



CANADA

# House of Commons Debates

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OFFICIAL REPORT  
(HANSARD)

**Thursday, February 7, 2008**  
**(Part A)**

—

Speaker: The Honourable Peter Milliken

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# HOUSE OF COMMONS

Thursday, February 7, 2008

The House met at 10 a.m.

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*Prayers*

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## ROUTINE PROCEEDINGS

• (1005)  
[English]

### AFGHANISTAN

**Mr. Laurie Hawn (Parliamentary Secretary to the Minister of National Defence, CPC):** Mr. Speaker, pursuant to Standing Order 32(2) I have the honour to table, in both official languages, the report of the international panel on Canada's future role in Afghanistan.

I urge all members to read this document carefully. It is critical to the future of the country of Afghanistan and its people, and it is highly significant to the future of Canada as well.

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### INTERPARLIAMENTARY DELEGATIONS

**Mr. Rob Merrifield (Yellowhead, CPC):** Mr. Speaker, pursuant to Standing Order 34(1) I have the honour to present to the House, in both official languages, the following report of the Canadian delegation of the Canada-United States Interparliamentary Group representing its participation at two events this summer: National Conference of State Legislatures - Strong States Strong Nation Legislative Summit: 2007 Annual Meeting in Boston, Massachusetts, August 5 through 9, 2007.

The second one is a Southern Governors' Association, the 73rd annual meeting in Biloxi, Mississippi, August 25 to 27, 2007.

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### COMMITTEES OF THE HOUSE

#### FINANCE

**Mr. Rob Merrifield (Yellowhead, CPC):** Mr. Speaker, I have the honour to present, in both official languages, the third report of the Standing Committee on Finance in relation to the prebudget consultations 2007 entitled "Taxing to Prosper: Canada's System of Taxes, Fees and Other Charges".

#### NATIONAL DEFENCE

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

Standing Committee on National Defence entitled "Procurement and associated processes".

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### CANADIAN FORCES SUPERANNUATION ACT

**Mr. Peter Stoffer (Sackville—Eastern Shore, NDP)** moved for leave to introduce Bill C-502, An Act to amend the Canadian Forces Superannuation Act and the Royal Canadian Mounted Police Superannuation Act (deletion of deduction from annuity).

He said: Mr. Speaker, this is a bill I have been working on for several years. It was previously Bill C-211. We hope to change that a little bit to end the CPP clawback on the superannuation of those valid members and veterans of our armed forces and our RCMP when they reach the age of 65.

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

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### FINANCIAL ADMINISTRATION ACT

**Mr. Peter Stoffer (Sackville—Eastern Shore, NDP)** moved for leave to introduce Bill C-503, An Act to amend the Financial Administration Act and the Passport Services Fees Regulations (passports for veterans, members of the Royal Canadian Mounted Police and their spouses or common-law partners, and seniors).

He said: Mr. Speaker, this is another way for the government and Parliament to express its thanks to those who serve our country and their families as well as seniors who have worked their whole lives. When they require passports, we believe those passports should be given without financial charges, courtesy of the government.

Many seniors across the country have asked for something of this nature. It is another way of expressing thanks to them and to the valid heroes of the RCMP and the armed forces personnel and their families.

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

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### FISHERIES ACT

**Mr. Peter Stoffer (Sackville—Eastern Shore, NDP)** moved for leave to introduce Bill C-504, An Act to amend the Fisheries Act (deposit in lakes).

S.O. 52

He said: Mr. Speaker, in this country it is really quite astonishing that we allow mining companies to use freshwater lakes as toxic waste sites. It has to stop. We believe mining companies should be doing what most of them do already: have independent tailing ponds free and clear of any natural water systems.

Two lakes in Newfoundland have been destroyed, two more in Nunavut, and 18 more across the country if the bill is not enacted very quickly.

We have nothing against mining. We just want to ensure it is done with the highest environmental standards that we have in this country. No one should ever be using freshwater lakes or river systems for toxic waste sites.

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

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### PETITIONS

#### HUMAN TRAFFICKING

**Mr. Mike Wallace (Burlington, CPC):** Mr. Speaker, I have two petitions this morning that I would like to present to the House.

The first petition says: "We the undersigned citizens of Canada, draw the attention to the House to the following: whereas the trafficking of women and children across international borders for the purposes of sexual exploitation should be condemned; and whereas it is the duty of Parliament to protect the most vulnerable members of society from harm, those being the victims of human trafficking, therefore your petitioners request that the government continue its work to combat trafficking of persons worldwide".

This is a petition from my riding. I want to thank the leadership of the member for Kildonan—St. Paul on this particular issue.

#### SEARCH AND RESCUE

**Mr. Scott Simms (Bonavista—Gander—Grand Falls—Windor, Lib.):** Mr. Speaker, I am pleased to present a petition. I would personally like to thank a constituent of mine, Johanna Ryan Gui, for her help in compiling this petition.

The petition calls upon the Department of National Defence and the Minister of National Defence to provide more resources. Currently, the policy dictates that rescue squadrons across the country have a two hour window during off hours. This should be reduced to 30 minutes.

This would require the Department of National Defence to bring more resources for the search and rescue squadrons across this country: Comox, Trenton, Greenwood, and of course my home squadron of 103 Search and Rescue Squadron in Gander, Newfoundland and Labrador.

•(1010)

#### BILL C-458

**Mr. Mervin Tweed (Brandon—Souris, CPC):** Mr. Speaker, the momentum continues to grow. I am pleased to present petitions today from Alberta and Nova Scotia in regard to Bill C-458, An Act to amend the Canada Post Corporation Act (library materials). These petitions will protect and support the library book rate and extend it to include audio-visual materials.

### BANGLADESH

**Hon. Jack Layton (Toronto—Danforth, NDP):** Mr. Speaker, I wish to present a petition concerning the flood that struck Bangladesh on November 15. The petition points out that more than 3,500 people have been killed and at least 4 million people had their lives dramatically affected, including displacement.

If it is even possible to imagine the scope of the disaster, the cyclone destroyed 500,000 homes. Whole villages disappeared under the flooding. It is estimated that 40% of the victims were children and that many of the surviving children are now orphans.

There is a large Bangladeshi community here in Canada. Members of the community are mourning their losses and working hard to raise funds themselves.

To date Canada has only contributed \$3 million to the recovery effort. Given the scope of the disaster, more money is needed. This petition calls upon the government to do more. It is signed by several hundred citizens and was collected through the hard work of Marilyn Churley. I urge the government to give consideration to this petition.

### HIV-AIDS

**Mr. Mike Wallace (Burlington, CPC):** Mr. Speaker, I have an additional petition this morning regarding leadership that the petitioners would like to see in the area of HIV-AIDS prevention. The petitioners urge the Parliament of Canada to take a leadership role, not only here at home but around the world, on the prevention, treatment and care of those who are afflicted with HIV-AIDS.

\* \* \*

### QUESTIONS ON THE ORDER PAPER

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

**The Speaker:** Is that agreed?

**Some hon. members:** Agreed.

\* \* \*

### REQUEST FOR EMERGENCY DEBATE

#### HIV-AIDS AMONG ABORIGINAL PEOPLE

**The Speaker:** The Chair has received a request for an emergency debate from the hon. member for Vancouver East. I will now hear her submissions on this point.

**Ms. Libby Davies (Vancouver East, NDP):** Mr. Speaker, as you know, I submitted a letter to you under Standing Order 52(2) for an emergency debate.

I am applying for an emergency debate and appealing to you because of the very grave situation in my community, Vancouver East, particularly in the downtown east side, where recent reports showed a very deepening crisis, an alarming situation.

The HIV infection rate for aboriginal people is twice the rate of the infection rate for non-aboriginal people, which in that community is already much higher than where it is elsewhere in the population. We are facing a very severe health crisis.

We have seen no response from the government and no action. There are aboriginal people who are living in very desperate situations, who are living in poverty. I do think that this is very noteworthy.

It is something that we should be deeply concerned about, that we should be debating, and we should be taking action. We should be calling on the government to respond to this emergency in the downtown east side that is affecting the lives of so many people. Many lives have already been lost to this crisis of HIV-AIDS, particularly among injection drug users.

I put forward my application on that basis, but I would like to make one additional point. As you know, Mr. Speaker, there have been a number of requests for emergency debates that you have not approved based on your interpretation of the Standing Order and you know that we have tried valiantly to have take note debates as well. In fact, the government has not been forthcoming on that matter.

We have not had take note debates for over a year. This is a lost opportunity for members of Parliament to have a thorough debate in the House on subjects that are of concern to local communities or of national concern.

The fact is that we have the avenue of emergency debates that seems to have been cut off and now we have the avenue of take note debates that has been cut off arbitrarily by the government.

We feel that this has left us in a very difficult situation where our ability to bring forward issues and express points of view, and to draw attention to some of these situations, such as the forestry industry and what is happening in local communities, and the impact of lost jobs.

One of my colleagues also brought forward an application dealing with emergency services for aboriginal people on reserve. So, all of these issues, I do believe warrant attention.

On this particular issue today concerning HIV-AIDS among aboriginal people, I do believe that this is something that the House should debate forthwith.

Mr. Speaker, I would ask for your consideration of this and I would ask you to consider the broader context in which we find our ourselves and respect the will, I think, of Parliament to make sure that these issues are addressed and we have an opportunity to bring this forward, to press the government, and to make our points of view known.

•(1015)

**The Speaker:** The Chair has considered the submissions of the hon. member for Vancouver East and has heard her arguments, and read the letter, of course, that she forwarded to me on this subject earlier.

I think that the request is reasonable and accordingly, I am prepared to allow for an emergency debate, but as she knows it will not happen forthwith. It will happen later this day at the adjournment

### *Government Orders*

time of the House. Accordingly, there will be a debate on this subject this evening.

## GOVERNMENT ORDERS

[*English*]

### PREBUDGET CONSULTATIONS

**Hon. Diane Ablonczy (for the Leader of the Government in the House of Commons and Minister for Democratic Reform)** moved:

That this House take note of the pre-budget consultations undertaken by the Standing Committee on Finance.

