituents on the phone, at the malls and through emails. They told me of their desperate need for more tax cuts and of the problems with crime and drugs in our neighbourhoods. They spoke of health care, in particular the terrible revocation of a promise by the province of Ontario for funding of our hospital.

This budget matters because it is the product of the greatest consultative process that I can remember. All should support the budget because it has great progress to all those concerned. Of course the new Liberal leader will not allow his caucus to do what is best for Canadians. The Liberals said no long before they even read it. Why did they do that?

Let us look at the history. Last year the Liberals said no to the 2006 budget. They said that it was not broad enough, despite 29 separate tax cuts, \$20 billion in tax relief and debt repayment. Remember the GST cut? This year the Liberals say that the budget is too broad. They did not get it done. Now is the their chance to show they can actually get something done.

The Budget

I urge my colleagues opposite to vote for \$16 billion in infrastructure money, a total of \$33 billion in two years, like the kind of infrastructure money my mayors spoke about, that the region of Waterloo desperately needs. I urge them to vote for \$300 million for a cancer vaccine for young women and girls, MedicAlert bracelets for children, a \$2,000 tax credit to help families and a 40% increase in secondary school funding, \$800 million for our students?

Let us talk predictability. Our regional municipalities wanted predictable and stable funding. We took the 57% GST rebate available to municipalities and upped it to 100%. That is millions of dollars for my city and my region alone. Also, the Conservatives came out with a gas tax rebate for cities. We did that in the last budget. That alone to the city of the Cambridge means just over \$8 million. What is better is that we have extended it. That is millions more. Frankly, if done properly, my city can get that theatre by logging the money it knows is coming into that project.

• (1545)

There is something else. This is a shameful thing and I want to make this point clear. For 11 years firefighters have been coming to the Hill and they do not ask for much. One thing they ask for, not for themselves, is money for hazardous materials training to protect the Canadian people. Big cities can afford that but small cities like Cambridge and North Dumfries cannot afford that. Governments had ignored that request every single year they came to the Hill, until now.

In this budget there is funding for haz mat training to teach our firefighters how to properly protect Canadians against biological, radiological and chemical catastrophes. Why would the Liberals vote against that? Just because they did not get it done does not mean they should vote against it so no one else can get it done. How does that help Canadians?

Another key that members opposite should be ashamed of is the GST on school buses. There was a time when the school boards took the Liberal government to court and won. They felt they should not be paying that much GST on the transportation of their children. Right in the middle of a consent judgment, when some of the cheques had already gone out, the finance minister for the old Liberal government said, "No, I am going to change the law and make it retroactive". Regrettably, the law has been changed. However, this government respects the court's rulings and in this budget is money for 29 school boards, including those in the ridings of members opposite.

I want to know why the group opposite continues to think that Canadians are happy with words and not actions. The one time Canadians will be happy with words is this time, and that word is yes.

As we roll out our agenda over the next few months, Canadians will see that Canada's new government represents a fundamental shift from the kind of government they knew with the Liberals. It is a clear choice between a government with a record of results and going back to drift, scandal and empty rhetoric. It is a clear choice between a country where individuals are free to make the best of their choices and the most of their opportunities versus a country where the state presumes to know what is best and how to best spend taxpayers' money and raise taxpayers' children. It is a clear choice

between a country that takes practical, realistic action on the environment versus a country that sets insincere and unrealistic targets and then sits back and does absolutely nothing to meet those targets. It is a clear choice between a country that values safe streets and safe communities versus a country where the streets are ruled by gangs and guns, and thugs and drugs.

I am so honoured to represent the great riding of Cambridge. My riding will benefit from almost all aspects of this budget: child care, our air, our water, our land, women, farmers, truckers, seniors, students, doctors, patients, businesses, low income earners, married or not, everybody. On their behalf, I will vote absolutely yes to this budget.

• (1550)

Mr. John Cannis (Scarborough Centre, Lib.): Mr. Speaker, the member talked about the environment. He represents a riding in Ontario.

Given that the Liberal government had an agreement with the province of Ontario, the Canada-Ontario agreement for \$6.9 billion in transfers and that was cancelled, how is he going to justify that to his residents? His leader has stated, and it is on paper in a letter, that carbon dioxide is good for us. Does the member agree with that statement and how can he talk about the environment?

Mr. Gary Goodyear: Mr. Speaker, regrettably the member's research is completely inaccurate. I have an extra intern in my office and I would be happy to lend him to the member to do some research.

The fact is that regarding restoring fiscal balance, and perhaps that is what is confusing the member opposite because the Liberals do not agree that there even is a fiscal imbalance, Ontario stands to gain \$12.8 billion including \$8.1 billion under the Canada health transfer, \$3.8 billion under Canada social transfers for post-secondary education and child care. The list goes on and on.

I am not sure what the member is talking about. His record on the environment is pathetic. Frankly we knew he was going to vote against the budget because that is what he was told to do.

Hon. Andrew Telegdi (Kitchener—Waterloo, Lib.): Mr. Speaker, let me just say that the Greater Kitchener Waterloo Chamber of Commerce said that the government came up short on infrastructure funding and offered no funds to Waterloo region's light rail. As well, it did not reduce the employment insurance surplus. On the whole it is disappointed and notes that the Tories are ramping up spending.

In terms of crime prevention, let me say to the member that in the Waterloo region we have the best crime prevention program in Canada. What he speaks about is totally contrary to what the chief of police in the Waterloo region has to say, what the regional chairman in the Waterloo region has to say, what the school boards in the Waterloo region have to say, and the list goes on.

The Budget

The region of Waterloo had to spend \$5 million extra out of property tax dollars on day care because the government slashed day care. It also had to pick up the cost of the EnerGuide program to do the evaluation because of what has not been done by the government.

What is the member doing to stand up for the people of the Waterloo region, for regional government, for the police on the questions I have raised?

Mr. Gary Goodyear: Mr. Speaker, what a smorgasbord of inaccurate statements. The member opposite should know that the light rail, which is called the rapid transit system, is not even in my riding. The gentleman does not even know the actual name of the thing. As the regional chair mentioned, this is a system that is years away. Clearly, the reason the Liberals brought it up in the Ontario budget this year is that it is an election year for them and that is what the Liberal provincial government does.

I spoke to the regional chair about child care and I am sure the member did not. In fact, we have \$10,000 for individual spaces, and in this budget an additional \$250 million to address the concerns that the member raised.

The member decided to vote against the budget without even reading it. I might suggest that he read it now because it is definitely worth voting for.

Mr. Dennis Bevington (Western Arctic, NDP): Mr. Speaker, the renewable fuels money of \$2.2 billion really invests in consumption again. Where we should have seen investment in the budget is in conservation because that really does help Canadians. It lowers their cost of energy.

Why does the member say it is so good for the environment when in reality what we need is a conservation program that helps Canadians as well as the environment?

• (1555)

Mr. Gary Goodyear: Mr. Speaker, the member raised a good point. However, I would remind him that there are provisions in the budget to protect and conserve our water. For example, there are provisions to decrease the consumption of carbon based fuels by encouraging folks to buy better fuel efficient cars. There is also money in the budget for carbon capture to take this pollution out of the air.

Frankly, with due respect to the member, I think the budget addresses the needs of parents and children and ordinary working people while closing loopholes and tax havens for corporations. The member should be ashamed of himself for not voting for that.

Mr. John Cannis: Mr. Speaker, I rise on a point of order. The hon. member indicated that a statement in one of my questions was inaccurate. The statement I made was quoted from a letter that the current—

The Acting Speaker (Mr. Royal Galipeau): The hon. member is rising on a point of debate, not a point of order.

Resuming debate, the hon. member for Kitchener—Waterloo.

Hon. Andrew Telegdi (Kitchener—Waterloo, Lib.): Mr. Speaker, I will be splitting my time with the member for Saint-Léonard—Saint-Michel.

It is quite fortunate that I get to stand and speak after my colleague from the other side, the member for Cambridge, as we share the same region.

He made a comment that he spoke to the regional chairman and I did not. I do not know how he could make such a comment when the fact of the matter is I spoke to the regional chairman on Friday. Many of the people in the community, local politicians, federal politicians and provincial politicians were present. The reason we gathered at regional headquarters was the announcement that there is going to be an upgrade of highway 7 connecting Kitchener and Guelph. Of course the reason the hon. member on the other side was not there is that it was an announcement of provincial moneys by the provincial Liberal minister of transport with no help from the federal government.

I can tell the member once again that regional council—

The Acting Speaker (Mr. Royal Galipeau): The hon. member for Cambridge is rising on a point of order. I hope it is a point of order and not a point of debate.

Mr. Gary Goodyear: Mr. Speaker, it is a point of order because it points to the member's attendance, where the member was. The member opposite should know that I was right here in this House on Friday.

The Acting Speaker (Mr. Royal Galipeau): Members of the House know not to note the presence or absence of members in the House.

I would just like to have the order of the House. I ask members to listen to the hon. member for Kitchener—Waterloo and if there are some who have questions, they will be able to ask them during questions and comments.

The hon. member for Kitchener—Waterloo has the floor.

Hon. Andrew Telegdi: Mr. Speaker, thank you for pointing out the rules to the member because he clearly does not understand them.

The regional government spent five million of local taxpayer dollars on day care because of the savage cuts the government made to day care. It also had to pick up the EnerGuide evaluation component of the program, an important program for the environment and one which that member's party trashed.

In terms of safer communities, we have one of the safest communities in the Waterloo region. The Community Safety and Crime Prevention Council brings various groups together, such as the leaders of the community, the police, the courts, the mayors, the school boards, the service clubs and community volunteers, who work on crime prevention. Its response to crime is not the same as the Conservative Party's response to crime. It recognizes that the Association of Chiefs of Police has called for fighting crime through social development. It also says that more police officers, more jail guards and more jails will not make our communities safer but that they will be less safe.

I quote the response of the Chamber of Commerce in our area as to what it had to say about the budget. It was disappointed.

The Budget

I represent a riding that, probably more than any other, demonstrates the importance of investing in education and in research and development. All one needs to do is to look at the community. We have the University of Waterloo, which is celebrating its 50th anniversary, Wilfrid Laurier University and Conestoga College, some of which I share with the member for Cambridge, seeing as a school of architecture is down there.

What my community dramatically demonstrates is that when we invest in education and in research and development a huge amount of wealth is created, which is clearly what happened in our region. To the extent that investments were made in education I say that is good, but to the extent that funding for the granting council did not match inflation, that is bad.

The biggest thing that bothers me about the budget was very well stated in a headline in *Maclean's*, "Next time, perhaps, a vision for the future". The budget really has no vision for the future. If we were to look at vision, we should be looking at things like early childhood education, which was slashed by the Conservative government, and the Kelowna accord, which was slashed by the government, that would have brought our first nations out of a cycle of poverty. The Kelowna accord would have allowed all governments, territorial, provincial and federal, to make progress on that file. We only need to look at what happened to Kyoto? The budget has no vision on those things.

I will specifically mention something good in the budget. The Perimeter Institute received \$50 million. The previous Liberal government gave money to the Perimeter Institute. The provincial government gave two grants, one to Perimeter Institute for \$50 million and one to IQC, the Institute for Quantum Computing, for \$50 million. Unfortunately, the Conservative government did not see the wisdom of giving money to the Institute for Quantum Computing. If we solve the puzzle of the quantum, then we will be at the forefront of the next revolution, the kind of which mankind has not seen. It really takes investment in those kinds of things to make that happen.

• (1600)

The Acting Speaker (Mr. Royal Galipeau): Before I open for questions and comments, I would like to make a comment of my own. We all know that we should not mention the absence or presence of members in the House and that is based on one principle and that is the presumption of good faith. If a member is absent from the House, it is not necessarily because of the bad faith of that member but because that member is on duty somewhere else.

That presumption of good faith should also count for activities that happen outside this House. So if the member for Cambridge was absent from an activity in the regional municipality, we cannot from that presume his bad faith since he was in attendance in the House at the time. We can all debate much better in this House about all subjects when we presume the good faith of all members.

Questions and comments, the hon. member for Cambridge.

• (1605)

Mr. Gary Goodyear (Cambridge, CPC): Mr. Speaker, I appreciate that comment. I want to make one comment and then I have a question.

The member opposite knows full well that 75% of the folks who signed up for the EnerGuide program actually could not go on with the program. The government switched it and now the government will pay up to \$5,000 to go on with the program. The member's comments, although I do not think it was on purpose, mislead the House.

The Waterloo Catholic District School Board in the region of Waterloo, in the member's riding—and I am assuming he has some schools in his riding as I do in mine—stands to lose \$182,000-plus if the member votes against this budget. The Upper Grand School Board stands to lose \$650,000 if the member votes against this budget. He mentioned no money for research, which is completely misleading. The budget contains \$50 million, by his own mention, to the Perimeter Institute; Genome Canada, \$100 million; and \$170 million over two years to federal granting councils. I could go on but I do not want to take up the time.

Will the member vote against the school boards in and around his riding receiving money from this government?

Hon. Andrew Telegdi: Mr. Speaker, I first want to say that the rule we have is that we do not make mention of a member's presence or absence in the House. The fact is that I was accused by the other member of not having talked to the regional chairman, although I do not know how he could possibly know that. However, I did point out that I had an encounter with the regional chairman on Friday because we had this good news announcement that was happening. Granted it did not have any federal dollars attached to it. A member on the other side stood up and said that I was not in the House. It was totally out of order for him to make mention that I was not in the House and that is who you should direct your commentary to, Mr. Speaker.

The member talks about voting against the budget because we must vote against the budget. I would like to tell the member that the cost of this budget and the cancellation of the programs that I mentioned previously far outweigh anything that this particular budget does.

Further, I made a comment about there being some money for research in this budget and I said that I welcomed that, but the granting councils did not receive enough money in terms of inflation. I said that we should be ensuring that inflation is covered for the granting council because that is the price of our productivity.

In terms of trying to somehow portray this side of the House as being under the grips of a dictator, I would remind the House that when the minister of intergovernmental affairs resigned as minister because he disagreed with the Conservatives' stand on Quebec as a nation, he was not able to stand in this House and vote against that motion.

I have been in the situation where I had to vote my conscience and I have had to vote against my own government even though I was parliamentary secretary for a particular portfolio. I voted against the anti-terrorism bill and the Immigration Act. I do not need lectures, particularly from the member for Cambridge telling me to vote against the government when he has never defied a whipped vote.

The Budget

Maybe the members on that side of the House need to take some lessons from this side of the House. We did not run this place like a dictatorship, which is what they are doing on the other side. Perhaps they could think back to their Reform days when they used to stand in the House and say that they represent their constituents and that if their constituents instruct them to vote against the government or against our party, they will do so.

I do not need any lectures from the member for Cambridge.

• (1610)

Mr. Massimo Pacetti (Saint-Léonard—Saint-Michel, Lib.): Mr. Speaker, I stand today to speak to the Conservatives' budget that was tabled March 19.

Traditionally, budget time is the most exciting time of the year for any government, with intense media speculation and buzz surrounding which initiatives will be included and will be left out. The anticipation around a budget is so high because it is the centrepiece of a government's forecast for the country. It is the clearest message a government can send to its citizens about the path on which it wants to lead our nation.

This is the second opportunity during this parliamentary session that my colleagues and I have had to address this House on the government's most important piece of legislation and, boy, what a disappointment.

I remember how years ago, while I was a full time practising accountant, the employees at the firm where I worked would sometimes be working on last minute tax planning for our clients until the night before the federal budget was tabled in case certain policies would be introduced on budget day that would adversely affect our clients. In those years, the speculation always surrounded what new tax policies would be introduced that would increase income taxes and sometimes those new tax policies would come into effect the same day of the budget.