**Mr. Dean Del Mastro (Peterborough, CPC):** Mr. Speaker, first, I seek the unanimous consent of the House to allow for two 10 minute speeches as opposed to the 20 minute speech that had originally been slotted.

**The Speaker:** Is there unanimous consent to allow the hon. member to in effect split his time into two?

[*Translation*]

**Mr. Paul Crête:** Mr. Speaker, I understood from what my colleague said that he is prepared to have two 10-minute speeches rather than split the unlimited time in half. If we are talking about two 10-minutes speeches, then there is no problem.

**The Speaker:** There will be two 10-minutes speeches, 10 minutes for him and 10 minutes for another member, each followed by a five-minute period for questions and comments. Is it agreed?

[*English*]

**Some hon. members:** Agreed.

**The Speaker:** Agreed and so ordered. The hon. member for Peterborough then has the floor for 10 minutes.

**Mr. Dean Del Mastro:** Mr. Speaker, I will be splitting my time with the hon. member for Burlington.

I will begin by thanking the groups that came forward, the individuals and the businesses in Canada that came forward and made their presentations to the finance committee for our prebudget consultation. Quite frankly, the quality of the presentations made before the finance committee this year were outstanding and that is reflected in the report that has been put forward by the Standing Committee on Finance.

I should also state that while our party, the Conservative Party, is largely supportive of the recommendations made in the prebudget consultation document, there are certain aspects of the prebudget consultation document that we did not agree with, so we did prepare a supplementary report that is also within the prebudget consultation, which clearly outlines the direction that our government sees for Canada moving forward.

When I speak about the direction of Canada moving forward, I thought it would be fitting to begin today's debate by again outlining Advantage Canada.

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The government came forward with Advantage Canada in November 2006. It was presented by the hon. member for Whitby—Oshawa, the Minister of Finance. He came forward and submitted a blueprint for Canada's economy moving forward and for Canada as a whole.

It was something that has not been done before. In fact, often in days past, governments would come out with budgets and there would be an awful lot of surprises. Canadians did not know what the direction of government was and business could not count on what the future direction of government would be. With Advantage Canada, the government sought to provide a level of confidence and to provide business with a good road map to where the government was going.

Therefore, I thought that the best way to start would be to outline and to remind the members of the House what Advantage Canada spoke of.

Advantage Canada was focused on creating five Canadian advantages that would help improve the quality of life and help Canada succeed on the world stage.

There was a tax advantage, which spoke of reducing taxes for all Canadians and establishing the lowest tax rate on business in the G-7.

We also spoke of Canada's fiscal advantage and eliminating the government's total net debt in less than a generation. We spoke at the time of 2021 and I believe we are actually ahead of that target.

We spoke of the entrepreneurial advantage. We wanted to reduce regulation and red tape and lower taxes to unlock business investment and try to build a more competitive business environment so that our small businesses could succeed.

We spoke of the knowledge advantage that we wanted to build in Canada to create the best educated, most skilled and most flexible workforce. We are already seeing the results of this. A statistic released this morning said that university enrolment in Canada is up by almost 23%. In fact, it is up by 25% for women and 21% for men. These are real successes for the government.

We also spoke of the infrastructure advantage, whereby we will work to create a modern, world-class economic infrastructure that helps ensure growth and helps ensure prosperity so that Canadians can have a better life.

Then, of course, to support these advantages, we had principles, and that is very important. What were the principles that were going to guide Advantage Canada? The first principle was to focus government, and I cannot emphasize how important that is. The government remains focused on what it does best. It is responsible in spending, efficient in its operation, effective in its results and accountable to the taxpayers. This is a principle, quite frankly, that all governments should aspire to, but which our government holds very dear and very close to its heart.

We want to create new opportunities and choices for people. When we speak of that, we want government to create incentives for people to excel right here at home. We want to reduce taxes and invest in education. These are the principles that the Conservative Party holds very dear. We want to invest for sustainable growth.

● (1020)

When we talk about investing for sustainable growth, we are not talking about one time ad hoc payments that pick winners and losers. We are talking about fixing the fundamental flaws in the economy and setting the environment right so that all businesses can flourish and prosper, which creates more employment.

We are seeing results of this already. We know that in the month of December a record number of Canadians were employed, 17 million. That has never happened before in this country. The government has created almost 700,000 jobs in two years. That is an incredible record and Advantage Canada is the blueprint by which we have set that underway.

Following up on Advantage Canada, we had budget 2007 which made a significant number of investments that were important to Canadians. I believe the record of budget 2007 speaks for itself.

I think it would be fitting to remind Canadians what budget 2007 accomplished: \$39 billion over seven years to restore the fiscal balance. I am from Ontario. The province of Ontario received \$3.8 billion this year in the fiscal balance transfer, plus per capita transfers for things like post-secondary education where we increased that budget by 40%, plus provided per capita spending.

What did the Premier of Ontario have to say about budget 2007? Ontario Premier Dalton McGuinty is claiming a hat trick of significant victories. On March 21, 2007, in the aftermath of the federal budget, he stated, "Ontario has scored three significant victories when it comes to our fight for fairness. This federal budget represents real progress for Ontarians". I am proud of that.

I came here to Ottawa to fight for real progress and fairness for Ontario and for Peterborough but also to fight for fairness right across the country because, ultimately, as federal politicians we should strive for a government that does not discriminate between regions and that views and respects all Canadians equally.

I could speak to the budget for hours but I have requested that my time be reduced to 10 minutes so I can share my time with my colleagues who are also very proud of the government's economic record.

I would also like to talk about the economic statement. Perhaps one of the most interesting things that I read following the economic statement was written by Sheila Copps, a former Liberal member, when she said:

The finance minister's decision to ignore the naysayers was brilliant politics. A cynical observer might question his timing, overshadowing....

Blah, blah, blah.

**An hon. member:** That's exactly that, blah, blah, blah.

**Mr. Dean Del Mastro:** I am sorry. Forget the economists, forget the professors. Most who trash the GST cuts also oppose tax deductible transit passes, notwithstanding the obesity epidemic.

The former minister, Sheila Copps, was very proud of the government's decision to reduce the GST and reduce the tax burden on Canadians. I think that is tremendous.

Jayson Myers, of the Canadian Manufacturers and Exporters, came forward and called the tax cuts in the economic and fiscal update very important. He said:

Canada is going to have a very attractive tax environment to retain and attract business investment. ...this keeps us in the game of international investment.

When we speak of manufacturing, the government has provided more than \$8 billion in tax relief, \$33 billion over seven years for infrastructure and \$1.3 billion in annual support to the provinces to improve access to skilled labour.

We are supporting many aspects. I could go on at length about the measures that we have taken but I will defer to questions from my colleagues.

• (1025)

**Hon. John McKay (Scarborough—Guildwood, Lib.):** Mr. Speaker, I am somewhat amused by the hon. member's speech. I wonder whether he could sort of zero in on some facts about the way his government spends money around here.

In Table 1 of the Department of Finance statements for September 2007, the total program spending for the Liberal governments between 1992-03 and 2005-06 was 2.3% and direct federal spending was 3.2%. That was on an average per year.

Meanwhile, in the two years that your government has been in office you've spent in total program spending at a rate of—

**The Deputy Speaker:** The hon. member knows that he should be referring to his government. I am not aware of having a government at any time.

**Hon. John McKay:** We would all be shocked, Mr. Speaker, if in fact you were part of the government.

The government spent an average of 6.4% on total program spending per year and direct federal spending was 8.6%.

The so-called new government, the so-called fiscally responsible government, the so-called Conservative government is on a wild and crazy drunken spending spree. These are numbers that are shocking. These numbers would do credit to the NDP, for goodness sake.

Is the hon. member particularly proud of the way in which he essentially spent the cupboard bare?

• (1030)

**Mr. Dean Del Mastro:** Mr. Speaker, I am not exactly sure what the hon. member is speaking about. Of course, when one lives in a glass house, one does not cast stones. The Liberal government had a 14% spending increase in its final year in government. Of course, it was trying to buy votes but the voters in Canada did not fall for that.

I am particularly proud of this government because we effectively cut taxes over the next five years by \$200 billion and we have made key investments. We have also addressed the fiscal balance question in Canada.

I came prepared this morning to speak to this because I was shocked by the comments of the hon. member for Markham—Unionville. When he spoke to the Minister of Finance, he proposed a shopping list of billions of dollars of new spending. He wants billions of dollars for the Kelowna press release. He wants billions of dollars to fund a failed Liberal child care plan. He wants billions of

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dollars for industrial sectors to pick winners and losers. What else would he like billions of dollars for?

**An hon. member:** He wants a new tax.

**Mr. Dean Del Mastro:** Yes, he wants a new carbon tax to really hammer businesses that have already been hit by the recession in the United States.

I would love to answer legitimate questions from the Liberal Party but, clearly, as I said, one does not throw rocks when one lives in a glass house.

[*Translation*]

**Mr. Paul Crête (Montmagny—L'Islet—Kamouraska—Rivière-du-Loup, BQ):** Mr. Speaker, I had the opportunity to work with my colleague on the committee. Many of the Bloc Québécois recommendations were included in the report. For example, there is the introduction of initiatives to help workers affected by the crisis in the manufacturing and forestry industries.

The committee members acknowledged that \$1 billion was needed for the forestry industry alone and that \$1.5 billion was needed for refundable contributions for manufacturing industries that wanted to invest in new equipment. They also acknowledged that the portion of gasoline tax revenues to be shared with municipalities should be increased to 5¢ a litre as soon as possible to stimulate local economies. These proposals were made by the Bloc Québécois, and I am very happy that the committee accepted them.

I have a question for my colleague.

These recommendations go further than the ones the Conservative Party refused this week in the House, when we passed a motion calling for the implementation of all the tax measures recommended by the Standing Committee on Industry, Science and Technology for the manufacturing sector. We had a vote and the House adopted the motion, but the Conservatives were opposed to it.

Since the Conservatives on the committee agreed to include this in the report, can they promise to persuade their colleagues to see this through to the end and, as they did in the case of the \$1 billion trust, admit that they do not need to tie this to a vote on the budget?

Can they ensure that the entire caucus has changed its mind since yesterday and will go along with the Conservatives who make up most of the committee, in order to finally support these measures, which address the urgent needs in the manufacturing and forestry industries?