When the Liberals took power, the country's financial house began to be put back in order. The Liberals did not have to punish hard-working Canadians by announcing drastic last minute tax measures to cut into their incomes. As the former Liberal government started to reduce the deficit, the country began to see budgets that had a vision for the future of this country.

[*Translation*]

In light of the excellent financial situation it was in, the government committed an unforgiveable act when it tabled its budget, giving our leader a reason to declare, “—so little with so much”.

[*English*]

Last week's budget should have been about a vision for the future, a vision that would continue to lead Canada into the 21st century. All the ingredients were there. Thanks to the previous Liberal governments, the Conservatives inherited the biggest surplus and the best economic situation this country has ever seen. The Conservatives could have used this budget to make real improvements to keep Canada on the cutting edge of innovation and prosperity in the global economy. Instead, the budget tells Canadians nothing about a vision for this country.

With the overall inaction and lack of vision in last week's budget, all Canadians can now realize that the Conservative government wants to sacrifice our country's long term prosperity.

Some have called the budget a piece of electioneering. Even if that is the case, the budget fails miserably. It is an unfocused document that delivers practically no substantial help to Canadians. Some have called the budget a paint ball budget that sprays paint everywhere but never fully hits its targets. Some have called it a chocolate cake budget but without the chocolate and just the sprinkles and, therefore, no sweetness.

As I listened to the budget speech, I was astounded at how many times the finance minister took credit for positive Liberal initiatives and tried to pass them off as Conservative ones.

The finance minister is getting the label of being able to deliver a speech with so much and yet end up delivering so little for Canadians.

[*Translation*]

After last year's budget, the last fiscal update and the budget tabled this year, it is obvious that the Minister of Finance can say what he wants, but at the end of the day, the numbers do not lie.

[*English*]

Canadians are just now beginning to see the effects of how negligible last year's budget was in terms of tax fairness. Canadians see it as they file their 2006 income tax returns.

As vice-chair of the Standing Committee on Finance, I want to focus the remainder of my time on the ideas and items all members of the committee from all political parties heard about during the prebudget consultations. My statements today will be based on the facts that the committee heard and will not be the usual political grandstanding we hear from the other side.

Without question, the top two items the committee heard most about, whether it was from individuals, businesses, community groups or non-profit organizations, were about how Canada needs to maintain a balance between, first, a competitive tax regime and, second, the ability to guarantee Canadians the social programs they cherish.

Most groups understood the correlation between having government provide tax cuts to promote and enhance productivity while at the same time needing to collect enough revenue to provide for social programs. Canadians understand that this balance needs to be maintained. They look to the government to balance the two, but Canadians also expect the government to provide new and innovative programs to make sure that in today's Canada, as the member for LaSalle—Émard, our former prime minister, indicated on many occasions, no one is left behind.

Unfortunately, the government does not understand the balancing act. This was evident in last week's budget. It is primarily for this reason that I cannot support the budget.

The Budget

At a minimum, the personal income tax at the lowest rate needs to be reduced to 15% to match the 2005 rate. The finance minister claimed that this new budget would take thousands of Canadians off the tax rolls, but what about the hundreds of thousands of Canadians put back on the tax rolls when the Conservative government increased the basic amount to 15.5% in its last budget?

Just because the finance minister says something does not necessarily make it true. At least the government had the good sense to abandon its ill-advised plan to lower the GST by another percentage. However, I suspect that it had no choice but to abandon the proposal it announced in its last budget in order to pay for the incredibly high expenditures contained in the current budget.

Last week's budget saw a year over year increase in spending of 5.6%. Economists have stated that this is way too high. Even 3% is tough to sustain. An astronomical increase in spending does not equate to a vision for the country, but in fact equates with simple vote buying and electioneering. This budget is not a plan of spending for the long term prosperity of our country.

• (1615)

[Translation]

In 2007, given the surplus this government had, we might wonder why the programs abolished in the previous budget were not reinstated in this budget. I am talking about programs such as the court challenges program, the Law Commission of Canada, the women's program at Status of Women Canada, and literacy programs, just to name a few.

[English]

New and innovative social programs start with national leadership. It is up to the federal government to undertake great new projects and to have Canadians embark on new ideas that will keep us the envy of the world, programs such as those the former Liberal government started: a national early learning and child care plan; a real and effective environmental plan to address climate change; a plan to respect our Kyoto engagement and lower our country's greenhouse gas emissions; and education strategies to ensure that all Canadians from coast to coast to coast have access to post-secondary institutions.

National leadership would also do what is right and would ratify agreements such as the Kelowna accord to make sure that first nations and Métis people have the same opportunities as all other Canadians.

The government needs to tell its citizens that our country is in a position to provide for the future of all Canadians, not just the chosen few, whether it is people entering their retirement years, young families with children or young people entering the education field or the workforce.

It is also about businesses having the knowledge and assurance that investing in Canada will provide them with a competitive advantage. How can any business, national or foreign, have confidence in this government after witnessing the surprise Halloween attack on companies structured as income trusts?

Not only did the Conservatives' decision to tax income trusts eliminate the opportunity for companies to convert themselves into

trusts, but now all existing trusts will be treated as corporations. After this Halloween treat, businesses must be wondering what horror lies in store for them next.

Businesses need choice. Income trusts gave companies an additional mechanism to invest in Canada and obtain the capital needed for their businesses. It was not an ideal structure for everyone, but it was an additional option.

How can a business have the confidence to invest in Canada when it cannot have confidence in Canada's government? The insensitive and mean-spirited manoeuvre to tax income trusts will harm Canada's economy for years to come, as investors must now reassess whether or not Canada is a safe place to put their money.

Moving on to another point, the finance minister made concrete claims that this budget favoured hard-working Canadian families, but just because the finance minister says something does not make it a fact.

Last week the Conservatives announced a \$300 non-refundable tax credit to families for children under 18, but at the same time they are levying a \$4,000 tax on the purchase of their minivans. They talk of helping families, but not one child care space has been created in the last year. How does that help hard-working families?

I will wrap up, although there are a few other issues I would like to speak on. There is one positive thing. The changes for accelerated CCA are definitely a good thing but, for the other reasons I have mentioned and many more, I am opposing the government's budget for doing so little with so much and for failing to offer a vision for a prosperous Canada. All members should oppose it as well.

• (1620)

Mr. Dennis Bevington (Western Arctic, NDP): Mr. Speaker, I want to thank my hon. colleague for a very interesting speech about the financial issues in the budget.

One issue that he did not cover, and which I was having trouble covering, is one that had been brought forward by the finance minister in his speech. It is the discussion about closing the tax loopholes. I went through the whole budget document trying to find out if anything was addressed toward this, trying to find out whether the government had set any targets, identified any areas or was proposing any real solutions for the tax loopholes that exist.

Earlier I heard in the House that there are Canadian assets worth some \$88 billion in offshore companies. This is a huge issue. For the finance minister to say in his speech that he is going to do something about it, without any indication of what that is going to be, where that is going to take us, or what the proposed targets are going to be for that kind of action, is just another case of window dressing.

I would like to ask my hon. colleague, who is on the finance committee and has heard representations on this issue, if he could enlighten me a bit about this.

The Budget

Mr. Massimo Pacetti: Mr. Speaker, I cannot speak for the finance minister. That was part of my presentation. No matter what the finance minister says, it does not necessarily mean those are the facts.

Regarding tax havens I am not sure what the member was referring to, but I understand that one of the items he was referring to was income trusts. I am not sure what the tax loophole was in income trusts. Income trusts are a vehicle. People or companies were not necessarily using them to avoid income tax.

I know that some members from the NDP chose to take income trusts as being a way to avoid income tax, but in actual fact money earned from income trusts by individuals is actually taxed at a higher rate than revenue generated directly from a corporation, which would be taxed at a lower rate. So I am not sure what the finance minister was talking about.

Mr. Dean Del Mastro (Peterborough, CPC): Mr. Speaker, I listened with interest to the hon. member's speech.

I sit on the finance committee with the hon. member. As he is well aware, a lot of the representations we heard in committee are present in budget 2007, including some very significant funding for things such as the HPV or human papillomavirus funding of \$300 million, which should prevent the spread of cancer among girls and women. This is very positive.

There is a 40% increase in post-secondary spending. We heard about that numerous times right across the country from representatives of post-secondary facilities who wanted additional funding and wanted that post-secondary school funding broken out of the budget so they could see how much it is. We know how much it is now.

We also see in the budget over \$500 million for the Canada Foundation for Innovation.

Those were representations that we heard time and time again. I know the member supports these measures. What I cannot understand is why he is not supporting the budget.

Mr. Massimo Pacetti: Mr. Speaker, it is always interesting to engage in debate with the member and his colleague sitting next to him.

It is just a difference of opinion.

If there is a proven science for cervical cancer, I am definitely for it. I think we had it included in our prebudget report.

I think additional funding for foundations was also in our report.

I have no problem with providing money for post-secondary education, but the problem is in the way it is delivered.

The past Liberal government was accused of swimming in surpluses. Now the present government has been given the same opportunity. The first thing it should be doing is reducing income tax. We heard that from every type of group imaginable during the prebudget consultations. I do not see why that cannot be done. That is the first step.

The other step is on post-secondary education. Sure, we should be breaking it down, but that still does not help students. This is going to help unload some of the obligations, but this is not going to help

students. We heard from student groups that once students have graduated they have problems with debt. There needs to be direct help.

There are a lot of good things in the budget, but that does not necessarily mean that the budget overall is a positive budget, so I still cannot support it.

• (1625)

The Acting Speaker (Mr. Royal Galipeau): Order, please. It is my duty pursuant to Standing Order 38 to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Richmond Hill, Foreign Affairs; the hon. member for Davenport, Government Programs; and the hon. member for Labrador, Transportation.

Hon. Greg Thompson (Minister of Veterans Affairs, CPC): Mr. Speaker, I want to inform you that I will be splitting my time with the Minister of National Revenue.

I want to begin by thanking the finance minister for a good budget. I know he is in the House and will appreciate those words. I think those are words that should be coming from all sides of the House if politics were locked out of the discussion. However, we know in this place that cannot happen and will not happen.

We are focusing as a government, and particularly the finance minister in this budget, on the right things. We are focusing on hard-working Canadians, on families, on seniors, on students and on investing in our provinces and on solving the fiscal balance. We have done that in this budget. We are moving the economy forward by reducing debt, cutting taxes and a tax back guarantee from the finance minister and from this government. We are investing in infrastructure, post-secondary education and child care.

As the Minister of Veterans Affairs, it is important that I talk about what we are doing for veterans, our men and women in uniform. We are investing in our men and women in uniform, those men and women who have made Canada what it is, a country that is dedicated to freedom, democracy and the rule of law. We have done an exceptionally good job with our veterans and for our men and women in uniform.

I want to go through some of the things that we have done in the last year for our men and women in uniform, particularly the veterans. When I am speaking of veterans, I am speaking of their families and their dependant children.

In our first year alone we spent \$352 million more than the previous government. As a result of this year's budget, we have added to that. After being in government just a little over a year, in total we are spending about \$.5 billion more on veterans and their families than the previous government. That is a pretty good start.

One of the things I want to talk about is ex gratia payments that we extended to the widows and dependant children who were left outside of the new charter.

Just about a year ago, we implemented the new veterans charter, which was passed in the House of Commons by the previous government, but it failed to implement it. Just a little over a month after having been sworn in as the government, we implemented the new veterans charter.

The Budget

Mr. Speaker, I know you are a great supporter of veterans. We did some events together at Lester Pearson High School on Flag Day, and it was a great event. If my memory serves me right, I think you are the only Speaker in the House who has a legion crest in his Speaker's gown. It is nice to have you in the chair while I am speaking of veterans.

We extended ex gratia payments to those widows and dependant children. The reason I want to mention this is it kind of gives a sense of how we, as a government, are committed to them.

As the Minister of Veterans Affairs, I often say we have to be as committed to them and their families as they are to our country. We send them on dangerous missions around the world. Whether it is peacekeeping, peacemaking or any other mission, they dedicate themselves 100% to the mission and to their country. When things go wrong for them and when they need us, we have to be there for them.

When we extended that tax free ex gratia payment of \$250,000, that was what these families and dependant children would have received as the result of the death of a loved one if the new charter had been passed, which it was not. They fell between the cracks. It was one of the first things I ever went to cabinet and the Prime Minister and the Minister of Finance with to correct this wrong.

● (1630)

The new charter has made a difference to the lives of many of our veterans. As we well know, every year we have 5,000 service people retiring from the service and coming into the system. Sadly, we are losing about 23,000 traditional World War II veterans every year because of old age. Now they are octogenarians and moving on at an alarming rate. We are there for them and for the new families of these new service veterans, new service members moving into the system.

Last year we also provided funding to what we call the Juno Beach Centre. We committed \$5 million over the next decade to maintain that facility, Canada's only second world war memorial in Europe. In fact, that was an announcement we made in your riding, Mr. Speaker, \$5 million. The centre was started by some veterans and we stepped up to help them because we did not want that centre lost to history.

In this budget we have made some more advancement for veterans. We have announced that we will set up five additional operational stress injury clinics across the country. That is in addition to the five we presently have. We are doing this because it is not just bombs and bullets that injure our soldiers. A lot of it is mental stress and mental injuries that one sustains as a result of being in areas of conflict and areas of stress. That is something I am very proud of and we are moving on that.

In addition to that, shortly we will be announcing an ombudsman for veterans and enforce with a bill of rights for veterans, something veterans have been talking about for years, but no government moved on that. We are moving ahead with that as well.

At the end of the day, we are spending money and investing in the men and women who deserve it, the men and women who have always been there for Canada. I am very pleased to see those announcements in the budget. Until budget day, it is all a mystery to us, whether it will be in or out.

I thank the finance minister for considering our veterans and standing up for them. At the end of the day, all of us on all sides of the House applaud that type of support.

In regard to my home province of New Brunswick, again there is good news for the province. I always do this by comparing what we are doing as opposed to what the previous government did. I think that puts it in perspective. When members criticize what we are doing, as the Liberals often do, basically they are criticizing their past governments.

This year alone we are investing in the province of New Brunswick \$203 million more than the previous Liberal government did on its watch. That is a significant amount of money in a small province. The investments include about \$1.4 billion under the equalization system, \$512 million through the Canada health transfer, \$222 million under the Canada social transfer and \$64 million more in infrastructure.

There are some major changes on the tax side. There is additional relief in terms of capital cost allowances for our companies that want to invest in new equipment, which will move the economy ahead. There is money for students and education, which are all important things for the province of New Brunswick.

I am very pleased with the budget, particularly as a New Brunswicker. I am also pleased with the things we are doing for veterans.

We will continue to move forward. At the end of the day, we are getting the job done.

● (1635)

Hon. Joe McGuire (Egmont, Lib.): Mr. Speaker, would the hon. member from New Brunswick Southwest, the Minister of Veterans Affairs, comment on an article that was in the New Brunswick papers last week, the *Telegraph-Journal* in which Professor Donald Savoie of the University of New Brunswick termed himself flabbergasted that the Harper's long awaited fix to the fiscal imbalance—

The Acting Speaker (Mr. Royal Galipeau): Order, please. The hon. member for Egmont is very experienced. That is why he has a front bench. He knows that he cannot name other members.

Hon. Joe McGuire: Mr. Speaker, Professor Savoie described himself as "flabbergasted" at the recent Conservative budget. The article goes on to say:

"It's a case of big dogs eat first," he said. "I'd like to know what kind of gerrymandering of the formula they've come up with."

"I'm flabbergasted at the amount of money flowing to Quebec and the rather piddly sum going to the province of New Brunswick."

The Budget

"It's mind-boggling.

"I think it's probably the first government in the history of the country since equalization came about in 1957 to be so blatant about it."

Savoie said he has more than an academic curiosity driving him. He said he wants answers "for my mental health as a Maritimer."

Further in the article, he asked, "How...did they rejig this payment so that the great majority, almost all, of this money flows to Quebec?"

Out of all the cash that was left for this government by the previous Liberal government, why did the minister and others from the Atlantic region get so little for the Atlantic provinces as compared to other parts of the country?

Hon. Greg Thompson: Mr. Speaker, first, I fundamentally disagree with Professor Savoie. In fact, he is the economist who sometimes contradicts and disagrees with himself.

As a former minister of ACOA, the member should know that Donald Savoie was the guy who suggested ACOA should be scrapped. That is how much credibility Donald Savoie has on some areas. We have to consider that.

How does more become less? It is only with Liberal math that could happen. Think about it. This year we are transferring \$2.3 billion to the province of New Brunswick, a province of only 700,000 people. How could anyone argue with that?

Donald Savoie, under the last Liberal lot, was given an appointment by guess who? The former finance minister and former prime minister, the member for LaSalle—Émard. That is the type of guy that Donald Savoie is. He is a nice man, I respect him at many levels, but he is a Liberal.

[*Translation*]

Mr. Guy André (Berthier—Maskinongé, BQ): Mr. Speaker, I listened to the minister present his views on the budget. Yes, there are interesting items in this budget and that is why the Bloc Québécois will vote for it. However, it also has some shortcomings. The most serious pertains to Quebec's manufacturing sector, which has lost 100,000 jobs—35,000 in 2006 alone— since this government came to power. In addition, in the first two months of 2007, we lost some 28,700 jobs. Some measures, such as tax cuts, have been introduced in this budget. Yet when a business does not turn a profit or if it goes bankrupt, it cannot take advantage of these tax cuts. There is also some provision for depreciation.

I find that the federal government is providing very little assistance to the manufacturing sector, a very important sector in Quebec and, as we know, not such an important one in Alberta, where it represents 7% of industry.

I would like the minister to comment on this matter.

• (1640)

[*English*]

Hon. Greg Thompson: Mr. Speaker, I know the member asked a question in the House today about Shermag, which in the Sherbrooke area, if I am not mistaken. It is unfortunate that happens. I think the minister, who answered in question period, talked about the capital write-offs, as announced by the finance minister on budget day, that would make investing in new equipment a reality

now for some of those companies. They can invest in new technology to move ahead and be more competitive because that is a very competitive business. We do not like to see any business shut down. However, there is a lot in the budget for Quebec and all parts of Canada so companies can continue to—

The Acting Speaker (Mr. Royal Galipeau): Order, please. Resuming debate, the hon. the Minister of National Revenue.

Hon. Carol Skelton (Minister of National Revenue, CPC): Mr. Speaker, it is a pleasure to speak to budget 2007, a historic budget that will deliver more funds to Saskatchewan than any other budget.

I would like to take this opportunity to thank the Minister of Finance for an outstanding document and especially for fixing the fiscal imbalance in this country. I would also like to thank the Parliamentary Secretary to the Minister of Finance, the member for Calgary—Nose Hill, for all her hard work on the budget.

Restoring fiscal balance in Canada will bring federal support for provinces and territories to unprecedented levels. For Saskatchewan this totals more than \$1.4 billion in 2007-08. I am pleased that Saskatchewan is the recipient of the largest per capita gains of any province under the new fiscal balance package. This budget contains an extra \$230 for every person in our province.

I would like to discuss what \$1.4 billion will actually mean to the people of Saskatchewan, and how each and every person's life will improve as a result of last week's budget. There is more support for families. There is more money for health care, more support for seniors, and more incentives for new industry in Saskatchewan.

The most important investment we can make in a country is to help families raise their children. I would like to discuss what this budget will mean for hard-working families in our province.

Let us take Vanessa and Mark Webber and their young farming family for example. Vanessa and Mark are two hard-working Canadians who live just outside of Goodsoil, Saskatchewan. They have two daughters, Kelsey, who is three, and Mia, who is one. Mark is a farmer and Vanessa is currently on maternity leave.

The introduction of the new \$2,000 child tax credit alone will save this farm family \$620 a year to be exact. Coupled with the new increase in the basic personal amount, this will result in nearly an extra \$1,000 per year. Let us also not forget that this family receives \$100 per child per month through the universal child care benefit. This universal child care benefit is particularly beneficial to this rural family that does not have access to day care.

The Budget

As a result of our budget, this hard-working family will have almost \$3,400 back in their pockets. This \$3,400 will buy clothing, groceries and books for their family. I can assure the House they will not be spending this money on beer and popcorn. They could even put this money toward their daughters' RESPs. As a result of budget 2007, they can contribute as much as they want because there is no longer a limit. This is particularly important for rural families as these children will not have the option of living at home during their post-secondary education. All rural students face this financial burden and easing the restrictions on RESPs will be particularly helpful to them.

This is just one example of how federal money will go back directly into the hands of the people of Saskatchewan. However, this is not all this budget will do to help farming families such as the Webbers.

Saskatchewan farmers will receive approximately \$250 million from budget 2007. The government has proposed a separate, simpler and more responsive income stabilization program through the establishment of a new savings account program for farmers.

The amount of \$1.5 billion has been allocated toward operating incentives for producers of renewable fuels. This funding will help Saskatchewan farmers by creating new market opportunities and creating value added jobs here in Canada and all over Saskatchewan.

The Webber family is just one of the families in Saskatchewan that will benefit directly from this budget. I am pleased to say that every family will benefit.

I also received a letter last week from one of my constituents, Trent Lalonde of Saskatoon, owner of TA Lalonde Transport Limited. He had this to say about the federal budget:

I have been a truck driver for the past fourteen years, and the recent federal budget is the first and only help I have ever received from any government at any level.... The money I save will afford me the luxury of taking a little more time off each year to spend with my wife and children. Thank you.

● (1645)

The trucking industry will benefit from the budget and so will many other industries. The budget created a \$500 million fund for Sustainable Development Technology Canada to support the private sector production of renewable fuels. Iogen, one of Canada's leading biotechnology firms, is seeking \$180 million to build a new plant in Saskatchewan and would be a candidate for this funding. Saskatchewan will also benefit directly from the extension of eligibility for the mineral exploration credit.

To sum things up, I could not be prouder of this historic budget, especially for what it will bring directly to hard-working people in Saskatchewan. We have a wonderful province. Had the Conservatives' new equalization system been in place over the last 20 years, Saskatchewan's equalization payments would have doubled from \$6.6 billion to \$11.8 billion. Fully \$1 billion of that increase would have been a result of fulfilling our commitment to exclude natural resource revenues in calculating Saskatchewan's equalization entitlements.

I am proud of what this government is doing for families. This government recognizes that the people and the families of Saskatchewan are what make it such a great province.

As Minister of National Revenue, there are several other budget items I would like to discuss.

Since I became minister, reducing the compliance burden for small businesses has been our priority. I am pleased to see that important steps have been taken in the budget toward reducing this burden.

Throughout the taxation year, businesses are generally required to pay their income tax in regular installments. Budget 2007 will allow small businesses to reduce their number of remittances and filings. These changes will reduce red tape for small businesses and improve cash flow positions for more than 350,000 small businesses.

The filing and remitting requirements for small businesses will be reduced by about one-third and for some small businesses the reductions will be up to 70%. This is a great first step toward reducing the compliance burden on small business. The CRA's action task force on small business issues will continue to provide useful input on how to further simplify the tax system.

This government is committed to a fair tax system, which is why I am pleased that the CRA will be provided with additional resources to strengthen the enforcement of Canada's tax system. Particular emphasis will be placed on complex international tax avoidance cases. In Advantage Canada the government committed to making the tax system simpler and fairer. Budget 2007 delivers on this.

I am asking all opposition parties to look closely at this budget, and before voting, to think what it will mean to all Canadians. We must think of Canada.

Mr. Gary Merasty (Desnethé—Missinippi—Churchill River, Lib.): Mr. Speaker, I have a great deal of respect for the Minister of National Revenue and I will ask her a question based on the premise of certain situations for certain budget lines that I have talked about in the aboriginal community.

The Minister of Finance and the Minister of Indian Affairs and Northern Development have thrown numbers around out of context, which is very dangerous, such as \$10 billion or \$16,000 per first nations person, which really drives a politics of resentment between people. These numbers are very dangerous out of context. Unfortunately, the budget has shown a degree of indifference toward the problems that poverty presents.

As a member of Parliament, I also have the responsibility to see through the eyes of the Minister of Finance and the Minister of Indian Affairs and Northern Development with respect to some of the initiatives.

I myself support market based housing and the \$300 million that has been talked about, but at the same time when I look at my home community, for example, of 3,000 people in Pelican Narrows, there are a few hundred people employed, maybe 400 people with the ability and 80% or so who are in social housing. They want to break out of that. They would like to have social programs and supports, and so on and so forth.

The Budget

I am a little concerned that those people are being shut out of opportunities to break out of living conditions of 10 to 12 people per house. There is no way out for them under the current process with any initiative in place. I would like to hear how we could address that. Maybe the minister could provide her opinion on that matter.

● (1650)

Hon. Carol Skelton: Mr. Speaker, the member has raised a very thoughtful question. He understands where my riding is and the poverty and tragedy I see every day when I am in my riding in the city of Saskatoon. The Minister of Finance, the Minister of Indian Affairs and Northern Development and I as a person living in the province of Saskatchewan, and through the portfolio of western economic diversification when I had it, and through my consultations with Chief Manny Jules, the Indian tax commissioner with whom I meet every month, are seriously looking at all those issues. These issues are of grave concern to us. I assure the member that there is great thought on these issues at all times and there will be as long as I live in the province of Saskatchewan.

Hon. Joe McGuire (Egmont, Lib.): Mr. Speaker, the minister said she is receiving a lot of letters. I wonder if she has received any from the tax centre in Summerside where recently the finance minister cut 160 jobs out of the GST visitor rebate program.

The Minister of Foreign Affairs and Minister of the Atlantic Canada Opportunities Agency and the Minister of National Revenue said that 60 of those 160 jobs would be reinstated. With the new program that is coming out to replace the one that should have been left in place in the first place, I wonder if any of those jobs will be reinstated. Will the program be administered out of the tax centre in Summerside?

Hon. Carol Skelton: Mr. Speaker, the member's province is absolutely beautiful. It is great.

I visited the tax centre. It is an extremely efficient facility. The people who work there are top class. I reassured them that there would be no jobs lost there. We are working on the program and they are being looked at in every way. There will be no jobs lost this year or next year. We are looking at all kinds of programs to put in there because it is such an efficient place. The people in the member's province love to work and they are excellent.

[*Translation*]

Hon. Keith Martin (Esquimalt—Juan de Fuca, Lib.): Mr. Speaker, I listened carefully to the minister's speech.

[*English*]

The minister is a thoughtful individual. She knows full well, as do the rest of us, that the real fiscal imbalance is the imbalance between the rich and the poor, the imbalance between the federal government's powers of taxation and the individual who pays the tax. There is only one taxpayer. We all have them in our ridings. We are all taxpayers.

I want to ask the minister a simple question. Given the fact that she sees in her riding and all of our ridings, the increasing difficulty of those who are in the poorest groups within our society, those who make less than \$20,000 a year, why was there absolutely nothing in the budget for the people who are the most vulnerable in our society, those who make less than \$20,000 a year? Why did she not try to

influence the finance minister to reverse the change that was made, which was to increase the lowest tax rate? It is unfathomable and unthinkable to any member in the House, or it ought to be, as to why on earth the government chose to increase the taxes on the poorest in our society.

I ask the member, for whom I have a lot of respect, why did her government not deal with the real fiscal imbalance, the imbalance between the rich and the poor? Why in the budget was there absolutely nothing, a big fat zero for the poorest and most vulnerable in our society?

● (1655)

Hon. Carol Skelton: Mr. Speaker, I think that if people in a thoughtful way read the budget and what we did last year as a government, and reads this year's budget, they will see that we are helping the poorer people of our country.

One has to put all our programs together. It cannot be just one item at a time. Everything should be put together. People will realize how we are helping all Canadians.

Mr. Tom Lukiwski (Parliamentary Secretary to the Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Mr. Speaker, I rise on a point of order. I apologize to the House for interrupting, but I think if you sought it you would find unanimous consent for the following motion. I move:

That, notwithstanding Standing Order 33(2), the question on the Liberal amendment on the budget be put at 6:15 p.m.

The Acting Speaker (Mr. Royal Galipeau): Is that agreed?

Some hon. members: Agreed.

(Motion agreed to)

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

Ms. Yasmin Ratansi (Don Valley East, Lib.): Mr. Speaker, I am sharing my time with the hon. member for Esquimalt—Juan de Fuca.

It is an honour to rise in this House today to represent my constituents of Don Valley East.

Last week the Conservative government introduced budget 2007, its second federal budget since assuming office in 2006. I wish I could say that these past two budgets have improved the lives of low income and middle income Canadians, yet I am afraid that the facts speak for themselves.

It is a fact that in 2005 the last Liberal budget made a significant effort to deliver tax relief for those in our society who earn the least. The lowest tax bracket was dropped to 15% and, despite what the Minister of Finance said in question period today, those who filed their tax returns know that it was 15%. The amount that all Canadians can earn before taxes, the basic personal amount, was increased by \$400 in the Liberal budget.

The Budget

Putting more money in the pockets of low income and middle income Canadians represents true tax relief for those who need it most. Yet this year, Canadians earning \$36,000 a year or less will be in for a rude awakening when they file their income taxes. This is because the tax hikes that the Conservatives levied on low income and middle income Canadians in budget 2006 will come into effect this year.

Those earning the lowest incomes will see their tax rate increase from 15% to 15.5% and the \$400 tax credit that the Liberals delivered in 2005 will suddenly disappear. In fact, the income tax measures first introduced in budget 2006 will have the effect of putting 20,000 low income Canadians back onto the tax rolls, taxpayers that had been previously removed by Liberal tax cuts.

For example, it is estimated that a single individual earning \$15,000 a year will actually see his or her income taxes increase by as much as \$149. Furthermore, a single individual earning an annual salary of \$35,000 will pay an extra \$122. Does this sound like tax fairness?

The fact is that the Conservative finance minister has squandered an opportunity to make a real difference in the lives of 5.2 million Canadians who live at the margins. While the so-called new government claims that budget 2007 will somehow help low income Canadians aspire to a better life, the fact remains that this budget is financing its vote buying scheme on the backs of those in our society who earn the least.

Here is a real gem of an example. Chapter 3 of the budget outlines one of the Conservatives' foremost priorities: "Encouraging youth participation in Canadian heritage sports like Canadian three-down football and lacrosse with an investment of \$1.5 million over the next two years...".

I have nothing against football or lacrosse, but like most Canadians I wonder why the federal government would intrude so far into provincial and municipal jurisdictions and come up with a budget gimmick like this.

What about the environment? What about affordable child care? What about the quality of life for first nations?

And what about hundreds of thousands of seniors who lost their life savings when the Conservatives deliberately broke an election promise last October and wiped out billions of dollars from the income trust sector?

Canadians no longer trust the Conservative Prime Minister, who, as leader of the Canadian Alliance, called the Kyoto protocol a "socialist" plot to suck wealth from developed countries.

Nobody took the Prime Minister seriously with his sudden conversion to the environment, especially since last January he quickly sacked his environment minister, who happened to be a woman, to salvage his government's public image.