[*English*]

**Mr. Dean Del Mastro:** Mr. Speaker, as the member knows, we have created the billion dollar trust fund to address some of the difficulties being faced by single industry towns. We cannot help the fact that the U.S. economy is going through a time of weakness and we see that weakness in industries that depend on the U.S. economy for exports.

The government is acting. We are making a more competitive environment for business right across the board. The member can count on the fact that our government and this budget will respond to business and make Canada a more competitive place for the economy.

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**Mr. Mike Wallace (Burlington, CPC):** Mr. Speaker, it is my pleasure this morning to address the House on the prebudget consultations that have taken place.

I want to spend a few minutes giving a bit of an overview for the Canadian public on the actual process. I will talk a little about the report, some of its recommendations and what that means to Burlington. I will wrap up with where I think we are making progress as a government from a financial point of view and where we can continue to bring value for money to Canadian taxpayers.

First, for those who do not know, the budget process has a number of facets to it. As members of the finance committee, we have the opportunity to meet Canadians from across the country to talk about what they would like to see in future budgets. This process started back in the summertime with a plan to have a more focused approach to how we deal with prebudget consultation.

We had a theme, which was what people would do to the tax system in this country to ensure our prosperity in the future. That is the theme which we asked people to present on to us. Not everybody followed that theme. Others decided to come and see us, as they have done in the past, to talk about spending they wanted for their own particular needs. However, the vast majority of presenters came to see us with that theme in mind and did an excellent job in presenting their views of how the country's tax system could be improved to help improve both our prosperity as a people and our position in the world.

We did engage the public. Hundreds of people came to see us across the country and hundreds of people came to Ottawa to talk to us about their goals and their desires for the 2008 budget.

As members of the committee, we were able to ask questions of those individuals. We saw submissions from every single group that came to see us. For those whom we were not able to satisfy by giving them their few minutes in front of us so that we could get answers to questions, we asked them to make a written submission to us. We all received copies so that all were able to read those submissions.

As members of the finance committee, we worked together with colleagues from other parties in discussing the issues and coming up with what we think is the right direction to follow.

In addition, and everybody in this House has this opportunity, individual groups and organizations came to see me as a regular member of Parliament to talk about what is important to them and what could be incorporated into a budget to help their causes and this country. As an individual member of Parliament, I had numerous people come to see me, numerous delegations, to talk about their views on how we should proceed.

The theme in terms of the tax system was overtaken a bit by the issue of the rising dollar. As the dollar was rising in the fall, we had a specific set of meetings about that, its effect on our economy and what the Government of Canada could do in that arena. I think they were very effective meetings. We had some excellent presentations on what we as a government can and cannot do in terms of interference. We heard from a variety of presenters, including representatives from the Bank of Canada.

The areas that we talked about were very wide-ranging. We talked about personal taxes, the tax rates that individuals pay. We talked about what we could do for the unemployed. We talked about what we could do for seniors.

Education was a theme that people came to see us about, both those who provide education from the university side of things and those who are recipients of education in the post-secondary area, including a number of student groups.

We talked about corporate taxes and what we could do for corporate taxes. We talked about what we could do in terms of research and assistance for organizations that are trying to be the best they can be, to be leading edge in terms of their development and their research and product development.

We also talked about the capital cost allowance and where it should go, and about the role of manufacturing, as in the report that was supported by this House and by all parties in this House at committee.

We talked about housing and infrastructure and the federal government's involvement in infrastructure and where we should be going with that.

● (1035)

We also had a fairly extensive discussion on the role of charities and volunteering and giving in this country. It was very interesting. Just so members know, we had numerous presenters tell us that the change made by the finance minister to allow for stocks and bonds to be used for charity donations made a significant impact on the work that those charities are able to do. They were able to gather more money, a tremendous amount, and particularly in the case of the health care sector for our hospitals.

Our report is broken down into three areas. There is an introduction on the overall economics of what is happening in this country. There is a very good review of the testimony we heard in a summary of the individuals and organizations appearing before the committee to talk about what their issues were, how they would address those issues, what their goals and expectations were or what suggestions they had for the committee.

There is a section on recommendations. To be fair, there was to be section on what we in the committee believe should happen, but I thought it would be more appropriate to deal with what we heard and as a committee deal with the recommendations directly.

To be frank, I believe there were about 52 recommendations that came brought forward from the different parties and the organizations we heard from. They were condensed into this report and discussed by committee. In actual fact, there was quite a bit of unanimity and support from at least the majority of the parties on a number of issues. I would say that on probably 30 of the 52 issues, committee members agreed, and that went into the report. That is a significant amount.



*Government Orders*

Then it was my suggestion that in addition to the main body of the report every party have a report of the supplementary issues they would like dealt with. They are not minority reports. We often hear from opposition members that we are here to make this place work, and in this particular case I think having supplementary reports instead of minority reports is more appropriate when it comes to our prebudget consultation. We all have different approaches to the same problem. All members were able to put them forward in this report.

The report contains a number of recommendations. To be frank with members and the public, not every member in every caucus agreed. The Conservative members did not always agree. The Liberal members did not always agree. The discussion was very good and we have put a number of items forward.

At this time, I would like to highlight a couple of items that I was very keen on putting forward and that made it into the report. There are two things that I will talk about up front.

There is a discussion of the LEED program, the leadership in energy and environmental design program, for green federal buildings. I know that it does not sound like much, but I think it is important. We heard from some delegations about this program. They said that it is the role of the federal government to make sure that we do what we can for the environment in our own federal buildings. We heard that there has to be a program which will help to make sure that when new buildings are developed or redeveloped there is the ability to make them as environmentally sensitive as possible. This is a start. I look forward to seeing if the finance minister heeds our advice.

The other area I put forward was a children's health initiative. I think there is some opportunity in this country to focus on research on children's health. I put forward as one of my recommendations, which also made the report, the possibility of a fund designated for children's health. Canada is a world leader in the field of research in juvenile diabetes and it is an area that I think Canada should be pursuing.

The report contains a number of recommendations that are important to Burlington, such as improved charity donation review, post-secondary education funding for those furthering their education, and an improvement in the GIS system, where we are recommending that people should be able to earn more money before the clawback starts. There also are other recommendations.

●(1040)

In the 30 seconds I have left, I want to comment on one other item. The other side of spending is expenditure control. I want to be clear for the House and the people of Canada that in 2006 with Advantage Canada we started to implement the expenditure management system. Finally we are looking at programs in a four year cycle. If they are meeting their objectives, great, but if they are not, we need to review whether we are going to continue to fund them.

We are using taxpayers' money. We have to make sure that we are getting value for the dollars being spent. If we are not, we must have the ability to move those moneys to a different, more productive program or to a different program altogether. We need to have the courage to make—

**The Deputy Speaker:** I am sorry, but the member's time has expired.

The hon. member for Jeanne-Le Ber.

[*Translation*]

**Mr. Thierry St-Cyr (Jeanne-Le Ber, BQ):** Mr. Speaker, I listened closely to the last two speeches by my former colleagues from when I was a member of the Standing Committee on Finance. I do not approve of most of what was said. The only thing I completely agree with in these last two speeches, was the bit about “blah, blah, blah”. That pretty much sums up what was said.

There is a lot of talk of tax cuts as a way to get our economy moving and to help out the manufacturing and forestry industries, which are experiencing difficulties. As the member who just spoke knows very well, companies that are experiencing difficulties do not pay taxes, so tax cuts do nothing to help them get through the crisis.

Similarly, the \$1 billion aid plan announced by the government will help communities find other jobs, but will not help save existing jobs. Moreover, this aid plan does not target the problem areas. Quebec and Ontario are the hardest hit, but the aid will be allocated on a per capita basis, so more will be handed out in Alberta, which is not experiencing a manufacturing crisis.

I would like my colleague to take a look at the past. During the mad cow crisis, aid went primarily to beef-producing provinces. It made sense, at the time, to send aid money to the provinces where the mad cow crisis was causing difficulties. If he sees nothing wrong with that, would he not agree, then, that this is the same thing and that the aid should essentially be given to the provinces hurt by the manufacturing crisis?

●(1045)

[*English*]

**Mr. Mike Wallace:** Mr. Speaker, I appreciate the question from my colleague from the Bloc, who was an active member of the committee last year. We sort of miss the member from the Bloc getting his picture taken and being very excited about his travels with the finance committee across this country. He was a very proud Canadian at the time.

The issue the Bloc member brought up was whether the money basically should only go to Quebec, or that at the end of the day, that is what the Bloc would like. Of the \$1 billion community reinvestment fund that we just put forward through the House and which now is getting through the Senate, hopefully, that money is being spent across the country. We make no apologies for that.

The issues in terms of manufacturing and some communities that are suffering due to the economic issues they are facing is not an issue just in certain parts of this country. It is happening across the country. To be fair to all parts of the country, to all Canadians and to all communities, we believe that the \$1 billion community trust fund that we have set out should be shared equally by all Canadians because all Canadians are paying for that fund.

*Government Orders*

That money will be disbursed to the provinces that have those issues. They will gear the money to the locations that are suffering most, whether it is in manufacturing or forestry, but it is not just a Quebec issue. It is a Canadian issue and that is why our \$1 billion dollar trust fund is designed to help all Canadians.

**Mr. Bill Siksay (Burnaby—Douglas, NDP):** Mr. Speaker, at noon today in Toronto an important prebudget submission will be made by folks who are members of the Housing Not War coalition in Toronto. It consists of 147 anti-poverty organizations, peace groups, labour unions, women's groups, faith groups, scientists, environmentalists, ethnic communities, artists, academics and social agencies, students and health practitioners.

The demonstration will take place at the corner of King and University Avenue, calling on the government to bring the Canadian troops home from Afghanistan and redirecting the billions of dollars spent on that war and putting them toward important social goals. Primarily, they are advocating for an additional 1% of the federal budget to go into housing.

We know there is a desperate need for housing in Canada. We know of the high homeless rates in Canada. We know too many Canadians pay more on rent than they should. We know affordable housing is in short supply in most communities across the country.