If the Conservatives are truly serious about climate change, I challenge some of the government members sitting on the opposite side of this House to please explain their position on carbon markets and why Canada will not participate even though business leaders, including the chair of the Toronto Stock Exchange, enthusiastically favour such markets.

• (1700)

However, the Conservative finance minister has distinguished himself on at least one front. With \$12.7 billion in new spending, combined with various other tax gimmicks, he has established himself as the biggest-spending finance minister in Canadian history.

So much for the tax and spend Conservatives who, when they left office in 1993, stuck Canadians with a \$42 billion deficit and the largest federal debt in history. Also, the finance minister left Ontario with an almost \$6 billion deficit. Talk about fiscal prudence.

However, let us return to assistance for low income and middle income Canadians. What happened to affordable day care in this country? In 2005 the Liberal government signed an agreement with all 10 provinces and territories to create a truly national day care program. That plan created 14,000 newly licensed child care spaces in Ontario alone. The Conservatives destroyed that program and replaced it in their first 2006 budget with a naive scheme to create 125,000 new child care spaces simply through business tax credits.

How many new spaces were created under this plan? Zero. Nil. Not a single new space was created and the Conservatives wasted an entire year. Now they have quietly axed this program in favour of a meagre payment to the provinces and territories that pales in comparison to the \$1 billion delivered by the former Liberal government.

The cancellation of the early learning and child care strategy was an insult to parents in the first place, and to witness the failure of yet another Conservative scheme is mind-boggling.

How about the first nations? One of the first acts of the Conservative government was to axe the \$5 billion Kelowna accord, which would have had a significant impact on the quality of life for first nations. Budget 2007 contains very little for first nations and, once again, another year has been wasted.

Never before has a government done so little with such a large budget surplus.

Seniors who lost their life savings through the income trust announcement last October are asking what is in this budget for them. Nothing.

That is why I and my Liberal colleagues cannot support this budget. The Conservatives have squandered an opportunity for low income and middle income Canadians to aspire for a better life.

Worst of all, they have wasted an entire year and the entire budget surplus on little more than a public relations campaign designed to buy votes with the hard-earned tax dollars of Canadians. Hence, my colleagues will not support the budget.

• (1705)

[*Translation*]

Hon. Keith Martin (Esquimalt—Juan de Fuca, Lib.): Mr. Speaker, I have a question for my colleague.

The Budget

[English]

The member brought up an issue that all of us as members of Parliament have heard about from our constituents. We have heard loud and clear that there is a failure with respect to the government in terms of child care. The Conservatives promised 25,000 spaces. They did not deliver.

It is important not only to give people choice, because certainly in regard to the \$1 or \$2 a day the government has given Canadian families with children under the age of six, all of us know that \$2 a day does not buy child care. This is important because some Canadians want to take care of their children at home and some cannot take care of their children at home. For economic reasons, some have to go out and work.

I want to ask my hon. colleague about two points. First, can she possibly fathom how the government failed to give low income Canadians a tax break and instead raised their taxes in the 2006 election? Could she describe for this House and for the viewers out there why it is important for Canadians to have a choice in terms of child care? For example, in my riding of Esquimalt—Juan de Fuca, why on our military base are there 29 spots for children and a waiting list of 92 children? This is as important for our Canadian Forces families as it is for others.

Could my hon. colleague please tell the House what she would recommend in terms of what the government ought to have done to provide Canadians the child care spots they want?

Ms. Yasmin Ratansi: Mr. Speaker, the hon. member's question is a very important one. We keep on hearing that the rural communities can look after their own and that we Liberals were trying to impose solutions for child care on them.

However, an interesting study has just come out on farm communities and how it is important that in the farming communities, to get economically viable, women must have proper child care. Child care spaces are essential.

In fact, in one of the reports on the farming communities, a report released in 2006, women who came before the Standing Committee on the Status of Women stated that it was the lack of proper, affordable child care spaces that was their biggest problem. That is from a rural perspective.

On the rural divide, we keep hearing from the Conservatives that rural women stay at home and that is what they do, but no, they want to go out and be part of the working environment so they can support their farms.

The second aspect is that \$2 a day is an insult to the urban communities. In my riding of Don Valley East, child care costs \$1,500 a month. That tax deductible \$100 does nothing for them but keep on making them poor.

Hon. Sue Barnes (London West, Lib.): Mr. Speaker, I am pleased to rise in this debate and ask my colleague about something that affects my community, and I am sure hers, and that is medical research in this country.

We have invested much in our peer reviewed research through the granting councils. Medical research is big in my community, with five research institutes, and the impact of not having sufficient funds

to do the ongoing research that is used throughout Canada and even throughout the world in effect will contribute down the road to us losing these highly skilled individuals in our communities.

On another point, I would like to raise the issue that this budget takes away the harm reduction strategy that has been there since the time before Liberal governments, back into previous incarnations of other governments. That has been taken out of the way that drug policy is done in this budget.

I would like the hon. member's comments on both of those areas.

Ms. Yasmin Ratansi: Mr. Speaker, the hon. member asks a wonderful question. She brings to light something that is very critical. This budget has no vision. It has no vision for the future of Canada and Canada's place in the global economy.

If Canada wants to be competitive and to be up in that productivity agenda, Canada needs a vision, and research and development is one area that we need too. We have to be competitive in the global environment. In previous Liberal budgets, we put a lot of money into research and development. In this budget, I see no vision except gimmicks.

Hon. Keith Martin (Esquimalt—Juan de Fuca, Lib.): Mr. Speaker, one of the great ironies of Canadian politics is the mythology that Conservatives are better money managers than Liberals. The fact is, and history bears this out, that the opposite is true. All one needs to do is go back and look at history and see the mess that was left to the Liberal government in 1993 after years of overspending and a debtload that was driving Canada into a place that was the equivalent of Argentina. The Finance Minister knows full well what that situation was about.

The tragedy of it all is that in this budget the government has increased spending three times the size of inflation. Is this an intelligent, tactical budget that invested in those things that will make our country more productive in an increasingly competitive world? No. Unfortunately, this is a budget that has at its roots a very cynical approach to use the taxpayers' money to essentially buy votes.

The tactical spending that the government has done is not with a view to improve the lot of all Canadians, but rather with a view to use the budget and the taxpayers' money to win a federal election.

The *Times Columnist* in my city of Victoria had a very telling cartoon showing the Prime Minister in galoshes, wearing a long overcoat and carrying a fishing rod. On the end of the fishing rod was a man on a hook and on the man's chest it read "Bought and hooked by your money". In essence, what the cartoonist was saying was that the taxpayers have been bought and hooked by their own money. Unfortunately, that is what has happened.

During this time of surplus there was a great opportunity for the government to invest in those things that would thrust us to the forefront of being one of the great countries of the world. It could have ensured we were productive and had a strong economy and, as a result of that, the taxes to pay for those social programs on which Canadians rely.

The Budget

The government knows full well that it only needs 40% of the public to vote for it in order to have a majority and surely the budget demonstrated that thinking very clearly. I will describe what the government should have done to have a budget that was fair, equitable and responsible, a budget that was responsible to the taxpayers and one that was in the public service, not in self-interest.

First, the government failed to address the real fiscal imbalance, the imbalance between those who have not and those who have. How on earth can Canadians who are making \$9 or \$10 an hour survive these days, particularly if they have a family? Does the budget actually address that demographic? Does it address those who are poorest in our society? The answer is a grim no. The government did not address those who are most vulnerable and, in not doing so, it failed in its greatest responsibility, which is to help those who are least privileged in our society.

The government should have reversed the tax increase that it made on the poorest in the 2006 budget. Unbeknownst to most Canadians, until they do their taxes, is that the government raised the taxes on the poor, which is unthinkable. Instead, it dropped the GST. Why? It is because it sounds good. Everybody knows that a cut in a consumption tax is a cut that will not benefit the poorest. It is a cut that will help the richest. The Finance Minister knows this. The cut to the GST was nothing more than a cynical ploy to curry favour with a certain demographic within society because it does not help the poorest. It helps the richest.

It also benefits, in terms of transfers to the provinces, selectively one province. Forty per cent of the money will go to the province of Quebec. Nobody begrudges any province its ability to get moneys from the federal government but all of us in every one of our provinces know full well that every province must be treated fairly. The budget fails that test dismally. Why? I think the people of Quebec know that the government is using their money and the money from Canadians all across this country to bribe the taxpayers in Quebec. That is as simple as it gets. The people in my province of British Columbia know this full well.

● (1710)

Did the government invest in productivity? Did it lower taxes? Did it invest in research and development? No, it did not. Rather, it used the people's money to selectively pander to certain demographics in our society. That is a cynical act and most people know that.

The government promised Canadians that it would invest in child care spaces. Did it do that? No, it did not, and to the exclusion of ensuring that hard-working Canadian families have money in their pockets to take care of their children if they want to take care of them at home. All of us recognize the importance of that. We all want to ensure that families have that ability. The government did not. Canadians from coast to coast to coast, not just in my province of British Columbia, want the opportunity to have child care. They do not want \$2 in their pockets as the finance minister has given them. They want the ability and the choice to put their kids into child care. This is not only an option issue, this is an economic issue and a fairness issue. This is about giving people the opportunity to go to school, get skills and elevate their status in life. That is what Canadians want.

Why did the government not lower personal income tax to give Canadians the choice to save, to invest or to spend? Why does the government want to pick winners and losers? Why does it not give hard-working taxpayers the opportunity to keep more money in their pockets?

Why did the minister not simplify the tax system rather than complicating it? He did that in total violation of what his party supposedly stood for which was to simplify the tax system. Why did the Conservatives complicate the tax system? The finance minister can laugh all he wants but he knows full well that this is part of a cynical ploy to win a majority in the next federal election. It is not smart economics and it is not responsible economics. This is not being responsible to the taxpayer and the minister knows that full well.

I have some solutions and I hope the minister listens because he might be able to employ some useful things.

Why does the minister not employ a Canadian low income tax supplement that would give \$2,000 to every Canadian making less than \$20,000 a year? Why does he not use more tax shifting so Canadians could adopt green technologies? Why does he not fully fund the EnerGuide program? Why does he not fully fund the Pacific Gateway strategy in my province of British Columbia?

Why did his government discard Liberal policies and then reinvent them under a different name in a watered down version, call them its own and then claim it was doing something good for Canadians? The fact is that part of the government's ploy is to remove policies that were made by the previous government, water them down, make them weaker than they were and then call them their own. That is an abysmal, an abominable and pathetic ploy from a person who is supposed to be a servant of the public.

● (1715)

Had the government been smart, it would have seen that the policies were good and it would have resurrected them. If the government wanted to make them better, then it should have, but, for heaven's sake, it should not have been so disingenuous as to remove good policies in the best interests of Canadian taxpayers, water them down, call them its own and say that it was doing a good thing. The Conservatives are not doing a good thing and taxpayers should know this.

Why did the government not work with the provinces to develop a national strategy for health care workers? We do not have that and it is something we need. A smart thing for the minister to do would have been to work with his counterpart, the Minister of Health, and do this.

Why did he not provide more training spaces for immigrants who have come here to improve their skills and trade? Why did he not announce that he wants to reduce barriers to east-west trade in our country? Why did he not do something intelligent like that? Why did he not reduce federal gas taxes? We did that. Gas taxes are sky high right now and they are going up. The Minister of Finance should have decreased that.

The Budget

I can give the minister all kinds of solutions. Many members on this side would be happy to provide him with umpteen numbers of constructive solutions. We are happy to work with him—

• (1720)

The Acting Speaker (Mr. Andrew Scheer): Questions and comments, the hon. Parliamentary Secretary to the Leader of the Government in the House of Commons.

Mr. Tom Lukiwski (Parliamentary Secretary to the Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Mr. Speaker, I listened intently to my hon. colleague and I completely disagree with a couple of issues that he raised. I will only make a couple of comments because I do not suppose asking a question would do much good.

He made mention that the consumption tax was absolutely the worst possible thing for low income Canadians and those most in need because it only benefits the rich. I would invite the hon. member to come to my province of Saskatchewan and talk to some of the agricultural producers who, because of the income crisis for the last several years, have not had enough money to pay income tax.

They say that a reduction in income tax means nothing but that a reduction in the consumption tax means a great deal. I think we would find that a number of lower income Canadians share that view.

Second, I have a comment on his statement about this budget doing nothing for a national child care program or early learning and development. I would point out to him that today, in my province of Saskatchewan, the provincial NDP government announced, as a direct result of our budget, that it will create 500 new day care spaces.

Those two comments completely illustrate why the member really does not have a handle on the budget. Perhaps he should read it more carefully.

Hon. Keith Martin: Mr. Speaker, let me read into the hon. member's statement a couple of questions.

The first question was on consumption tax versus income tax. The hon. member is quite right, tax credits for people who make the lowest amount of money are not worthwhile, but those individuals also do not benefit from a reduction in GST because they are using all of their meagre moneys to pay for rent and food, both of which are excluded from GST.

What the government should have done, which goes back to my original plea to the government, was to lower taxes on the poor so they could have more money in their pockets to pay for the basic needs that they cannot pay for now. That is the essence for his constituents and mine, and for everybody else in the House. The government did not do that and that is the failure.

A consumption tax benefits the rich because, by its very nature, it actually benefits those who are spending. The more one spends, the more one benefits. For the demographic the member is talking about, the poorest, they are not buying new cars or buying boats. Those people will not benefit from a consumption tax.

On child care, my province lost \$480 million because of the government's mismanagement and, as a result of that, my constituents are not getting the child care they were promised.

Mr. Dean Del Mastro (Peterborough, CPC): Mr. Speaker, the hon. member referred to winners and losers in his speech and that is actually a pretty good direction to take my question. Under this budget there are an awful of winners, as there were in budget 2006.

However, let us talk about some of the losers when the opposition was in power. The military was a big loser. I know that is a significant economic engine in the member's riding. Hospitals and health care were certainly big losers after the budget of 1995. Post-secondary education was a big loser.

In this budget we see a 40% increase in post-secondary funding, which speaks to improving our overall competitiveness. We see a continued commitment by the government to rebuild the armed forces, which is a significant commitment by this government. We also see an ongoing commitment to reduce taxes each and every year with the interest savings due to our repayment of the debt, which also speaks to overall broad based tax reductions.

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

Hon. Keith Martin: Mr. Speaker, there are far too many mythologies in the member's comments to be able to go through all of them but I will go through two.

The first one is on the military. When we were in government we actually had the biggest increase in spending on the military in more than 30 years. We appointed the current CDS, General Hillier, to engage in the reformation of our military. We probably cut too much in the 1990s but as a direct result of the mess that the Conservatives left us with, a huge debt and deficit that was driving our country into the ground, it prevented us from making the investments into the forces that were required. When we were government in 2004, we recognized that and started to pour more money into the Canadian forces. The money went up geometrically for our Canadian Forces and it was the right thing to do. We wish it had been more but we put in the biggest change in 30 years.

We also started the veterans charter, which was the biggest change in care for our veterans in 40 years. In terms of tax reductions, we lowered the tax on the—

• (1725)

The Acting Speaker (Mr. Andrew Scheer): Resuming debate, the hon. member for Surrey North.

Ms. Penny Priddy (Surrey North, NDP): Mr. Speaker, I will be sharing my time with my colleague from the Western Arctic.

The Budget

I stand here today committed to equality and opportunity, as I hope everybody would be, for all Canadians, for fairness in the accessibility of programs, services and opportunities no matter where they live in Canada, whether it is in Corner Brook, Newfoundland and Labrador, Espanola, Ontario, or Creston, British Columbia. Accessibility, fairness and equality to the services and supports and programs that people need no matter where they live is the Canadian way. That is not the Canadian federal budget we have seen from the Prime Minister and the Conservative government. The budget does little, if anything, to bring about equality and fairness.