I suspect some people from Burlington will take part in making that submission today. Will the member for Burlington support a national housing program that is sustainable, durable, continues from year to year and on which people can depend, a program that will build affordable housing in Canada and that will help end the homelessness crisis in Canada?

• (1050)

**Mr. Mike Wallace:** Mr. Speaker, it is a very timely question about the housing issue. Housing advocates did come to see us. We have put money into public housing. We are not the providers of public housing as a federal government. That is clear. The money goes to the provinces and they, through their agencies, work on public housing.

Let us get the facts laid out today. Our government will invest more in affordable housing this year than any federal government in history. In Ontario alone, we have committed more than \$1 billion to build and renovate affordable housing. We recognize the issue. We are investing in the issue. We are making a difference in the issue.

If the hon. member wants to ensure that his British Columbia government spends the money it gets from the federal coffers for housing, I challenge him to take up that responsibility.

[*Translation*]

**Hon. John McCallum (Markham—Unionville, Lib.):** Mr. Speaker, I would like to begin by thanking all Canadians who have taken the time to make presentations during committee meetings here in Ottawa and in various cities across the country. I would also like to thank those who made written submissions, as well as the clerk and her assistants for their excellent work.

[*English*]

I even thank fellow MPs from opposition parties for what was generally a cooperative effort, even though we did not agree on every point, as was evident from our various minority reports.

When the Conservatives came to power two years ago, they inherited the strongest fiscal position, the strongest employment growth of any G-7 country. Therefore, it was really up to them. They had the opportunity, based on very large surpluses, to make wise investments, smart tax cuts so as to better position our country in terms of productivity and in being prepared to face the times of greater economic uncertainty, in which we now find ourselves.

The burden of my remarks is that they have failed to make these wise investments and these intelligent tax cuts. Now when we are at a time of great economic uncertainty, potentially in recession, we find our fiscal cupboard is bare. We find ourselves much less able to face the future with confidence than had the government managed our economy in an effective and efficient way.

Let me just say a few words about the overall economic situation in which we find ourselves. Clearly, the major global problems have begun in the United States, which is truly in the eye of the storm, but Canada is not immune. We see this from the fact that the Bank of Canada has substantially reduced its growth forecast for this year, indeed to less than 1% for the first quarter of this year. Jobs actually dropped significantly in the month of December.

Therefore, government's claim that employment is at an all time high is simply wrong arithmetically. Jobs came down last month by 51,000 in terms of the private sector and some 17,000 total jobs. Some sectors have been particularly hard hit. Manufacturing has lost more than 130,000 jobs in the last year. According to one of our witnesses at the finance committee, Jim Stanford, he expects that if the dollar stays at or near parity, we could face another 300,000 job losses in manufacturing over the next two to four years.

To put it in a nutshell, one of Canada's better respected economists has summed up by saying that the odds of a recession in the United States and Ontario are approximately fifty-fifty. The odds of a recession in Canada as a whole are approximately one in four.

That underlines the really tight connection between Ontario and the United States, with 90% or so of Ontario exports destined to the U.S. Therefore, the uncertainties in which the whole country finds itself are concentrated here in the province of Ontario.

Let me begin with the question of spending. Perhaps uncharacteristically the Conservative government has been the biggest spending government in living memory. This is not just myself saying this. Take normally small-c conservative individuals like Andrew Coyne, who writes for the *National Post* and John Williamson, head of the Canadian Taxpayers Federation. Both these gentlemen have taken the government to task for going on a big spending spree.

*Government Orders*

This comes through if we look at the numbers. If we compare total program spending over the two years of the Conservative government versus the whole Liberal time in government, or just the Liberal time in government since we balanced the budget, we find the rate of growth of spending substantially higher in the last two years than in the Liberal years.

This is particularly the case if we limit our consideration to money spent by the federal government itself rather than monies transferred to individuals or other levels of government. The federal government's own spending in the two years of government has been up by an almost unbelievable 18%, which is an average of 8.6% per year. This is very substantially higher than spending increases during the Liberal period.

• (1055)

As confirmed by Andrew Coyne and by John Williamson and as confirmed by the statistics, this has been a big spending government when times were good. Its first two years in government, until recently, were periods of strong economic growth globally and inherited from the previous government. It spent like drunken sailors during good times, leaving the cupboard largely bare now that we are entering uncertain times. I submit, from the point of view of basic economic management, this is an incompetent way to run a fiscal policy and a government.

The other side of the ledger is tax. The Conservatives spent like crazy during good times, now we have taxes on the other side. Essentially they have undertaken four tax measures, one with which we agree. Indeed, the Leader of the Liberal Party, before the Conservative economic statement, called for deeper corporate tax cuts to increase the productivity and competitiveness of the Canadian economic and partly to offset the fact that Canada no longer had an competitive advantage to a weak currency. We needed to create a new Canadian advantage through a corporate tax rate substantially lower than the United States. The government has followed our suggestion, so we do not really have any complaints in that domain. However, that is where our agreement ends.

The second item of taxation done by the Conservatives was this. Within a few months of coming to office, they raised personal income tax rates on the lowest income Canadians. They raised it from 15% to 15.5%. Then, in a great sweep of victory, they brought it back to 15% from 15.5% and claimed huge credit for cutting taxes, whereas in reality they raised the tax for one year to 15.5% and then brought it down to 15%. We do not object to them bringing it back to 15%, but we do criticize them for raising that tax for one year a year earlier.

The third thing the Conservatives did was spend a huge amount of money to lower the GST by two points. There is hardly an economist on the planet who would agree that was the wisest way to cut taxes. I will simply quote former Conservative cabinet minister, Perrin Beatty, now the president of the Chamber of Commerce, who said:

Knocking another point off the GST may be politically attractive but it does not provide the same incentive for improving our sustained economic performance.

We Liberals believe in cutting taxes. We are committed to not raising any taxes, including the GST, but we certainly believe it would have been far wiser had the government used that same

amount of money for broad based personal income tax cuts rather than for cutting the GST.

The fourth element of the Conservative tax policy is what I would call narrow, politically motivated boutique tax cuts. In other words, if the Conservatives have money available to cut taxes, instead of cutting the taxes of all Canadians, they direct those to narrowly targeted groups like students getting credits for buying text books or young Canadians playing hockey, et cetera.

I have nothing against those groups. In fact I am in favour of them. However, why is it up to government to decide that young hockey players deserve a tax break and young piano players or violin players do not? This is an intrusive kind of tax policy that substitutes government decision making where family decision making is appropriate. We would prefer to have broad based tax cuts rather than narrow, politically directed, intrusive boutique tax cuts.

If we combine the spending spree during good times with the tax cuts, which are largely incompetent in the sense that at least most economists and I believe most business leaders and most Canadians would have benefited far more from a different pattern of tax cuts, the net effect is that the government's fiscal cupboard is bare just at the moment when the Canadian economy is likely to need a boost.

• (1100)

Let me end by mentioning the sectors where the Canadian economy definitely does need a boost. Manufacturing, as I said earlier, is at risk of losing hundreds of thousands more jobs. Forestry is on life support. The livestock branch of agriculture is in deep trouble. Tourism is in trouble. All of these sectors are in trouble for a combination of reasons, but principally the very high value of the Canada dollar is hammering them. In addition, a slowing U.S. economy and rising energy costs are creating this perfect storm in which several of Canada's most important sectors are being battered as we speak.

The government is not prepared to do anything for those sectors. Yes, it has this communities fund, and we on the Liberal side have said we would replicate that, but that does not help protect the jobs in those sectors. That only comes into play after those jobs have been lost. The Conservatives have nothing to directly support the manufacturing industry and those other sectors in their time of need. Whereas we on the Liberal side are not only going to replicate the communities fund, but we also have an additional \$1 billion fund dedicated to supporting investment in the manufacturing sector.

*Government Orders*

I suggest that the government is neglecting these critical sectors of the Canadian economy at their moment of greatest need, partly because the Conservatives have overspent in the past. They spent wildly during good times, leaving the fiscal cupboard bare. But there are also their narrow ideological reasons. They adhere to free market principles. The government will not get involved in the manufacturing sector, as the finance minister called it a shell game; this, even though the biggest players, the United States and the European Union, have given massive subsidies to their agricultural and aerospace sectors. The southern state governors are giving massive subsidies to car companies to locate there.

It is a kind of boy scout, narrow ideology, naive point of view that Canada alone can adhere to these market principles while all the players around us are doing otherwise. It is a recipe for job losses, a recipe for not supporting key sectors of the Canadian economy.

To conclude, the government has demonstrated great incompetence in its economic management. I have not had time to mention two of the most incompetent episodes involving income trusts and interest deductibility. Both of those will go down in infamy in terms of incompetence, and in the case of income trusts dishonest economic management, but at the macro level in terms of excessive spending in good times, in terms of an unwise structure of tax cuts.

Just as Canada enters this period of economic uncertainty, the government which inherited the most bountiful fiscal surplus two years ago has left the fiscal cupboard virtually bare. It has left the Canadian economy ill-prepared for the economic storms which may lie ahead of us.

• (1105)

**Mr. Mike Wallace (Burlington, CPC):** Mr. Speaker, I want to remind the member for Markham—Unionville that on January 23, 2006, the Canadian public demonstrated that the previous government was completely incompetent and replaced it. That is where the real incompetence lies.

The member talked about tax cuts and that he sort of likes them but does not like them. They were his but we did them and now he does not like them. He did not make much sense.

We promised to reduce the GST by two points. That is something we committed to in the election and we actually did it. I know the previous government had promised back in the early 1990s that it was going to get rid of the GST completely and of course it failed at doing that, as it failed at most things that it had committed to do but never ever accomplished.

My question is twofold. First, he talked about what he calls the boutique tax cuts. Would he remove them all or keep them all if he had the opportunity to do so?

Second, he talked about spending. I am not going to get into the numbers. I have numbers which show that under the Liberals spending rose 8.2% annually and in 2004-05 spending growth was increasing by 14.4%. We have implemented an expenditure management system which will report in this budget on 17 different departments. Programs that do not meet our objectives we are going to ask to be removed. Will the Liberal Party be supporting the programs that do not meet their objectives?