People who live in Surrey North are not on the whole better off. In fact, many are further behind. On average, Surrey North has the lowest family income of any of the Surrey ridings. This budget does little to improve their quality of life overall. People are working longer hours with less to show for it and the prosperity gap continues to grow. Eight billion dollars in corporate tax cuts may put food on the boardroom table, but it will not help put food on the kitchen tables of people who live in Surrey North.

We all know that lack of money for nutritious food means that our health care costs will rise dramatically because people who cannot eat nutritious food become ill much more quickly and use our health care system with more frequency.

People are working harder and their money is not going as far.

The one thing people mention more and more to me is that nowhere in this budget is the cost of drugs. Those people missed the opportunity completely. The cost of out-of-pocket expenses on drugs has risen 9% a year since the year 2000. That is a 63% out-of-pocket expense increase for drugs.

People have to make choices in the riding that I represent between filling a prescription and feeding their family, whether it is Kraft Dinner and fruit or Kraft Dinner and maybe try to fill the prescription. That is not fairness and equality. That is not levelling the playing field where all Canadians are equal.

What about workers? I want to talk for a minute on forestry. There was nothing in this budget for the tragedy we have had in British Columbia around the pine beetle and the destruction of forests. One might ask, why is an urban MP talking about forests? Many forest workers live in my riding. They worked in the mills that used to be open on the Fraser River. Where is the investment for those workers? It is not there.

Then there is the foreign credential referral office. I talk to a lot of people with foreign credentials. Not one of them has ever said to me, "I need to be referred to somewhere. I don't know where to be referred to". What they do not need is referrals. What they do need is timely assessment of their skills and academics and then they need a way into the education system so they can upgrade when necessary.

Not only are we see a prosperity gap, but we are seeing a huge skill gap.

We have the taxi host program in B.C. for taxi drivers. About 25% of the participants in the program are physicians. They take the taxi host program so they can drive taxis. We see the same thing with nurses. We are going to need 135,000 new nurses in this country in

20 years' time? Where is the joint planning that could have been committed to, a national leadership for the government?

I want to mention aboriginal funding. Urban aboriginal people received no extra dollars from the budget. I have a wonderful organization called Kla-how-eya in Surrey North. It provides a huge range of mentoring, education and health services to urban aboriginal people. What was in the budget for it? Absolutely nothing. The organization does an extraordinary job. It keeps young people mentored with elders. Sometimes it manages to keep young people in the school system, out of jail. Surely it is worth supporting the aboriginal people do that.

• (1730)

For many families in Surrey North, child care is an incredibly important issue. All choices we make about how we raise our children are good choices, as long as they are choices. If people want to stay home and raise their children until they are 20, great. If they can do that, and it is a choice and they can afford it, that is a bonus. It is terrific. However, not everyone can make those choices.

We have a lot of families where both parents must work outside the home for wages or they are lone parent families and they work outside the home for wages. They do not want to only depend on the public system. They want to work. They want to provide that dignity for their families. People in Surrey North are striving very hard to get those work skills and to have child care so they can do that.

I do not know if any of us can imagine what it is like going to work not knowing if our children are in safe child care. I cannot imagine spending a day at work without knowing if my child is safe. It is unimaginable to me. This has happened as a result of what the Conservative government has done by cutting the child care initiative.

There is no housing strategy for about 100 people in Surrey, not all in the constituency of Surrey North, who live on the streets. There is nothing that says we are going to look at a national housing strategy, not just for people who are homeless, but for people who cannot get into their first home. They cannot afford it. Where is the national housing strategy we used to have, which used to work? It is gone. It is not there. What a wonderful opportunity this would have been and what a missed opportunity to provide safe housing for people.

For many people in Surrey North, their whole focus has been for their sons or daughters to get a post-secondary education. It does not matter whether that is college, university, trade school or whatever it is. Their goal is that their sons or daughters will have a higher education than they had with the hope of having a job that will be self-supporting.

The Budget

While there is more money for post-secondary education, there is nothing to make tuition affordable. There is nothing that addresses the overwhelming loans that students are carrying. Many students will never be able to get a loan. For many people, they will never be able to break out of that cycle.

I think the people in Surrey North, more than any place else in Surrey, have the same kinds of dreams and visions for their children. They may not have had the same opportunities as people in other parts of Surrey, but they have the same wants, desires, dreams and visions for their children. That is for them to have a better future than they have perhaps had, an education that they know will support their sons and daughters. In this day and age that is hard to predict. They are not planning to be politicians I guess. There is no tenure.

The budget has missed a tremendous opportunity to make a difference for the people in the riding that I represent. While people across the country will benefit from the budget, they will be the few. The gap will be larger than it has ever been. The haves will have more. The people who already do not have will have less.

People tell me when I go to their doors that they cannot continue to raise their children, hold down a job and look after their aging parents who are living with them or they run to their home every day because there is no home care for them.

What a wonderful opportunity to take leadership around home care, to take a national perspective. There are so many national leadership opportunities missing, national leadership around the management and planning for health and human resources, as another member spoke to earlier, an opportunity to take leadership around post-secondary education as it relates to the ability of students to access it.

For the people of Surrey North I am saddened and disappointed and for most they will simply be—

• (1735)

The Acting Speaker (Mr. Andrew Scheer): Questions and comments. The hon. member for Cambridge.

Mr. Gary Goodyear (Cambridge, CPC): Mr. Speaker, I have been here most of the day and I have listened to the debate. I do not want to say that the hon. member has not read the budget, but she presents a number of misleading facts, exaggerating certain things.

The concern I have is this. Does the member actually feel that it is the right thing to do to vote against the budget for what it does not have rather than vote for the budget for what it does have? There is everything in this budget from money to stop human trafficking to a 40% increase for students. There is money for farmers, for firefighters, for children and for a cancer vaccine for women. There is even closing loopholes for the NDP so-called fat cat corporations.

Frankly, the member should stand, apologize to her community and say that she will vote for the budget because of what is in it and that she will work hard to fill the gaps for what she thinks is not in it. It does not make sense to me to hear the NDP stand all the time and say they are not voting for it because something is not in it. Orange juice is not in the budget, but I will not vote against it because it is not in the budget.

She should vote for the budget. It is a good budget.

Ms. Penny Priddy: Mr. Speaker, I found those comments to be incredibly facile. The people in Surrey North elected me to represent the issues they have brought forward as issues important in their lives. That is what I have done today.

There are missed opportunities. There are very few opportunities in this budget for the people who I represent. When people come to me and say, "I can't find child care, what happened to the national child care strategy", I have to tell them there is no child care, or there are no new child care spaces. I tell them that the plan the government had before did not work, that is has a new one and it hopes it might work now, but it is not sure.

When people tell me they have to make a choice between something their child needs for school and filling a prescription for someone else in the family, that is what they need, that is what they mean, that is what they say to me, that is what is important to me and that is what is not in the budget.

My job is to look at that budget and to stand here and reflect the vision of Surrey North, which is what I am doing.

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, the member who just asked the question said to vote for what was in the budget rather than what was not in it. One of the things in the budget that the cowardly finance minister did not mention in his budget speech—

The Acting Speaker (Mr. Andrew Scheer): I am not sure calling a finance minister cowardly is parliamentary, so I would caution the hon. member.

Mr. Paul Szabo: Mr. Speaker, what the finance minister did not include in the budget speech was the fact that he broke his promise and decided to tax income trusts. A whole bunch of seniors, who had put away a nest egg for themselves, or those nearing retirement, had about \$25 billion worth of wealth in their income trusts taken away.

There is an example the member could use to suggest that the government has not been straight with Canadians and, in fact, has an ulterior motive. Maybe the member would like to comment on what the minister did to seniors and their nest egg for their retirement years.

• (1740)

Ms. Penny Priddy: Mr. Speaker, I am pleased to talk about what this budget did for seniors, and it was not very much. We debated and passed a seniors charter in the House and I do not see anything in this budget for seniors. I do not see any pharmacare for seniors, even a beginning. I do not see catastrophic drugs that would help seniors. I do not see home care for seniors. I do not see a transit strategy or a housing strategy for seniors.

As I reviewed the budget, I had quite a bit of difficulty finding things for the seniors who live in my riding.

Mr. Dennis Bevington (Western Arctic, NDP): Mr. Speaker, it has been a week since the hon. member for Whitby—Oshawa brought forth his second federal budget, a plan to spend \$237 billion, most of it out of the pockets of ordinary Canadians.

The Budget

Members of another party in the House have described this second work as a shotgun budget, one that scatters money with no clear plan. The fact that the Liberals do not know who is being helped by the budget shows how much they do not get it.

I can say who is not being helped by the budget. Average Canadians do not get much help. Aboriginal people do not get much help from the budget. Only the wealthy and corporations get significant help from the budget.

The \$9 billion corporate tax cut instituted last year continues to provide fatter profits while not requiring reinvestment in the economy. The belief that making the rich richer helps ordinary people is as accurate as the belief that the earth is flat.

In case the finance minister is not aware of it, making the rich richer only makes the poor poorer. If he wants to give large corporations a tax break, he should make it contingent on their investing a portion of their profits back in the economy.

There is only one corporate tax change in the budget that we support. The Conservatives have agreed with the oft stated demand of the NDP to take away the large tax breaks, the accelerated capital cost allowance for oil and gas corporations for the development of the oil sands. Unfortunately, this billion dollar giveaway will not end until 2015. By that time much of the development will be in place at very high oil prices and a very great return.

By taxing to death average Canadians while allowing their corporate friends to pay less and less taxes, the Conservatives, like the Liberals before them, have ended up taking an extra \$14 billion from the pockets of hard-working Canadians. They have dedicated \$9 billion of that to debt repayment, even though Canada has the lowest national debt of any of the G-7 countries. Our economy continues to produce good numbers resulting in huge government revenues, largely by increasing the tax burden on ordinary Canadians over the last 20 years.

Working Canadians have paid to put the government fiscal house in order. That job is done and the benefits should flow back to average Canadians.

The hon. member for Whitby—Oshawa I am sure would say that the budget does return benefits. I am sure he would point to the approximately \$3.1 billion provided to the provinces this year, the so-called fiscal rebalancing. However, did the minister or any of the government members get commitments that this cash gift will result in better programs and services for average Canadians? No, they did not.

We have already seen a Liberal premier promise to make \$700 million in tax cuts to buy votes, a cynical move which makes the rich richer but has others crying foul. Imagine a Conservative government that has used the taxes of average Canadians to help a Liberal get elected.

For aboriginal people the budget is nothing but a disappointment. The new spending for aboriginal people in the budget works out to about \$14 a person but in reality, even this small amount is somewhat tenuous. For aboriginal housing, the budget rededicates \$300 million to the development of a housing market in first nations communities.

To develop a real estate market, one needs to buy and sell land. However, section 20 of the Indian Act says no first nations person is lawfully in possession of land in a reserve. So a real estate market on reserves is a non-starter, of course, unless the government wants to sell off the reserves just like past Conservative governments sold off Métis land. This is where the free market idea of the hon. member for Whitby—Oshawa runs into the hard cold reality of the discriminatory system Canada has imposed upon aboriginal people.

If the government wants to take action on the acute need for housing on reserves, it should be helping with the construction of band owned housing on reserves rather than this fallacy of creating a real estate market. Because Liberals and Conservatives have long turned their backs on aboriginal people, the cost of really improving reserve housing would be far greater than the \$300 million that has been allocated. Unfortunately, even this pittance for housing does not help the vast majority of aboriginal people who live off reserves. Where is the housing support for the people who left their reserves or never had one in the first place?

The real truth about aboriginal poverty is it is government created. The budget trumpets that more than \$9 billion, many say more than \$10 billion, is spent on aboriginal people. However, almost half of that never reaches the first nations, Métis and Inuit at whom it is targeted. If the huge amounts dedicated to the Department of Indian Affairs and Northern Development actually reached aboriginal people, first nations, Métis and Inuit there would not be such a thing as poverty in their communities. In their poverty, aboriginal people of Canada are a renewable resource for the bureaucrats at DIAND.

• (1745)

The Treasury Board has estimated that \$600 million is spent on overhead each year at the Department of Indian Affairs and Northern Development. That is not only on aboriginal people. Of course, there is northern development. There is a skyscraper full of DIAND bureaucrats in Yellowknife and hundreds of other people working in other offices.

Devolution is required because in the north we can do better. We can do better with the resources that are being held by northern development for our purposes. We could put those people to better use. We want to see devolution move forward more rapidly than the Conservatives have been able to accomplish in their year and a half in government, and the Liberals for many years before that.

The leadership of the Northwest Territories, Yukon and Nunavut have all said how much this budget helps. To be honest, the new formula funding arrangement is better than the formula imposed by the Liberals. I am glad to see the base amount has been increased and that 1985 numbers are no longer being used as the starting point. Updating this figure is just another thing the Liberals could not find the time to do.

The Budget

I am glad to see a more fair system is being used for calculation of the formula, unlike the perverse system imposed by past governments, but I am concerned that the new formula still uses population in its calculation. Multiplying the average southern cost of a program or service by a territory's population does not reflect the real cost in the north for that program or service.

The government has also agreed to raise the NWT borrowing limit from \$300 million to \$500 million, a move that is long overdue and essential in that the existing borrowing limit is strained with utility and mortgage debt, most owed to the Government of Canada. The borrowing limit still does not match up to that of the city of Yellowknife, which can borrow up to 50% of its assessed value.

For northerners there are many things missing in this budget. For starters, there is not one word about Arctic sovereignty being enhanced. Where are all those Conservative promises that were made during the election? Where is all the concern about the sanctity of our Arctic reflected in this budget?

Where is the relief for northerners from the high cost of living? For some time northern politicians have been calling for an increase in the northern residents tax deduction. I and others have said that the deduction needs to be increased by 50%.

In the budget speech the minister stated how the capital gains exemption was in need of an immediate increase because it had not been changed in 20 years. The northern residents tax deduction has not been changed in that long as well, but then only average Canadians wanted this change, not the business elite.

The northern residents tax deduction changed a bit. The change is a cynical, pork-barrelling addition of the southern part of the government whip's riding. It is shameful to say the least. To put that in the budget without doing a whole program is a waste.

The NWT got no action on resource revenue sharing. The resources of the NWT rival those of nations such as South Africa and the United Arab Emirates, but not one cent of the royalties from the resources help the people of the Northwest Territories. For more than a generation Canada has been saying it is willing to hand over control and ownership of these riches. However, the Conservative government, just like those in the past, continues to delay.

The current excuse is that it needs to restart negotiations. Every day Canada delays fulfilment of this promise is another day that millions of dollars, whether from the diamond mines or the oil and gas fields, are lost to the people of the Northwest Territories. The people of the Northwest Territories do not mind hearing mañana when on vacation in Mexico but are tired of hearing it from Ottawa when it comes to the ownership of resources.

What is really worrying about this budget is on page 186 of the budget plan. On that page the Conservative government lays out its plan for negating its commitments under the land claims agreements and to silence the voice of northerners when it comes to environmental assessments and determining how development will occur in the north.

According to the budget a law written to implement the portion of land claims where aboriginal people are granted a say in how their land is used must be changed because the pro-industry Minister of

Indian Affairs and Northern Development feels it is too restrictive to large corporations. It is clear that the minister's purpose is to gut the little protection the aboriginal people and other northerners have under the Mackenzie Valley Resource Management Act, making it open season for rampant exploitation.

It is clear from this statement in the budget that the Conservatives will not let anything get in the way of large corporations exploiting the north, even if it means going back on the word of the Crown.

● (1750)

No, this is not a budget for everyone. It is not a budget for hard-working, ordinary Canadians. It is not a budget for aboriginal people, nor is it a budget for the people of the north. It is certainly not a budget I can support.

Hon. Larry Bagnell (Yukon, Lib.): Mr. Speaker, I want to give the member a chance to talk more about what is not in the budget for aboriginal people, but before I do, I have to make a comment. He suggested that previous governments could not get the formula the way it is now, but it was the Liberal government that put forward the O'Brien commission that came up with these recommendations, and we are glad the government followed that.

As the member said, the government said it is spending \$10 billion on aboriginal people, \$1 billion more than before, but it is only a small amount for housing, market housing, Atlantic fisheries, some labour force, and the aboriginal justice strategy, which it should never have cancelled in the first place. On top of that, it cancelled the aboriginal procurement program, the Indian and Inuit non-smoking strategy and the Kelowna accord. It took a lot of money out of the aboriginal language program, from literacy, from the Status of Women, which first nations women used, and the Law Commission of Canada and the court challenges program, which witnesses in committee told us first nations people used.

We would have added the Kelowna accord and \$2 million for residential schools. Thank goodness the Conservatives are following up on our agreement.

I would like the member to comment on the statement by the government that it is spending \$10 billion, which is more than ever, on aboriginal people.

Mr. Dennis Bevington: Mr. Speaker, when the Minister of Indian Affairs and Northern Development was first put into the post here, people in the north remembered what he had said when he was a critic of the Liberal government. People in the north thought there was going to be some movement, that some things would be happening. What we have seen has been almost diametrically opposed to what the minister talked about when he was a critic of the previous government.

The Budget

The statements that have been made in this Parliament in the last while about the \$10 billion, and the fact that it is going to aboriginal communities, are statements that I cannot agree with and the facts do not agree with them. The way the funds have been distributed, we are not going to see that \$10 billion in the hands of aboriginal people and that is just a simple fact.

Mr. Gary Goodyear (Cambridge, CPC): Mr. Speaker, before I ask the hon. member a question, I would like to make a quick comment about aboriginal communities. Clearly, under the previous government there were more than 200 unsafe drinking water problems within our aboriginal communities, and for 13 years the Liberals did absolutely nothing. A recent report suggests that now there are less than 100. We still have work to do of course, but we have only had 13 months, so I think we are doing pretty well.

I want to congratulate the member because I did listen to his speech. He was being quite honest when he referred to a number of initiatives in this budget that are better, and that is a fair and honest statement. I thank the member for that. He said that they are not good enough, but that is okay and that is his opinion, despite the fact that I think they are very good.

Despite the fact that he gives the budget an eight out of 10, why is the member going to vote for zero out of 10, when the budget, by his own admission, has a number of good points?

Mr. Dennis Bevington: Mr. Speaker, where I come from in the north, we have a different form of government. It is not as partisan as it is here, but I do understand budgets and what I see in this budget is an attempt to establish support from another party in this Parliament and not from us.

I did not see this budget as being addressed to attracting support from us. This is a minority Parliament. The Conservative government had the opportunity. We had given our position about what we would like to see in the budget to garner our support, and if the Conservatives chose to go with another party's direction in terms of regional development or in terms of some of the other things that we see in the budget, that is their business.

We wanted to see the prosperity gap reduced. What I wanted to see for the north was a clear definition of what devolution and resource revenue sharing are going to mean. We have not seen that. The Conservatives have had plenty of time. Plenty of the work had been done by the Liberal Party as well.

I cannot support the budget because it did not address the issues that we saw as important.

• (1755)

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, the member talked very well about the plight of the first nations, the Métis and the Inuit.

The Kelowna accord was an historic accord. It said that the leaders of Canada, governments as well as aboriginal leaders, said, "No more. We have to do something". Maybe the member could confirm something for me. Did the Conservative government actually deny that Kelowna even existed?

Mr. Dennis Bevington: Mr. Speaker, regardless of what the government said about Kelowna, the situation with aboriginal people remains. Quite clearly we identified with the accord the requirement

for aboriginal people to have a modest chance of moving forward in this society and achieving a better future. That is what we were offering. It was not a panacea. We are not going to change the course of the poverty in this country with a \$5 billion program.

Hon. Tony Clement (Minister of Health and Minister for the Federal Economic Development Initiative for Northern Ontario, CPC): Mr. Speaker, I am pleased to take part in this budget debate today and to support my colleague's fine budget because it takes a number of historic steps, including reducing the tax burden in Canada. A number of hard-working families in my own riding of Parry Sound—Muskoka are going to reap the benefits of this particular budget approach. I want to congratulate my colleague on that.

You do not have to take just my word for it, Mr. Speaker. I know that you are sometimes a little skeptical about what politicians say in this House, but I just happened to be looking at the Parry Sound *Beacon Star* the other day and will read for members what Andy Blenkarn had to say about this particular budget. Some people remember the name Blenkarn but I am not sure what the relationship is.

This particular Blenkarn owns a marina in my riding. He said about the budget, "I think its a big win for seniors, a win for working families with children and, I think, a win for lower income families".

That is what I am getting from my constituency. As a matter of fact, that is the kind of thing we are getting throughout this country.

The other thing about the budget is that it restores the fiscal balance between the federal and provincial governments, and that is so important, particularly to Ontario. A lot of focus has been on other provinces, perhaps, but I can tell members that Ontario feels this budget is one that is fair and it is one that recognizes provinces that need a bit of help. It also recognizes the important economic engine that is Ontario.

[*Translation*]

There are a number of new and important commitments to Canadians in this budget—beginning with our expanded efforts to encourage and enable provinces and territories to develop patient wait times guarantees.

[*English*]

This budget is also about health care. Putting the emphasis on patient wait time guarantees, a more modernized health care system and more excellent research of course will make a difference for patients in Canada.

My hon. friend, the hon. Minister of Natural Resources, with whom I am splitting my time, will also be talking about particular aspects of the budget.

Let me focus on health care. Health care means more information technology. It means making sure that patients are the centre of our health care system. It means providing provinces and territories that are willing to work with the federal government the opportunity to deliver on some very important promises.

The Budget

On this note, I am very pleased to tell members where I was this morning. I was in Halifax. I am very pleased to say that Halifax has joined patient wait time guarantees for this country. Just today, Premier MacDonald's government has committed to develop a guarantee in cancer radiation therapy. That is for all of Nova Scotia, but it was announced in Halifax. In doing so, Nova Scotia joins the province of Quebec, which has already committed to developing a guarantee for joint replacements and cataract surgeries.

As I said this morning in Halifax, in Canada we now are in the world of patient wait time guarantees, so I ask members to stay tuned, because there will be more announcements in the very near future.

That comes out of a couple of different funds in the budget, one of which is the \$612 million patient wait time guarantee trust fund. Of that trust fund, \$500 million will be allocated on an equal per capita basis to provinces and territories that can commit to developing guarantees, and then we have a base funding model for each of the provinces and territories, based on \$10 million per province and \$4 million for each territory.

There is also another component of the budget related to patient wait time guarantees. That is the continued commitment of the government to Canada Health Infoway. Our government is investing an additional \$400 million through Canada Health Infoway on top of the \$1.2 billion that has been provided in years gone by. That funding will expand the work of developing health information systems. It will support the development and implementation of electronic health records. Quite simply, it will make possible progress on the technologies that are critical to achieving patient wait time guarantees.

There is a third component in budget 2007: a \$30 million fund over three years for patient wait time guarantee pilot projects. I want the House to know that in my travels across Canada, and in my discussions with my provincial and territorial counterparts, I have been very impressed with the kinds of innovations going on in our health care system right now. Those innovations are helping us drive the movement toward patient wait time guarantees. The funding of these pilot projects will help us get more of those ideas into action sooner.

As announced this morning in Halifax, Nova Scotia will be getting a total of up to \$48 million out of all these funds for health care in Nova Scotia. More provinces will be able to access this kind of funding.

Really, when we look at it, we see that this is about putting patients first, of course, but it is also about ensuring the accountability of our health care system. People in Canada want to see the results from government spending in general, and that is what the budget does, but they also want to see results in health care. This budget does that as well by adding \$22 million a year to our support for the Canadian Institute for Health Information, otherwise known as CIHI.

CIHI has been a key contributor in helping to achieve patient wait time guarantees. It has been involved in some of what is perhaps the finicky work in developing those indicators and gathering and sharing information across our country so that all departments can

rely on that information when they report to citizens and make public policy decisions respecting health care.

● (1800)

We need more of that. The new money from budget 2007 will enable CIHI to build on its activities related to patient wait times and access to care. It will support work on health data systems coverage and the development of comparable health indicators.

Again, that is just the tip of the iceberg. This budget is known for many things. It is known for helping hard-working families and taxpayers. It is known for continuing to reduce our national debt. It is known for ensuring that we have the environmental resources available to make a huge impact on our environment.

However, it is also a health care budget. When we look at some of the other health care issues included in the budget, we can see why.

First, some of the most important impacts are sometimes from the most simple things that we can do. I will give an example. We are allocating \$2 million to the Canadian MedicAlert Foundation. We are happy to accelerate that work to implement the No Child Without program. That program is proving free MedicAlert bracelets to children across Canada who have serious medical conditions.

As the president and CEO of MedicAlert recently stated about our budget, "Today's announcement will make an important difference for children with chronic or potentially serious medical conditions".

The budget also opens the door for more private donors to help people in need beyond our borders. It does so by providing a tax incentive for companies who take part in international programs that donate life-saving medications to combat diseases such as AIDS and tuberculosis in the developing world. This is a very positive program and it means that Canadian companies, just like Canadian individuals, are showing how they care about the world around them and how we as a country can make a difference in the fight against HIV-AIDS, tuberculosis, malarial diseases and so on.

Another initiative I want to highlight from budget 2007 is a landmark investment in protecting Canadian women from the threat of cervical cancer. That cancer is the second most common form of cancer facing Canadian women between the ages of 20 and 44. It is a form of cancer that now can often be prevented through a newly approved vaccine.

We want to see that vaccine put to work. That is why budget 2007 provides \$300 million to support provincial and territorial partners from coast to coast in protecting women and girls from cervical cancer. I have a quote from Dr. Gail Beck, president of the Federation of Medical Women of Canada, who said, "With this new budget, the federal government is showing true leadership with respect to women's health". That is the position that this government wants to be in for sure.

Let me go on to talk a little about how these initiatives are more than the work of our government. In fact, they build on the record of commitment and cooperation among federal, provincial and territorial governments. The fact is that we are listening to stakeholders across the health care sector.

The Budget

Of course that involves our provincial and territorial partners, but we have been listening to other stakeholders as well. When the Prime Minister announced the national cancer strategy, for instance, that to me was a very proud day, because that was about a bottom-up approach to fighting cancer in our country. It means that it is not just bureaucrat X-14, politician X or politician Y deciding what is best for cancer. It means that from the bottom up we decide these things together.

• (1805)

[Translation]

I am proud to be part of Canada's new government as Minister of Health, where patients and their loved ones come first.

Mr. Pierre Paquette (Joliette, BQ): Mr. Speaker, I have a question for the Minister of Health. I think he will agree with me when I say that the economic conditions in which people live have an impact on their health. I would like to read an excerpt from a press release issued last Friday by the Federation of Paper and Forest Workers. I will read it and then I am anxious to hear the minister's comments.

The federal government missed another opportunity to help the forest industry workers affected by one of the worst crises in its history, criticizes the Federation of Paper and Forest Workers (FTPF-CSN).

The Conservatives...could have used the March 19 budget to establish a program for older worker adjustment (POWA), which has been called for by many groups, including the CSN, to support older workers who have lost their jobs since the beginning of the crisis that is hitting the forest industry and who have no opportunity to retrain.

In the context of his ministerial duties, should the Minister of Health not pressure the government to ensure that these older workers have minimum financial security so that they may maintain the living standards they need to remain healthy?

Hon. Tony Clement: Mr. Speaker, I want to thank the hon. member.

This budget—the 2007 budget—supports workers across the country who work in all sectors, including forestry, which is a major sector in my riding in northern Ontario.

This budget also contains a number of programs to support workers who work hard in our country and who, from time to time, pay too many taxes and expect more from their government. That was a problem for many workers.

• (1810)

[English]

One of the things I do know is that my community, as it tries to make ends meet, wants to know that the government is on its side. This budget does that. It sends a strong signal that we are on the side of hard-working Canadians from coast to coast who want to see some relief, who want to know that the government is there on programs such as MedicAlert or programs where their kids need some extra help, which is why this budget is so important for them.

Mr. Todd Russell (Labrador, Lib.): Mr. Speaker, I would like to ask the hon. Minister of Health a question about his patient wait times guarantee.

I come from a northern riding that is remote and rural. People must travel extensive distances to even get to a hospital. Sometimes

the expense runs to \$2,000 or \$3,000 one way to get to a hospital. Many times we do not have specialists or health professionals to deal with the needs of various patients and the various conditions they are afflicted with.

This is a very serious question. How does this patient wait times guarantee help a person in the small community of Black Tickle on the south coast of Labrador? I do not see anything in the budget that will help that particular person get better health care. Could he answer that, please?

Hon. Tony Clement: Mr. Speaker, I would respectfully disagree with my hon. friend and say that this budget has a \$1 billion fund that will be of assistance to building capacity in areas where the provinces want to work with us on a patient wait times guarantee.

Let us take the case of Newfoundland and Labrador and the area it wants to work with us is cardiac care. In that case, for the next while we will be building up capacity, whether it is ensuring we have the doctors and nurses, the information technology or the managerial capacity, we will ensure that when we declare a guarantee on cardiac care in Newfoundland and Labrador we can deliver on the promise. The provinces and territories told me that there was no use making a promise unless we can deliver on them. I agree with them, and that is what this budget does.

Mr. Charlie Angus (Timmins—James Bay, NDP): Mr. Speaker, as he is the minister for northern Ontario, I would like to talk about the complete failure we have seen right across northern Ontario in terms of rural municipal infrastructure. After years of underfunding, our communities have been left with debt payments on infrastructure that most tax rolls simply cannot meet.

He has heard me speak many times about the failing of commerce, the failing of other programs and the lack of infrastructure support from the federal government. However, I want to ask him a specific question because we have talked about this case many times. Larder Lake and Virginiatown have been waiting and looking for help, can those two communities expect help from his government, yes or no?

Hon. Tony Clement: Yes, Mr. Speaker, with this new budget there is 33 billion more dollars put into infrastructure programs for the entire country. It means that places in Timmins—James Bay and places throughout northern Ontario will get their fair share. Part of my job is to ensure that is the case and I am quite confident it can be the case.

The Acting Speaker (Mr. Andrew Scheer): Pursuant to an order made earlier today, it is my duty to interrupt the proceedings and put forthwith every question necessary to dispose of the amendment now before the House. The question is on the amendment.

• (1815)

[Translation]

Is it the pleasure of the House to adopt the amendment?

Some hon. members: Agreed.

The Budget

Some hon. members: No.

The Acting Speaker (Mr. Andrew Scheer): All those in favour of the amendment will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Andrew Scheer): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Andrew Scheer): In my opinion, the nays have it.

And five or more members having risen:

The Acting Speaker (Mr. Andrew Scheer): Call in the members.