If we bring them forward as needing to be replaced in terms of the cash flow they absorb, will his party be supporting the expenditure management system that we have implemented to make sure that the programs are value for taxpayers' dollars and meet the objectives that were set out? Our very first opportunity to do that will be during the budget of 2008. Will he be supporting it and will he be getting rid of those boutique taxes?

**Hon. John McCallum:** Mr. Speaker, I think I said in my speech, and if I did not I will say it now, the Liberal Party is committed to not raising any taxes, unlike the Conservative Party, which raised income tax upon assuming office.

On his second question about expenditure review, I was the chair of the expenditure review committee when the Liberals were in government and we found \$11 billion of savings over a period of five years. I am philosophically very much in favour of the idea that it is the responsibility of government to continuously shift expenditures out of low priority areas and into high priority areas.

The trouble with the Conservative government is that when it did an expenditure review or cut exercise several months ago, it did not look for efficiencies in administration the way we did. The Conservatives made cuts directed at the most vulnerable in Canadian society. They cut women's groups. They cut literacy. They cut museums. They cut not that much money compared with the \$11 billion, but there was an outcry because these were politically motivated cuts to the most vulnerable in Canadian society, such as the court challenges program which the Conservative Party regarded as their political enemies.

If the Conservative Party comes back with sensible administrative savings of the kind the Liberals discovered, I would be inclined to support them. If they come back with more ideological cuts to the most vulnerable in Canadian society, then I would oppose them with great vigour.

• (1110)

[*Translation*]

**Mr. Paul Crête (Montmagny—L'Islet—Kamouraska—Rivière-du-Loup, BQ):** Mr. Speaker, it was very interesting to see the following recommendation from all members of the committee in the report. This was one of the recommendations the whole committee accepted. I will now read recommendation 13:

The federal government develop a concrete policy to assist the manufacturing and forestry sectors. This policy should include implementation of the fiscal recommendations contained in the February 2007 report of the House of Commons Standing Committee on Industry, Science and Technology.

*Government Orders*

This is exactly what the Conservatives voted against the day before yesterday. This House adopted the Standing Committee on Finance's report with the support of the Liberals and the New Democrats. Only the Conservatives opposed it. Now that it has turned up in the common section of the report, we know that the Conservative members of the committee bought into this part.

Will my colleague stand with me on this to persuade the Conservative members of the committee to make the Conservative government change its mind on this and move forward? That would make it possible to implement the fiscal recommendations as quickly as possible because the crisis in the manufacturing and forestry sectors is happening now.

It is hard to understand why the Conservative government voted against this recommendation on Tuesday, but is supporting it today because it is part of the newly released report. Conservative members went against their government and supported the recommendation. I think they have finally come around to the right position on this issue. Does this mean that we will finally get something done about this?

**Hon. John McCallum:** Mr. Speaker, I certainly agree with my hon. colleague, in principle, but I do not necessarily agree with all the details concerning exactly how the government should spend this money. Nevertheless, I fully recognize that the government should take concrete measures to help the manufacturing and forestry sectors.

In fact, our party leader, the Leader of the Opposition, proposed specific measures for this. I agree with him: the Conservative members who sit on the committee should support our position.

However, I must admit I am not very optimistic about this government itself, given its very strong ideology, but I can at least hope that the Conservative members who sit on the committee will be on our side on this.

[*English*]

**Hon. John McKay (Scarborough—Guildwood, Lib.):** Mr. Speaker, the hon. member for Markham—Unionville and I are from the same province, the province of Ontario. I dare say that he and I have seen this movie before. In Ontario the name of the movie was "Harris and the now member for Whitby—Oshawa"; in the federal government, it was "Mulroney, Chrétien"; and in the United States it was "Reagan, Clinton, Bush". It is the same movie every time; that is, the so-called Conservative government goes crazy on spending, drops its revenue base precipitously, ends up in deficit and then leaves it to the so-called Liberal government to clean it up.

I wonder whether the hon. member, given the comments by the member for Burlington, would anticipate that were the Liberals to form the government, we would again have one major mess to clean up?

**Hon. John McCallum:** Mr. Speaker, my colleague has made some wise comments. Let me respond very briefly, first in terms of history and then in terms of the future.

The historical record is utterly clear. Whether one is talking about Ontario, and Eves plus the current minister of finance, or Mulroney in Canada, or Ronald Reagan or George W. Bush, the lesson from history is that it is always the Conservatives or the Republicans who

create the big, fat deficits and it is always the Liberals or the Democrats who are left to clean up the ugly Conservative mess. That is history and I do not think that can be disputed.

The future is a bit harder to predict than the past. Given that the Conservatives inherited such huge surpluses, it would be premature to say that a deficit is imminent, but they are certainly skating closer to the edge than we ever would have. If the economy does weaken, not hugely but a bit more, we could be seeing a Conservative deficit. That would certainly be consistent with history and that would quite likely mean another Conservative deficit left for Liberals to clean up.

● (1115)

[*Translation*]

**Mr. Paul Crête (Montmagny—L'Islet—Kamouraska—Rivière-du-Loup, BQ):** Mr. Speaker, it is interesting to participate in today's debate on the prebudget consultations. First of all, I would like to thank my colleagues from the Standing Committee on Finance, as well as the entire staff that helped us in our work on this. Naturally, dialogue and debate can be intense, since we all have different opinions. In my case, the hon. members for Jeanne-Le Ber and Saint-Maurice—Champlain support me in my committee work as the Bloc Québécois representative. We try to work as a team as much as possible.

In my first year as finance critic, I addressed the question of budget consultations by first initiating very broad consultations in my riding in August and September 2007. I organized six two-hour public meetings in six different municipalities. I sent a flyer to all households in my riding, urging them to share their opinion with me. We then proceeded with a Quebec-wide consultation.

We tried to respect these recommendations as much as possible in this report. There are some things that were not supported. Nevertheless, there are other things that the committee agreed to include in the report that I think are very important. I hope the government will also accept them.

Let us recall our six budget priorities.

First, we wanted an aid package to support workers and businesses affected by the manufacturing and forestry crisis—a package worth more than the \$1 billion announced, which is clearly not enough.

We also wanted measures to give seniors back their dignity. These measures would make the guaranteed income supplement retroactive and increase it, which would allow seniors at least to live at the poverty line.

We also wanted the reinstatement of education and social transfers to 1994–95 levels. Financially, that is where the fiscal imbalance continues to hurt: the problem has not been resolved at all.

We wanted increased funding for social housing and a reversal of the ideological cuts made by the Conservative government, particularly with regard to women's groups.

We also wanted to see increased funding for culture. We recommended about \$400 million.

*Government Orders*

We wanted to see a 180-degree turn on the environment, where we really need an approach tied to energy savings and sustainable development. This remains an important objective.

I will now examine each of these objectives. One of the Bloc Québécois' recommendations found in the report was to provide \$1 billion for just the forestry sector and not for both the forestry and manufacturing sectors. This week, as we had requested, the government agreed to provide that amount without tying it to the budget. It finally accepted our position. It did an about-face and that is just as well because the money will be available more quickly.

However, we were looking for \$1 billion for the forestry sector alone. We wanted the government to allocate \$1.5 billion in reimbursable contributions to allow companies to purchase new equipment. That was also accepted by the committee.

Next, we wanted to move up to 2008 the transfer of 5¢ of the gasoline tax to municipalities, rather than waiting until 2010 as planned by the government. The objective is to stimulate the economy in this period of economic slowdown where we can sense that the Americans are on the verge of a recession and the Canadian economy is attempting to avoid it. However, it is uncertain whether we will do so given the strong pull of the United States, particularly in the construction sector, which has a significant impact on our manufacturing and forestry industries.

The majority of the committee recommended injecting \$3.5 billion in economic renewal. That is what we called on the federal government to do last fall and to use this year's surplus to do so. The Conservative members from Quebec said that made no sense and that the Bloc Québécois was being irresponsible.

The Bloc Québécois was being irresponsible? Now they should say that the Standing Committee on Finance is being irresponsible, since it is recommending exactly the same thing. The members from Quebec need to understand that and what better way than to join the Standing Committee on Finance. It would be interesting to see them there and to see whether they have anything interesting to say. The Standing Committee on Finance has accepted a constructive Bloc Québécois proposal.

What is more, the committee is recommending creating an independent employment insurance fund and to implement an older worker adjustment program. We will have to make sure that it is indeed an income security program when the government implements it. Let us not forget that today's debate is on the prebudget consultations of the Standing Committee on Finance. The government's position may differ. We still need to get the government to make commitments in the budget. However, having the majority of the Standing Committee on Finance recommend a Bloc proposal is already a big step.

● (1120)

I hope the government will follow through on this report. We would like to see it move forward.

We find it regrettable, however, that the committee rejected the Bloc Québécois proposal to use the surplus from the independent fund to enhance the system. We know that our seasonal workers are currently subject to four or five pilot projects under a section of the Employment Insurance Act. These projects are still not enshrined in

the legislation and they expire after six months or two years. They constantly have to be renewed, which is very complicated and causes insecurity among our seasonal workers and our seasonal industries. We wanted to see this situation corrected immediately, but it is not in the report and we will continue to fight for it. Although the Committee supported the Bloc Québécois' demand to create an independent Employment Insurance fund to end government pillaging, it refused to enhance the program, as I have just explained.

They also refused to put \$500 million back into Technology Partnerships Canada, telling us that after that program was eliminated, money was injected into the aeronautics industry. That is fine, but there are industries other than aeronautics that also benefited from that program. For example, in my riding, there is a company that has, on three occasions, received substantial amounts of money that it used to create hundreds of jobs.

Technology Partnerships Canada was condemned by the Conservatives. There may have been a few small problems, but they threw the baby out with the bathwater. It was a worthwhile program, and it would be appropriate to use it during these times when companies must innovate and invest in research and development and our regions must be strengthened. It is a useful and effective tool. It would have been appropriate to continue making it available, but it was not approved by a majority of the committee. The Bloc is not satisfied. We express our displeasure and will continue to fight for this.