• (1845)

(The House divided on the amendment, which was negated on the following division:)

(Division No. 138)

YEAS

Members

Alghabra	Angus
Atamanenko	Bagnell
Bains	Barnes
Beaumier	Bélanger
Bell (Vancouver Island North)	Bell (North Vancouver)
Bennett	Bevilacqua
Bevington	Black
Blaikie	Bonin
Boshcoff	Brison
Brown (Oakville)	Byrne
Cannis	Chamberlain
Chan	Charlton
Chow	Christopherson
Comartin	Cotler
Crowder	Cullen (Skeena—Bulkley Valley)
Cullen (Etobicoke North)	Cuzner
D'Amours	Dewar
Dhaliwal	Dhalla
Dion	Dryden
Easter	Eyking
Folco	Fry
Godfrey	Godin
Goodale	Holland
Hubbard	Jennings
Julian	Kadis
Karygiannis	Layton
Lee	Maloney
Marleau	Marston
Martin (Esquimalt—Juan de Fuca)	Mathysen
Matthews	McCallum
McDonough	McGuinty
McGuire	McKay (Scarborough—Guildwood)
McTeague	Merasty
Minna	Murphy (Moncton—Riverview—Dieppe)
Murphy (Charlottetown)	Nash
Neville	Owen
Pacetti	Patry
Pearson	Peterson
Priddy	Proulx
Ratansi	Redman
Regan	Rota
Russell	Savage
Savoie	Scarpaleggia
Scott	Sgro
Siksay	Silva
Simard	Simms
St. Amand	St. Denis
Steckle	Stoffer
Stronach	Szabo
Telegdi	Temelkovski

Thibault (West Nova)
Turner
Volpe
Wasylycia-Leis
Wrzesnewskij — 109

Tonks
Valley
Wappel
Wilfert

NAYS

Members

Abbott	Ablonczy
Albrecht	Allen
Allison	Ambrose
Anders	Anderson
André	Arthur
Asselin	Bachand
Baird	Barbot
Batters	Bellavance
Benoit	Bernier
Bezan	Bigras
Blackburn	Blais
Blaney	Bonsant
Bouchard	Boucher
Bourgeois	Breitkreuz
Brown (Leeds—Grenville)	Brown (Barrie)
Bruinooge	Brunelle
Calkins	Cannan (Kelowna—Lake Country)
Cannon (Pontiac)	Carrie
Carrier	Casey
Casson	Chong
Clement	Crête
Cummins	Davidson
Day	DeBellefeuille
Del Mastro	Demers
Deschamps	Devolin
Doyle	Duceppe
Dykstra	Emerson
Epp	Faille
Fast	Finley
Fitzpatrick	Flaherty
Fletcher	Freeman
Gagnon	Galipeau
Gallant	Gaudet
Gauthier	Goldring
Goodyear	Gourde
Gravel	Grewal
Guay	Guergis
Guimond	Hanger
Harper	Harris
Harvey	Hawn
Hearn	Hiebert
Hill	Hinton
Jaffer	Jean
Kamp (Pitt Meadows—Maple Ridge—Mission)	Keddy (South Shore—St. Margaret's)
Kennedy (Calgary Southeast)	Khan
Komarnicki	Kotto
Kramp (Prince Edward—Hastings)	Laforest
Laframboise	Lake
Lalonde	Lauzon
Lavallée	Lemay
Lemieux	Lessard
Lévesque	Lukiwski
Lunn	Lunney
Lussier	MacKay (Central Nova)
MacKenzie	Malo
Manning	Mark
Mayes	Ménard (Hochelaga)
Ménard (Marc-Aurèle-Fortin)	Menzies
Merrifield	Miller
Mills	Moore (Port Moody—Westwood—Port Coquitlam)
Moore (Fundy Royal)	Mourani
Nadeau	Nicholson
Norlock	O'Connor
Obhrai	Oda
Ouellet	Pallister
Paquette	Paradis
Perron	Petit
Picard	Plamondon
Poillievre	Prentice
Preston	Rajotte
Reid	Richardson
Ritz	Roy
Scheer	Schellenberger
Shipley	Skelton

Smith	Solberg
Sorenson	St-Cyr
St-Hilaire	Stanton
Storseth	Strahl
Sweet	Thibault (Rimouski-Neigette—Témiscouata—Les
Basques)	
Thompson (New Brunswick Southwest)	Thompson (Wild Rose)
Tilson	Toews
Trost	Tweed
Van Kesteren	Van Loan
Vellacott	Verner
Vincent	Wallace
Warawa	Warkentin
Watson	Williams
Yelich— 175	

PAIRED

Nil

The Speaker: I declare the amendment lost.

ADJOURNMENT PROCEEDINGS

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

[*English*]

FOREIGN AFFAIRS

Hon. Bryon Wilfert (Richmond Hill, Lib.): Mr. Speaker, I have raised the issue of cluster bombs on several occasions, on the 1st and 16th of February. I also had sent out several press releases on this issue on the 19th to the 23rd.

The issue really is one of leadership. After the UN discussions on the convention on certain conventional weapons failed in November 2006, the government of Norway decided to take leadership and to look at Canada and the Ottawa convention on land mines in 1997 as a model to deal with this issue.

There is no question that cluster bombs are indiscriminate. They kill up to 90% of unintended targets, including civilians, often children. Vietnam and Laos are still affected by these today. Because they are bright and small, people pick them up and the bombs explode.

I had asked the government to show real leadership. Two weeks prior to the meetings on February 21 in Oslo, the government still had not made up its mind as to whether or not it would be attending. The real issue was if the government was going to attend and what it was going to do there. Was it going to be there showing leadership with real proposals on dealing with this issue?

Over 122 countries had supported the land mines ban, and this was another opportunity for Canada to be a leader. This is a Canadian values issue, dealing with the indiscriminate killing of civilians, particularly women and children, yet two weeks prior to the meetings, the government was still hesitant as to whether it was going.

In the end, 46 states in Oslo agreed to move forward on a ban on these initiatives by the end of 2008. Of course, I would have liked to tell the House what the Department of Foreign Affairs and the Minister of Foreign Affairs proposed, if anything, at Oslo.

Adjournment Proceedings

Unfortunately, I could not get any information from foreign affairs or from the minister's office, nor was anything on the website.

The fact is that the devastation from cluster bombs occurs worldwide.

The United States did not attend. Japan opposed it. Poland opposed. But 46 states agreed that this was a very important issue for people. I am only asking the government to show some leadership and say what kind of constructive proposals it would have in order to work with our allies and like-minded states to get a ban on this.

At the foreign affairs standing committee, a Conservative member opposed a motion on this subject put forward by a member from Halifax. The government did not show support until the last moment. Finally, Earl Turcotte, the director of the mine action and small arms team at foreign affairs went. I am pleased that someone from the government did go, but I am disappointed that again it was not someone at the level I would have expected on such an important issue that affects so many people around the world.

Leadership is needed on this issue. One of the Canadian success stories is the land mines treaty. The question that comes to mind is, does the government have a clear policy on this issue? Even though Canada signed, what is the policy? Why have we not signed treaties with other countries on this? Where is the leadership? Why is it that we have not been able to come to the fore?

It is clear that the Norwegians were trying to model the conference on what we did back in 1997. I would urge the government to keep the House informed on the process. It is very important. It is important for women. It is important for children. It is important for everyone. I hope to hear an answer.

• (1850)

Mr. Deepak Obhrai (Parliamentary Secretary to the Minister of Foreign Affairs, CPC): Mr. Speaker, I thank the hon. member for Richmond Hill for raising this important humanitarian issue.

As members may be aware, cluster munitions typically contain a large quantity of submunitions that can blanket a whole wide area in a short period of time. They can be both air dropped and ground launched.

When cluster munitions fail to detonate, unexploded submunitions become explosive remnants of war and pose a grave danger to civilians and a serious obstacle to sustainable development for decades after a conflict has ended.

I would like to make Canada's position on cluster munitions clear to the House. The use by Canadian Forces of any weapon, including cluster munitions, would be subject to prior reviews to ensure full respect for international humanitarian law. The Canadian Forces have not yet had operational situations where cluster munitions were required nor have they ever been used for training purposes.

The Canadian Forces recently destroyed its entire stockpile of MK-20 Rockeye cluster munitions. The Canadian Forces currently hold 155-millimetre dual purpose improved convention munitions which are ground delivered cluster munitions. These munitions are in the process of being destroyed.

Adjournment Proceedings

On November 16, 2006, the Norwegian foreign minister, noting the inability of the UN convention on certain conventional weapons, or CCW, to adequately address the cluster munitions, invited interested parties and representatives of the civil society to meet in Oslo in early 2007.

Norway later formally invited states prepared to move toward a new instrument to meet in Oslo on February 22-23, 2007. On February 2, 2007, the Minister of Foreign Affairs accepted Norway's invitation for Canada to attend the meeting. A delegation comprised of representatives of DFAIT and DND represented Canada in Oslo.

The Canadian delegation approached the discussions in Oslo with an open mind and a clear objective of reducing the negative humanitarian development impacts on the misuse of cluster munitions.

Canada agreed to the Oslo declaration issued on February 23 at the end of the meeting because we share the goal of reducing the negative humanitarian and development impacts of certain types of cluster munitions. We entered the following caveats: This may not be possible until late 2008; and, we understand this to refer to those categories of cluster munitions that harm civilians contrary to accepted principles of international humanitarian law. We are agreeing to participate in the process without prejudice to the outcome of subsequent negotiations.

Further work on the cluster munitions initiative would be carried out in Lima, Peru in May 2007; in Vienna, Austria in November or December; and, in Dublin, Ireland in early 2008. Canada expects to participate in all of these meetings.

Canada's participation in the meeting in Norway was warmly welcomed by states, UN agencies and non-governmental organizations, despite qualifications in the Canadian position which were clearly communicated.

● (1855)

Hon. Bryon Wilfert: Mr. Speaker, I would highlight for the parliamentary secretary that landmines, like cluster bombs, are indiscriminate, and that they, by their very nature, kill innocent civilians without regard. The fact is that they do not care whether one is a combatant or non-combatant, a farmer, a business person or a child at play.

The real issue is that the Minister of Foreign Affairs and the Prime Minister of the country should have stepped up to the bat early and not decided, relatively at the last minute, to say whether or not we would participate. Landmines or cluster bombs, it is the same issue and the same problem. We need to deal with this and Canadian leadership and values on this issue were very important. I was disappointed at the failure of the Prime Minister and the foreign minister to take the initiative.

At the same time, Canada has now signed and I hope the parliamentary secretary and the government will now follow up and keep the House informed because it is a critical issue.

Mr. Deepak Obhrai: Mr. Speaker, I share with my colleague the impact of cluster bombs on civilians and on humanitarian law. I agree with him that those are the ones that need to be addressed under treaties to ensure they do not harm civilians. The objectives are the same.

I would like to tell my hon. colleague that Canada is participating in this international convention. However, to make it effective we all need to participate. It is all right if Norway has taken the initiative on this. The main issue is that Canada is participating and will continue to participate in the coming years to ensure there is a ban on cluster weapons that will affect civilians on humanitarian and compassionate grounds.

Canada will be fully engaged and I will keep the House informed of current progress on this matter.

● (1900)

GOVERNMENT PROGRAMS

Mr. Mario Silva (Davenport, Lib.): Mr. Speaker, I thank the House for this opportunity to further illustrate that the government is not fulfilling its obligations to properly manage the programs that Canadians need and deserve.

The primary issue we are addressing this evening is the Conservatives' mishandling of the summer career placement program.

For months and months, students and organizations across Canada have been forced to wait in limbo to find out if there would be funding for the important summer career placement program.

Organizations, like the Boys and Girls Club in my riding of Davenport, have been left in limbo and unable to plan for their summer programming.

If the Conservatives had introduced a new program, perhaps the delay might be understandable, even if it is still unacceptable. However, it instead announced a repackaged, watered down and underfunded program that inevitably will leave many volunteer, not for profit organizations unable to provide desperately needed services to their communities.

It seems that in its haste to appear green, the Conservative government is simply recycling old programs while at the same time stripping them of their needed funding.

Let me be absolutely clear. If there are ways to make programs better, then all the better and I will be supporting them, but funding should not be cut for programs that help those most in need.

We see this trend in almost every file, from the environment, to student jobs, literacy, women's equality, and the list goes on. In program after program, the Conservatives are undermining Canadians' social programs and then telling Canadians that they are putting new investments into them.

If the government is going to undermine important programs for the neediest communities, it should at least have the courage to own up to them and allow Canadians a clear decision on its performance.

When will the government reinvest the money that it has cut back into student jobs, literacy, women's programs and the like?

Adjournment Proceedings

Mrs. Lynne Yelich (Parliamentary Secretary to the Minister of Human Resources and Social Development, CPC): Mr. Speaker, when the member talks about what Canadians want and what the Conservatives have not delivered, I would like to tell him what Canadians saw in a government that was different for over 13 years. It was different from their values and different from themselves. For 13 years they saw Liberals growing increasingly old, tired and corrupt.

Canadians had enough. They were sickened when watching the news each night to learn how Liberals illicitly passed brown envelopes stuffed with money to their friends and Liberal insiders. They certainly were not about to go along with a Liberal scheme to institutionalize their culture of entitlement to form a summer jobs program.

Canadians looked for someone who would stand up to the Liberals. They wanted a government that would stand up for them. They wanted a government that reflected their concerns and values, so they chose the Conservatives to form their new government.

One of our first priorities was restoring public confidence in the government. This was done by passing anti-corruption legislation in the form of the Federal Accountability Act, although Canadians would be disappointed with any government that thinks the work of cleaning up after the Liberals ends there.

Canadians wanted the government to clean up the things they knew were wrong with the summer career placement program. Canada Summer Jobs does just that.

Canada Summer Jobs is a new initiative that Canadians are finding better reflects who they are and what they want to see in the student job program. It preserves 100% of the funding, \$77.3 million, that went to the non-profit sector under the previous program. It puts an end to subsidies for big businesses that would be creating those positions anyway. Most importantly, it gets rid of the Liberal culture of entitlement by making decisions more transparent and more accountable.

Canadians want their government to support not for profit organizations that deliver community swim programs, summer camps and services at local galleries and museums. We understand that and we listened. That is why we preserved 100% funding for not for profit organizations.

Canadians appreciate that the Prime Minister and the Minister of Finance have created a strong economy, with 30 year lows in unemployment, but they also understand that some regions are still struggling and some Canadians face barriers to accessing jobs.

So does their government. We have listened to Canadians, which is why we put resources where they are most needed. We are focusing resources on students who live in areas of higher unemployment and small urban centres with areas of high crime and on young people with disabilities, members of visible minorities and aboriginal students.

Canada Summer Jobs bases decisions on objective criteria: jobs that could not otherwise be created; students who would not otherwise find work as a result of where they live or the barriers they face; and high quality, career related job experiences.

Under the Liberals, over a quarter of a million dollars went to Safeway. More than that still went to Wal-Mart. Canadians do not believe these multinational companies needed a wage subsidy. These companies, along with several others, volunteered in a departmental survey that they would be hiring students in any event.

Taking a look at the criteria that are considered, it is worth noting what is not considered. No longer is the process dominated by the input of MPs. Canadians are tired of pork-barrel politics and they are tired of hearing things like how the colleague of the member for Davenport, the member for Brampton—Springdale, secured almost \$25,000 for the Ford plant in her riding. They are tired of being asked to pretend that the over \$20,000 she approved for Bacardi produced a meaningful work experience.

Canadians want value for their money and they want valuable experience for students. Their new government is investing almost \$86 million in Canada Summer Jobs.

Transparency and accountability are key to Canada summer jobs. I know this will seem foreign to the member, but employers will be assessed—

● (1905)

The Acting Speaker (Mr. Andrew Scheer): Order, please. The hon. member for Davenport.

Mr. Mario Silva: Mr. Speaker, maybe you can tell me and you can tell the member opposite how the government is listening. Every single not for profit organization that I have spoken with in my riding and across the city of Toronto is not happy with the present decision of the government.

They were never consulted. Nobody knew what was happening to the program. They actually thought the government was going to cancel the program because it refused to consult with any organization that was actually interested in and knew about this type of program.

This is a program that helps students. It helps build young people into stronger citizens in our society and encourages them in the job training market.

It has been extremely useful in my riding of Davenport. In fact, every not for profit organization in my riding has applied for these types of programs. They were left in limbo. Only at the very last minute did they find out the program was still in existence. By then, I believe, the deadline had already passed. It was an extremely unfair process that did not involve any consultation with any not for profit organization.

I am shocked to hear the member opposite saying that the government is listening. Listening to whom? Let—

The Acting Speaker (Mr. Andrew Scheer): The hon. Parliamentary Secretary to the Minister of Human Resources.

Adjournment Proceedings

Mrs. Lynne Yelich: Mr. Speaker, I do not even believe that. I am sorry the Liberals are troubled by the end of the culture of entitlement. I am sorry they cannot see the corruption Canadians found in their old summer replacement program. I am sorry they are finding it so hard to be in opposition without this remnant of pork barrel politics that keeps their instincts sharp.

For the rest of Canadians, I am pleased to say that we have delivered what they want. The same amount of funding for the non-profit sector is there. We understand and value the work of non-profit employers that rarely have access to other sources of funding and consistently create high quality jobs.

Canadians know and have pointed out that public and private sector employers have access to other sources of funding. Students are enjoying Canada's strong labour market. Opportunity is already there.

For those who face barriers, Canada summer jobs benefits students in communities across the country, especially remote and rural communities and those communities experiencing high unemployment and high crime rates. Canada summer jobs is there for students with disabilities, aboriginal students and others who need it.

TRANSPORT

Mr. Todd Russell (Labrador, Lib.): Mr. Speaker, on November 24, I questioned the government about its election commitments to Labrador, especially regarding transportation, the base and so forth.

In particular, I asked about funding which our former Liberal government reserved for a new airport terminal at Goose Bay, Labrador's air hub. This funding of \$9 million was part of the Goose Bay package which the Liberal government had announced exactly one year earlier on November 24, 2005. Sad to say, it is supposedly the only piece of that package which has survived the Tory cuts.

We as a government also committed \$25 million for threat emitters, a significant enhancement to the Goose Bay training range. Where is that money now?

We committed to a night conventional strike exercise, which was cancelled by the current Conservative Minister of National Defence last year.

We approved permanently stationing a Canadian Coast Guard ship, the former *J.E. Bernier*, in Labrador waters, based at Goose Bay. That project, worth \$96 million, was scrapped by our own Minister of Fisheries and Oceans. Last fall, the ship was sold off by Crown Assets.

So much for federal presence in Newfoundland and Labrador.

We approved a \$20 million Goose Bay diversification fund, administered by ACOA. That funding was cut by the ACOA minister, or Kevin MacAdam, whoever is in charge over there.

We approved \$9 million for the airport terminal. The money is supposedly still there. ACOA says it is still available, but Transport Canada cannot find it. One would have to ask if they have checked under couch cushions to see if they can find that money. What is the

holdup? Why is it not being spent to overhaul or replace one of the most outdated, inadequate airport terminals in the country?

The people of Labrador were almost tricked with a bait and switch in the last election.

The Tories promised federal cost-shared funding for the Trans-Labrador Highway, funding that has now failed to appear in two consecutive Conservative budgets.

Goose Bay was promised a rapid reaction battalion and an unmanned aerial vehicle squadron. It was promised boots on the ground.

The current Minister of National Defence has spent the past year backtracking and watering down his so-called commitments.

In any event, the Tories have failed to put the government's money where their political mouth is. The budget of last Monday contains nothing for Goose Bay.

The Conservatives promised to keep military flight training in Goose Bay. They promised no decline in base employment. They promised vigorous marketing efforts. What happened to those promises?

In short, we have seen the Tories scuttle every positive thing that our former Liberal government put forward for Goose Bay and for Labrador generally. In return, we have been given a litany of promises that the Conservatives have no intention of keeping. Even if they wanted to, there is no money in the budget to keep them.

As a wise person once told me, they are "writing cheques with their mouth that they can't cash".

I would ask the parliamentary secretary to confirm whether there is funding for the airport. Where are the troops? Where are the dollars for roads? Where are the promises that they made to the people of Labrador, and specifically to the people of Goose Bay?

● (1910)

Mr. Russ Hiebert (Parliamentary Secretary to the Minister of National Defence, CPC): Mr. Speaker, I welcome the opportunity to share with the House more about what this government is doing for Goose Bay.

First and foremost, I want to assure the House that this government cares about the people of Happy Valley-Goose Bay and their concerns for long term economic viability. Consequently, we are committed to ensuring the future of Goose Bay as a usable infrastructure for military and civilian aviation.

Last summer we awarded a contract to resurface the main runway at the Goose Bay airport. This important project, valued at over \$30 million, is expected to be completed this summer. It will enhance the marketability of Goose Bay to a wider range of commercial aviation, while maintaining that infrastructure for use by both Canadian and foreign militaries for many years to come. Moreover, resurfacing the runway will create employment and contribute to the economy of Goose Bay and eastern Labrador.

In awarding the contract, we made sure that the airport would remain fully operational for commercial and military flights throughout the resurfacing work.

Adjournment Proceedings

It is important to note that Goose Bay is currently a civilian airport operated by DND. Given that civilian air transport is the mandate of Transport Canada, officials from DND have been in discussions with Transport Canada and Treasury Board in order to reach an agreement that will ensure that the Goose Bay airport is managed as effectively as possible.

In August 2006 DND signed a six month lease with Goose Bay Airport Corporation, which is the body responsible for the management, operation and maintenance of the civil aviation area at Goose Bay. This short term lease, which has been renewed, was undertaken to provide the time necessary to develop a longer term solution for the airport.

In addition, Goose Bay Airport Corporation has recently submitted a letter of application to Transport Canada for funding of a new airport terminal.

Goose Bay is a tremendous asset for both civilian and military aviation in northeastern Canada.

As we announced during the last election campaign, we already have proposals for how to give Goose Bay a new lease on life. As part of our Canada first defence strategy, we have proposed many initiatives that will give Goose Bay a key role in defending Canada's northeast coast. This government has committed to give Goose Bay a key role in our Canada first defence strategy.

I can assure the hon. member that further positive announcements regarding the base and the airport will be made in the near future.

● (1915)

Mr. Todd Russell: Mr. Speaker, I want to thank the hon. member for his words, but they ring hollow.

The first commitment made to Goose Bay by the Conservative Party was actually made in a 2005 byelection and was reiterated in the 2006 general election. The Conservatives promised 650 troops in Goose Bay. We have not seen a pair of boots on the ground. We have not seen a soldier show up in a year and a half. The Conservatives promised an unmanned aerial vehicle squadron. They are saying now that is going to Bagotville, Greenwood, or somewhere else, but certainly not Goose Bay.

The people have been patient. The people have even given the defence minister the benefit of the doubt, but no longer. The people's patience is running out. The people do not believe the promises of the government.

We want to see something concrete. Could the parliamentary secretary please tell the people of Goose Bay that something concrete is going to happen?

Mr. Russ Hiebert: Mr. Speaker, this is the height of Liberal hypocrisy. The Liberals should be ashamed to even ask this question in light of the fact that they were going to close Goose Bay and eliminate all the jobs; whereas we are protecting Goose Bay by investing over \$30 million, creating jobs and protecting the future viability of this important infrastructure.

When the member opposite talks about words ringing hollow, he should look to himself first.

The Acting Speaker (Mr. Andrew Scheer): The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow at 10 a.m. pursuant to Standing Order 24.

(The House adjourned at 7:17 p.m.)

CONTENTS

Monday, March 26, 2007

PRIVATE MEMBERS' BUSINESS

Canadian Forces

Motion	7865
Mr. Bachand	7865
Mr. Stoffer	7866
Mr. Norlock	7868
Mr. Cannis	7869
Mr. Storseth	7870
Mrs. Gallant	7872
Division on motion deferred	7873

GOVERNMENT ORDERS

The Budget

Financial Statement of Minister of Finance

Motion	7873
Mr. Lukiwski	7873
Mr. Turner	7875
Mr. Bevington	7875
Mr. Blaney	7875
Mr. Turner	7877
Mr. Marston	7877
Ms. Beaumier	7878
Mr. Del Mastro	7879
Mr. Murphy (Charlottetown)	7879
Mr. Del Mastro	7881
Mr. Bevington	7881
Mr. Del Mastro	7881
Mr. Hubbard	7882
Mr. Murphy (Charlottetown)	7883
Ms. Gagnon	7883
Mrs. Smith	7883
Mrs. DeBellefeuille	7885
Mr. Turner	7885
Ms. Gagnon	7885
Mr. Del Mastro	7887
Mr. Bezan	7887
Mr. Crête	7887
Mr. Bevington	7889
Mr. Karygiannis	7889
Mr. Allen	7890

STATEMENTS BY MEMBERS

Victims of Crime

Mr. Albrecht	7890
--------------------	------

Greek Independence Day

Mr. Cannis	7891
------------------	------

Manawan Atikamekw Reserve

Mr. Paquette	7891
--------------------	------

Construction Workers

Mr. Marston	7891
-------------------	------

The Budget

Mr. Moore (Fundy Royal)	7891
-------------------------------	------

Hockey

Mr. Scott	7892
-----------------	------

Curling

Mr. Cannan	7892
------------------	------

Canada Games

Mr. Malo	7892
----------------	------

Human Rights

Mr. Sorenson	7892
--------------------	------

Action for Neighbourhood Change

Mr. Boshcoff	7892
--------------------	------

Canada-U.S. Relations

Mr. Merrifield	7893
----------------------	------

Winter Sports

Mr. Bevington	7893
---------------------	------

Housing

Ms. Fry	7893
---------------	------

European Union

Ms. Lalonde	7893
-------------------	------

Slave Trade Abolition

Ms. Bennett	7893
-------------------	------

Aboriginal Affairs

Mr. Bruinooge	7894
---------------------	------

ORAL QUESTIONS

Child Care

Mr. Dion	7894
Mr. Harper	7894
Mr. Dion	7894
Mr. Harper	7894
Mr. Dion	7894
Mr. Harper	7894

The Budget

Mr. Ignatieff	7895
Mr. Flaherty	7895
Mr. Ignatieff	7895
Mr. Harper	7895

The Environment

Mr. Duceppe	7895
Mr. Baird	7895
Mr. Duceppe	7895
Mr. Baird	7895
Mr. Bigras	7895
Mr. Baird	7895
Mr. Bigras	7895
Mr. Baird	7895

Child Care			
Mr. Layton	7896		
Mr. Solberg	7896		
Mr. Layton	7896		
Mr. Solberg	7896		
The Budget			
Ms. Ratansi	7896		
Mr. Flaherty	7896		
Ms. Ratansi	7896		
Mr. Flaherty	7896		
The Environment			
Mr. Godfrey	7896		
Mr. Baird	7897		
Mr. Godfrey	7897		
Mr. Baird	7897		
Transportation			
Mrs. Lavallée	7897		
Mr. Cannon	7897		
Mrs. Lavallée	7897		
Mr. Blackburn	7897		
Securities			
Ms. Brunelle	7897		
Mr. Flaherty	7898		
Ms. Brunelle	7898		
Mr. Flaherty	7898		
Afghanistan			
Mrs. Jennings	7898		
Mr. O'Connor	7898		
Mrs. Jennings	7898		
Mr. O'Connor	7898		
Minister of Public Safety			
Mr. Holland	7898		
Mr. Van Loan	7898		
Mr. Holland	7898		
Mr. Van Loan	7899		
Forestry			
Mr. Cannan	7899		
Mr. Lunn	7899		
The Environment			
Mr. Cullen (Skeena—Bulkley Valley)	7899		
Mr. Baird	7899		
Mr. Cullen (Skeena—Bulkley Valley)	7899		
Mr. Baird	7899		
Citizenship and Immigration			
Mr. Telegdi	7899		
Ms. Finley	7899		
Mr. Telegdi	7900		
Ms. Finley	7900		
Canadian Wheat Board			
Mr. Easter	7900		
Mr. Strahl	7900		
Mr. Easter	7900		
Mr. Strahl	7900		
		Manufacturing Sector	
		Mr. André	7900
		Mr. Carrie	7900
		Fisheries and Oceans	
		Mr. Blais	7900
		Mr. Hearn	7901
		Government Appointments	
		Mr. Simard	7901
		Mr. Van Loan	7901
		FedNor	
		Mr. Devolin	7901
		Mr. Clement	7901
		Financial Institutions	
		Ms. Wasylcia-Leis	7901
		Mr. Flaherty	7901
		Ms. Wasylcia-Leis	7901
		Mr. Flaherty	7901
		Aboriginal Affairs	
		Ms. Neville	7902
		Mr. Prentice	7902
		The Budget	
		Mr. Warkentin	7902
		Mr. Flaherty	7902
		Status of Women	
		Ms. Deschamps	7902
		Ms. Oda	7902
		ROUTINE PROCEEDINGS	
		Slave Trade Abolition	
		Mr. Kenney	7902
		Ms. Beaumier	7903
		Mr. Kotto	7904
		Mr. Marston	7904
		Committees of the House	
		Natural Resources	
		Mr. Richardson	7905
		Petitions	
		Child Care	
		Ms. Charlton	7905
		Status of Women	
		Ms. Charlton	7905
		Justice	
		Mr. Stanton	7905
		Summer Jobs	
		Mr. Ouellet	7905
		Immigration	
		Ms. Nash	7906
		Questions Passed as Orders for Returns	
		Mr. Lukiwski	7906
		Questions on the Order Paper	
		Mr. Lukiwski	7906

GOVERNMENT ORDERS

The Budget

Mr. Allen	7906
Mr. Szabo	7907
Mr. Goodyear	7908
Mr. Cannis	7909
Mr. Telegdi	7909
Mr. Bevington	7910
Mr. Telegdi	7910
Mr. Goodyear	7911
Mr. Pacetti	7912
Mr. Bevington	7913
Mr. Del Mastro	7914
Mr. Thompson (New Brunswick Southwest)	7914
Mr. McGuire	7915
Mr. André	7916
Mrs. Skelton	7916
Mr. Merasty	7917
Mr. McGuire	7918
Mr. Martin (Esquimalt—Juan de Fuca)	7918
Mr. Lukiwski	7918
Motion	7918
(Motion agreed to)	7918
Ms. Ratansi	7918
Mr. Martin (Esquimalt—Juan de Fuca)	7919
Mrs. Barnes	7920

Mr. Martin (Esquimalt—Juan de Fuca)	7920
Mr. Lukiwski	7922
Mr. Del Mastro	7922
Ms. Priddy	7922
Mr. Goodyear	7924
Mr. Szabo	7924
Mr. Bevington	7924
Mr. Bagnell	7926
Mr. Goodyear	7927
Mr. Szabo	7927
Mr. Clement	7927
Mr. Paquette	7929
Mr. Russell	7929
Mr. Angus	7929
Amendment negatived	7931

ADJOURNMENT PROCEEDINGS

Foreign Affairs

Mr. Wilfert	7931
Mr. Obhrai	7931

Government Programs

Mr. Silva	7932
Mrs. Yelich	7933

Transport

Mr. Russell	7934
Mr. Hiebert	7934

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