There is another very important recommendation by the Bloc in the report. It relates to retroactive payment of the guaranteed income supplement, in an amount estimated at \$3 billion. At present, in the legislation, when someone becomes eligible for the guaranteed income supplement and realizes that he or she should have been receiving it in the past, the person is given a maximum of 11 months of retroactive payments. Often, however, these are older people who have very little income and who should have been eligible for it for three, four or six years.

The typical case is usually someone whose spouse handled the money and who has been widowed and did not start the process to get the payments. Guaranteed income supplement payments did not start automatically and people had to take some action in order to get it. It was determined that over 200,000 Canadians and 70,000 Quebecers were in this situation. Marcel Gagnon, a Bloc MP, led a campaign that resulted in some of those people being identified. But the government still refused to make payments retroactive. The Standing Committee on Finance has now agreed to act on that recommendation. We hope that the government will adopt it .

Along the same line, we would have thought that the committee would agree to recommend that the government increase GIS benefits to reach the poverty line. The committee is preventing the most vulnerable members of our society from getting out of poverty. The guaranteed income supplement is about \$110 a month below what is needed for a senior citizen to have the bare necessities. In our budget consultations, we realized that this is an important issue.

*Government Orders*

Throughout eastern Quebec, in regional county municipalities where there are the most senior citizens receiving the guaranteed income supplement, that is, in the poorest regional municipalities, only 79% of those people are receiving it. Even in the wealthier regional municipalities, only 52% of senior citizens are receiving it. That means that a lot of people need that income. They cannot make ends meet and so they need support. We would have liked the committee to go that far, but it did not. We will continue to fight for this.

Ultimately, I hope that the government will fix this situation completely by giving retroactive payments, as the committee recommended, and by providing the maximum that people are entitled to in order to provide them with this minimum of financial security.

When it comes to the fiscal imbalance and funding for post-secondary education, the Bloc Québécois hit a wall. None of the other parties thought that funding for post-secondary education should be restored to the 1994-95 levels. That was about \$3.5 billion for all of Canada and a bit more than \$800 million for Quebec.

• (1125)

We say now in our society that we should invest in innovation, that people should be able to go to school, and that our universities should contribute to research and development. But our universities say they are underfunded. This government measure could have been very helpful. If the federal government is going to claim that its approach is different from that of the former Liberal government, it should follow through and completely eliminate the fiscal imbalance. But it will not do that. The federal government simply will not provide adequate funding for post-secondary education.

So there is a major omission here. This was one of the Bloc's main conditions and it still seems very pertinent to us. We hope that the current requests from all the universities in Quebec and in Canada, and from the industrial sector as well will bear fruit. Indirectly, adequate funding for our universities helps with the development of new products. This can be done under the heading of business assistance according to our international agreements and is something that is needed.

I want to turn now to another of the Bloc's priorities: social housing. At our initiative, the Standing Committee on Finance recommended that the government use the surplus that Canada Mortgage and Housing Corporation is running to invest in social housing. CMHC has a huge surplus of about a billion dollars. The committee did not put an exact figure on it, but we wanted \$1 billion a year to be invested in social housing out of the CMHC surplus in order to create decent, affordable housing and increase the supply.

If we made this investment, we would be killing two birds with one stone, or even three. We would increase the amount of social housing available, we would help cushion the economic slowdown by boosting construction, and we would reduce such phenomena as homelessness. All in all, we would make a major contribution to the fight against poverty. In our view, the Standing Committee on Finance was headed in the right direction in this regard and \$1 billion is about the right amount.

We were unable in committee, however, to reverse the ideologically motivated cuts to the court challenges program and Status of Women Canada. These cuts are widely condemned by women and progressive people all across Canada.

There is still a lot of work to be done. Groups must be provided with the tools they need. When confronting the machinery of government, it is very difficult to move a case through the system without the kind of funding and support provided by tools like the court challenges program. These are not huge sums of money, but the tool should be reinstated. The Conservatives should do what they did with the income trust issue: recognize that they made a bad call, change their minds and go back to their previous position so that we can get this program back.

Another of the six conditions is funding for cultural activities. We are very disappointed that not one initiative to provide funding to cultural activities was included in the prebudget consultation report even though we know that a dollar invested in the cultural sector will provide one of the best possible returns because more jobs are being created in this sector than in just about any other.

We find the federal government's indifference to be somewhat worrisome. Numerous cuts to funding programs for museums, the elimination of the public diplomacy program that financed international cultural tours, and the lack of funding for film and television speak volumes about the fact that this government does not really seem to care about culture as a way of promoting Quebec and Canada not only abroad, but also here at home. The government does not recognize the importance of culture to a society like ours.

In this report, we are asking the government to change course, reinstate programs to help museums and the public diplomacy program and reinvest in the Canada Council for the Arts' feature film fund and the Canadian television fund. This would cost about \$398 million.

Another of the Bloc Québécois' six conditions has to do with the environment. The Standing Committee on Finance recommended that the government institute a cap-and-trade system for greenhouse gas emission credits. That is interesting. The committee also recommended that the government set up various tax incentives to promote the acquisition of energy efficient transport trucks and adjust the accelerated capital cost allowance on rail equipment to encourage investment.

All these measures are interesting, and we hope that the government will implement them. However, we would have liked to see the government adopt our proposal for the establishment of regional, absolute greenhouse gas emission reduction targets, to bring emissions down to 1990 levels, and development of a framework for a carbon exchange mechanism in Montreal.

*Government Orders*

• (1130)

We will have to explain things again to the Conservative government. If only there were strict rules. In fact, investing in the environment sector is becoming more and more profitable. When the rules are confusing, businesses do not benefit. If this recommendation were supported, if the government decided to implement it, there would be a significant impact on the economy.

Think about it. There is the whole issue of refundable tax credits for research and development, but there would also be an environmental advantage. Businesses would be more productive if they used less energy, and at the same time, they would be helping to decrease greenhouse gases. There would be an added incentive. I urge the government to move forward on this.

It is particularly interesting that the Standing Committee on Finance accepted all of these recommendations: \$1 billion for the forestry sector alone; \$1.5 billion in aid for the industry; and \$3 billion for the guaranteed income supplement. These are all measures that have been criticized by the Conservative Quebec members, who called it overspending. Now, it is the position of the Conservative government and the Standing Committee on Finance, which adopted these motions. This means that our figures were not so far-fetched, since they have now been adopted by the Standing Committee on Finance and recommended to the Minister of Finance.

That shows that there is a great deal of interest in the work we did and the consultations we held in communities across Quebec and Canada. The bottom line is that the current level of financial assistance for the manufacturing and forestry industries is not enough. The figures prove this. The Standing Committee on Finance has made a practical, positive recommendation in this regard. It is no longer just the position of the Bloc, the NDP, the Liberals or the Conservatives; it is the position of the entire Standing Committee on Finance.

We hope that the Minister of Finance will incorporate these recommendations directly. He can even act on them without delay. Canada has a \$10 billion surplus. On March 31, 2008, if this surplus has not been allocated, it will all go to pay down the debt. That would mean that even though the Standing Committee on Finance recognizes that \$1 billion is needed for the forestry industry, \$1.5 billion for the manufacturing industry and \$3.5 billion for the guaranteed income supplement, the government would turn a blind eye and allocate the surplus to the debt and would not address these problems.

But we can address them now, before March 31, as we did for the trust. That would enable us to deal with a lot of irritants and emergencies, as the leader of the Bloc Québécois said, in terms of the economy, assistance for workers affected by the economic slowdown and the crises, and equity for seniors who have not received their retroactive guaranteed income supplement payments.

There are a number of interesting recommendations in the report. Our six conditions have not been met, but we will keep working on that. We would like the government to take real action soon and move forward. This is the perfect opportunity: the Prime Minister is due to meet with the Premier of Quebec shortly. He and the Bloc Québécois, as representatives of the coalition or consensus in

Quebec, said that money was needed immediately. The government decided to do an about-face, accept the recommendation and hold a vote on it immediately.

But the Premier of Quebec, the Bloc Québécois, the people of Quebec, the labour congresses, the forestry sector and industries are saying that more money is needed. This is what remains to be done. More money must be allocated in the coming days, out of this year's surplus.

I will close there. There many other measures in the budget and, overall, a good number of recommendations by the Bloc Québécois were included. However, some are still missing. We will continue the debate and fight for our proposals. We hope that at budget time, the budget will reflect the consultations that we held with Quebeckers. If the budget does not include what it should, we will vote against it. We are prepared to go to the polls if need be. We have presented what Quebec would like. We now have proof that our numbers have the blessing of the Standing Committee on Finance, which flies in the face of the irresponsible comments made by the Conservative members from Quebec.

• (1135)

[*English*]

**Mr. Mike Wallace (Burlington, CPC):** Mr. Speaker, I thank my colleague for his presentation today and his work on the finance committee. I think he is very clear and accurate today that a lot of the issues that the Bloc brought forward during the committee are in the report. We did not agree with all of them, but I think they added quite a bit of value to the discussion.

I want to clarify one thing before I ask my question. In budget 2006 we talked about housing. Our party provided \$1.4 billion and invested in an affordable housing trust, and \$270 million in the homelessness partnering strategy. The government put a billion dollars in a partnership agreement with the provinces and the municipalities. So there is money being spent on the homelessness and housing issue. It is up to the provinces and the municipalities to actually implement it and to spend that cash. The federal government has made it available.

The government has done other things that we agreed on in terms of the workers income tax benefit. We are looking at trying to improve on that. There have been improvements for seniors and the capital cost allowance.

The member talked about the surplus. He said that we should spend all of it and too heck with the debt in a sense. Really, is there a surplus if you have a debt? The surplus is a cash surplus in a year. I do not know what the number is off the top of my head, but we have a \$450 billion debt. This is a mortgage that my children and your children, my grandchildren and their grandchildren will be paying. There is no such true thing as a surplus, when you have a huge debt.

What is the Bloc's position on debt? Why are you so opposed to us paying down—

**The Deputy Speaker:** Order, please. I let the hon. member commit the error twice hoping it would go away. Three times he used the second person. The hon. member from the Bloc.



*Government Orders*

[*Translation*]

**Mr. Paul Crête:** Mr. Speaker, I thank my colleague for his question. The response will be quite clear.

For example, out of the \$10 billion surplus we will have on March 31, the Bloc thinks that \$3 billion should go toward the debt, or roughly 30% of the surplus. The remaining 70% should be allocated to urgent matters. Our country is behaving like a homeowner obsessed with paying down the mortgage as soon as possible, but whose back deck is falling apart. Even Mr. Vaillancourt, the mayor of Laval and spokesperson for the Coalition pour le renouvellement des infrastructures du Québec, used that analogy, but he said it is not the back deck that is in disrepair, but the foundation of the house.

The ratio of Canada's debt to its gross domestic product has decreased significantly over the past 10 years, to such an extent that we are now the best G-8 country on that score. There is no point in emphasizing that any further when there are urgent needs to address.

The Bloc thinks that it would be reasonable to put \$3 billion toward the debt this year. That would leave an \$8 billion margin for next year. With our proposals, if there is no major economic slowdown, there could be an \$8 billion surplus at the end of the year.

Therefore, we are being very responsible. We agree that a portion of it should be invested in paying down the debt. However, in Quebec like everywhere else, problems of fairness need to be resolved, as in the case of the guaranteed income supplement for seniors. For years now, many seniors have not been entitled to their money, to the minimum they need to survive. The government must assume its responsibilities before paying down the debt, especially considering that the plan is doing pretty well. Indeed, our ratio is quickly becoming one of the best.

I will conclude on this point. A portion of it must be allocated to the debt, but a large portion must also be used to meet these glaring needs in our society. We hope the upcoming budget will reflect these choices.

• (1140)

[*English*]

**Hon. John McKay (Scarborough—Guildwood, Lib.):** Mr. Speaker, I have been on the finance committee for quite a number of years now. The hon. member joined it recently and has been very helpful in contributing to it.

The idea of the prebudget report is generally to try to influence the finance minister and shape the budget through this report. It is an extensive process that involves a whole variety of things. I wonder whether the hon. member is a bit frustrated by the actions of the government in effectively rendering this report dead on arrival.

First, there was prorogation. Prorogation essentially took a month out of committee hearings. That is a significant period of time in parliamentary time, as we well know. That took us into October.

Then well into October we found out that on October 31 a mini budget was going to be presented. The mini budget basically blew out the fiscal space that existed and the government continued on its wild and crazy spending spree. Essentially, there was no money left over.

The effect of that was that we would not be able to report until this week. As everyone in this chamber knows, the budget is already written. There is nothing left. Even if the government had to hire very expensive speech writers, the budget is already written.

I wonder whether the hon. member would share Dr. Carty's observations, when he was recently fired, one of which was that this government seems to prefer less advice rather than more.

[*Translation*]

**Mr. Paul Crête:** Mr. Speaker, I thank my hon. colleague for his question. I do not know if it is because of that, but there is a serious shortcoming in this government's behaviour, namely, the fact that in the fall economic statement we should have seen many of the recommendations being proposed right now. They should have been part of the Minister of Finance's economic statement last fall. Thus, we would have been in a better position to deal with the economic slowdown in the manufacturing and forestry sectors. Perhaps if we had not prorogued and our report had been adopted sooner, the government could have paid attention to it.

Personally, I would still like to give the government a chance. I think the government still has time to accept the committee's recommendations. As a parliamentarian, I cannot say that I am playing an imaginary game.

I held very democratic consultations in my riding and then throughout Quebec. The committee made a number of important recommendations. We have an advantage right now: we have a minority government. A majority government can start up its steamroller and do as it wants with any bills, arguing that people will have time to forget. A budget will be presented in a few weeks and if the government has not heeded the recommendations regarding what our citizens want, it will pay the political price. We, as MPs, are here to represent the population and express their opinions. The Bloc Québécois has announced its proposals in advance for what it wants to see in the budget, in terms of how the surplus is used this year and next year. It has also come up with some very concrete, realistic recommendations. We hope the government will listen to us.

If it adopts the same attitude that it has in a number of other matters, it will not listen. Let us recall Afghanistan and the urgent adoption of a recommendation, two years ago, to extend the mission. According to the government, it was urgent and it was the only thing to do even though they could not answer a single question that the then Minister of Defence had asked when he was in opposition with regard to the pertinence of this mission. Had the government taken another position, we would not be in the current situation of not knowing where we are going with Afghanistan.

*Government Orders*

I hope that the government has learned some lessons from this experience. It has been in a minority position for two years. If the Conservatives wish to remain in government, they have to accept what Canadians want, as expressed through their members of Parliament. That is the democratic game as we have played it. We have presented proposals to the House and made recommendations, some of which have been retained by the Standing Committee on Finance. We will continue to debate them. I believe that our fellow citizens want us to have this influence. I believe we will if we continue to act together. When collective recommendations are made on issues, common interests are found.

For example, this week, the government party voted against our recommendation to provide tax measures for the manufacturing and forestry sectors. We can see that progress has been made because the Conservative position and what the report contains are not the same. The government will have to consider this. Either the MPs on the Standing Committee on Finance did not represent the government's opinion or the government made a mistake last week and may change its position, just as it reversed its position on the trust.

In the end, it is important that the budget contain elements that will make it a good budget for Quebecers and for all of Canada. If that is not the case, every one of us must have the courage to rise in this House and vote against the budget if it does not represent what our fellow citizens want in the current situation.

What they truly want—their basic message—is that the government must be proactive. Standing on the sidelines is not acceptable—

• (1145)

**The Deputy Speaker:** Resuming debate, the hon. member for Outremont.

**Mr. Thomas Mulcair (Outremont, NDP):** Mr. Speaker, I would like to let you know that I plan on sharing my time with the member for Halifax.

We are seeing the result of the enormous amount of work that was carried out across Canada. Individuals and groups were surveyed on the vision they would like to see in the next budget, and the direction they would like our economy to take in the coming years.

I worked with the member for Halifax and the member for Victoria on this. It is an extraordinary opportunity to remind people that the NDP, unlike the Bloc Québécois, represents all of Canada, and has representatives from British Columbia to Nova Scotia. This image of the breadth of the country is important, because people tend to forget that to properly represent the economy, we need a balanced vision.

This is the main point of my speech today. I want to talk about the work that has been done in recent months to try to rebalance the economy. This can be seen in the New Democratic Party minority report, appended to the committee's report. There are points that we completely disagree with, because of where the Conservative government is currently taking our economy.

Looking back, we can see that the end of the second world war marked the start of attempts to build a Canadian economy that still existed two or three years ago, a balanced economy in which forestry and mining were dominant in the primary sector. Our country's

natural resources, which are non-renewable in the case of mines and renewable in the case of forests, need to be used sustainably, in a way that respects future generations, which has often not been the case.

Canada also needs a processing sector. Too often in its history, Canada would cut its trees and ship them to other countries, including our neighbour to the south. It would also extract its mineral resources and ship them to other countries for secondary and tertiary processing. This vision also needed to be changed. Canada therefore developed ways of doing secondary and tertiary processing here whenever possible. It did not always do enough of this sort of processing, but things were improving.

Lastly, the Canadian economy was based on a strong service sector centred mainly in Montreal and Toronto at the time. Today, it is unfortunately based less and less in Montreal and more and more in Toronto. Of course, I am speaking as a member from Quebec.

Once in office, the current government stepped up a process aimed at making Canada a subsidiary of the American economy. I am referring, for example, to a project known as Keystone, which is a way of exporting not only unprocessed crude oil, but also 18,000 jobs to the United States. That is the Conservatives' record.

The boom in the oil sector in western Canada has had adverse effects on other segments of the economy. As the oil sector heated up, the value of the Canadian dollar, our loonie, rose to unprecedented levels. This had a direct impact on our manufacturers' export capability. It is a simple equation: the higher the value of our dollar, the harder it is for an American company, for example, to buy goods produced in Canada, because the American company has to pay in Canadian dollars and the Canadian dollar is much stronger than it was not long ago when it was worth much less than the American dollar. As a result, hundreds of thousands of jobs were lost in the manufacturing sector.

Jobs have also been lost in the forestry industry for two reasons: first, we have the overheating of the oil industry, which is also affecting the manufacturing industry; and second, we have the softwood lumber agreement with the U.S. under which we handed over \$1 billion for no reason. Under NAFTA, we were totally right to do what we did. Unfortunately, our hands were tied. They kept pushing and we foolishly signed. The NDP was opposed to that agreement, while the Bloc was in favour of it.

Two industries have suffered the consequences greatly: the forestry industry and the manufacturing industry. Hundreds of thousands of jobs have been lost. That is what we call imbalance.

Has this government been able to correct the situation? Not at all.

*Government Orders*

• (1150)

Last week—I am not talking about before the holidays, but just last week—the very first question I asked the government was whether, before the budget, it could hand over the \$1 billion it promised in the form of a trust.

The response from the hon. member for Pontiac and Minister of Transport, Infrastructure and Communities was rather shocking. He said, from his seat here in this House, that what I was asking for was impossible because it was an expenditure and it needed to be passed with the budget. According to him, it was impossible to do so.

What happened a few days later, this week? Precisely what he said was impossible to do last week. That is the Conservatives' logic when it comes to the economy.

We have a real challenge before us. There are things that Canadians agree on, such as having a public health care system that is accessible, universal and open to everyone. What are the Conservatives doing? They are rendering the system meaningless. The NDP is proud to remind Canadians that it was Tommy Douglas who was the precursor to our health care system. He was a member of the CCF, which became the NDP.

Canadians are proud of having a better health care system than the Americans, but we are worried. This system is not adequately funded.

There are many things the government can and must do something about, but to which the Conservatives are ideologically opposed, except when they have no choice, as was the case with the \$1 billion to help the manufacturing and forestry industries.

[*English*]

I said at the outset that I would be sharing my time with my colleague from Halifax and I propose to do just that now.

I remind people that the NDP, in the process that led to the budget consultations and all through it, was able to hear from Canadians. In Halifax for example, 15 of the 18 groups that came in were very clear that they shared our vision and not that of the Conservative government. The Conservative government, by favouring the petroleum sector in the west, by giving over supposed tax breaks that are supposed to help the economy, is only helping companies that made profits and paid taxes, so manufacturing and forestry companies that made no profit last year benefited nothing. Who got the money? The big oil companies and the banks. Did they need it? No.

The Conservative government has been destabilizing what was up until now a very balanced Canadian economy and in a couple of years it has actually made the situation far worse. So much for good fiscal management by Conservatives. It is a little bit like the situation in the United States where the most catastrophic economic times in recent memory are now taking place under the governance of another right winger, George Bush, a good friend of Steve, but we here in Canada are going to stand up and fight for what is right.

**The Deputy Speaker:** Order. The hon. member for Outremont knows that he should not have said what he just said.

[*Translation*]

**Mr. Thierry St-Cyr (Jeanne-Le Ber, BQ):** Mr. Speaker, I listened closely to my colleague, who pointed out that the NDP now has a presence throughout Canada, which became the case when he was elected. There is even an NDP member of Parliament in Quebec now.

The Bloc Québécois, however, has the advantage of always systematically representing Quebec when it comes to economic issues like those that have arisen in the House. For example, there was a vote on a Bloc Québécois motion proposing that a percentage of the military contracts awarded to Boeing should correspond to the relative size of Quebec's aerospace industry. In other words, over half of the contracts should be awarded exclusively to Quebec, as befits Quebec's presence in the industry.

At the time, the NDP voted against Quebec. That was a unanimous request, and it had the support of the National Assembly, but the NDP sided with the government on that motion. At the time, the member had not yet been elected to the House. If a vote like that were to come up again and there was a conflict between his party's interests and Quebec's interests, would he vote against his party or against Quebec?

• (1155)

**Mr. Thomas Mulcair:** Mr. Speaker, if ifs and ands were pots and pans there'd be no work for tinkers' hands.

My colleague is talking about a vote that took place in the House before I was a member. I have a lot of skills and experience, but I cannot say what I would have done in such a situation because I was not there. However, if the member looks at the past 15 years, he will see that I fought hard every time I had the opportunity to do something for Quebec and its key industries, including the aerospace industry.

One of my two sons is an aeronautical engineer, and I know how important the industry is to Quebec. All I can do is reassure the hon. member for Jeanne-Le Ber that we will no doubt have future opportunities to discuss this matter. I can assure him that we understand Quebec's economic priorities, particularly in the aerospace sector.

[*English*]

**Mr. Mike Wallace (Burlington, CPC):** Mr. Speaker, I appreciate the discussion from the colleague from the New Democratic Party who was actively involved in the consultation we had.

I was reading the supplementary piece that the New Democrats added to the consultation document that we are dealing with today. In it the NDP talks about bridging the infrastructure gap, which I do not disagree with. It talks about dealing with housing, health care, education and public transit. This government has put \$33 billion into the infrastructure program over the next seven years.

As I said to his colleague earlier today, we do not provide housing. We provide funds to the provinces to actually implement housing. It is well over a billion dollars in a trust fund with the provinces.

*Government Orders*

In the report the NDP does not mention how much more money the NDP was going to give and where it was going to get that money from. Could the member from the New Democratic Party highlight for us in the House and for Canadians where that money is coming from and how much more money is it putting into that program?

[*Translation*]

**Mr. Thomas Mulcair:** Mr. Speaker, I will answer in English to be sure my colleague understands.

[*English*]

The biggest problem of course is the fact that with its massive tax giveaway to corporations that made huge profits last year, especially the banking and petroleum sectors, the government has compromised the leeway that could have existed in our economy.

What is interesting is that the current Minister of Finance—and we should always remind people every time we mention his name that the current Minister of Finance, without any consequence, broke the rules for the attribution of contracts recently—was encouraged by the Liberals. It is always worth reminding people that the Liberals do not believe anything. One morning their leader woke up and said, “We need more tax cuts for businesses”. That gave the opportunity to the Minister of Finance to say in so many words, “I didn’t think I would be able to cut so much with regard to corporate taxes. Thanks to the Liberals who are pushing me to cut even more, I am going to give the deepest tax cut in Canadian history to the corporations that made the most profits last year”.

My colleague is quite right that the tax cuts the Conservatives gave to the oil companies and to the banks removed a lot of the room to manoeuvre economically in Canada, but not all is lost.

The government is continuing to destabilize what had been until quite recently quite a balanced economy in Canada by heating up the oil sector even more by giving tax breaks. Of course the government could not be helping the companies that lost money last year because they did not pay taxes, so they did not get a cent from the \$14 billion in tax breaks, but individual companies like EnCana got cheques for \$50 million, \$60 million, \$70 million, a little windfall for its buddies in Alberta from the current government.

If that is the vision the Conservatives have of Canada, to throw everything they can at companies that are already making huge profits and destroying the environment in Alberta, they are going to be allowed to do that until the public throws them out.

• (1200)

[*Translation*]

**Ms. Alexa McDonough (Halifax, NDP):** Mr. Speaker, I would first like to congratulate the hon. member for Outremont on his speech, and also on his recent election victory. It is also important to congratulate the voters in Outremont for having chosen this remarkable man, thereby bolstering the progressive forces here in Parliament and opening the door to a progressive course of action for all of Canada.

[*English*]

I am very happy to speak briefly in this budget debate. There is never enough time to address all of the issues of concern, so first of all I want to invite every single Canadian who wants to understand

more about the New Democrat vision to acquaint themselves with, to familiarize themselves with, to read the New Democratic Party’s supplementary report, to which our finance critic has made reference in his very excellent speech.

What they will see is that not only do we have a fundamentally different set of priorities than this very meanspirited, tight-fisted government, except when it comes to corporations, of course, when it is not tight-fisted in the least, but we have a fundamentally different set of priorities than the so-called Liberal official opposition. I do not know how the Liberals can call themselves the official opposition and again and again abandon their responsibilities in that regard, particularly as it relates to the financial health of the nation.

First the official opposition does this by goading and egging on the no longer progressive conservative but Conservative government to cut faster and deeper and introduce even greater corporate tax cuts than even the Conservatives had dreamed of, and then, second, the Liberals sit in their seats again and again when it comes to important votes to represent the concerns of Canadians who are not being represented by this government.

I hope people will acquaint themselves with the supplementary report that has been tabled.

However, let me say something in a general way, as was referred to by the member for Outremont. I had the privilege to sit in on the finance committee in his stead when the committee visited Nova Scotia. It is literally true that delegation after delegation absolutely disagreed with the priorities of this government and were very clear that what this government had decided to do was reward its corporate friends, the greatest beneficiaries of those deep corporate tax cuts being big oil and big banks, at the expense of the needs of ordinary working people who were desperate to see some reinvestment from that extensive surplus in the things that had been so severely eroded by the Liberals before them.

I know we hear howling from the Liberal benches that they had this big deficit they had to get rid of, so let us set aside the three years in which the big deficit was the principal preoccupation. Let us talk about the seven years of surplus following.

Not only did the Liberal government not rebuild and reinvest in the post-secondary education system so our young people could get the education they needed without crippling themselves with debt for life, and not only did it not rebuild the health care system, the Liberal government did not address what is crucial, what is one of the biggest responsibilities of any government in this world today if it is at all serious about a future for the planet and its people: it did not commit the dollars necessary to move us to deliver on our to date completely overlooked commitment to meet our Kyoto targets.

*Government Orders*

For me, it was reassuring, I have to say, and why am I not surprised, that delegates from all over—and I want to be fair in saying that they were not just from my riding of Halifax but from other parts of the province and from outside of the province—understood exactly what was wrong with the economic so-called update from this government in the fall, in which it gave away the bank so that it would not be able to address the priorities of Canadians. Let me just very briefly quote some of the representatives.

The representative of the Association of Nova Scotia University Teachers said, and I think very insightfully:

—the crisis created by the massive increase in student tuition fees over the past decade, which actually is a result of a large decrease in core funding to post-secondary education in nineties, [must] be addressed...through a restoration of core funding to the levels that would allow tuition fees to be reduced, and through the introduction of needs-based programs to provide students with the levels of financial support that will guarantee access to all qualified applicants, regardless of income level.

• (1205)

In our supplementary report to the finance committee recommendations, we made it very clear that every single cent of the funds that have been in the millennium scholarship fund, and more, need to be reinvested and increased to achieve that aim.

Second, a long-serving champion of health and education needs in Nova Scotia, Ian Johnson from the Nova Scotia Government and General Employees Union, absolutely had it right when he spelled out the need for the government to abandon plans for corporate tax cuts in order to help implement and develop a comprehensive poverty reduction strategy, and when he called, as many others did, on the government to honour the Atlantic accord and stop trying to pretend that it has been fixed, because those funds are desperately needed to meet the needs of ordinary Nova Scotians.

There were others who championed the cause of those who are the most vulnerable in our society. The director of Feed Nova Scotia, Dianne Swinemar, pleaded for a reversal of the decision in October 2007 to give a \$60 billion tax cut and for the understanding that the poorest of the poor have to be the top priority when it comes to the allocation of the nation's resources. Others spoke along the same lines.

I have to say that the last word, in a sense, goes to I think one of the biggest champions of health at the community level as well as an anti-poverty advocate, an advocate for affordable housing, Paul O'Hara, from the North End Community and Health Centre, who said:

Government knows what to do, and it's doing the opposite.

There are lots of benchmarks in child care, in early childhood education, in affordable housing and minimum wage. There doesn't seem to be any real integrity in the government approach....

There are ordinary people all across this country who are suffering because of the series of budget choices that have been very short-sighted and meanspirited, made by the previous Liberal government and followed by this no longer progressive Conservative government.

I want to mention this and I have to say that this is just typical. This morning, just before I came over to the House to participate in this debate, I met with representatives of the Lung Association of

Canada. They are doing the kind of work that is being done by NGOs and community agencies all across this country and are pleading for the government to understand how underfunded their important work is in terms of research, policy development and treatment. They pointed out that while the Lung Association gets only 2% of the funds for its work, in terms of health needs it actually represents 6% of the urgent need for attention from the government.

However, there are things being done that are progressive, and they are being done in spite of the government. In Nova Scotia today, the NGOs and the health agencies came together with the provincial government, and I want to say good for the government for signing on, under the auspices of the Lung Association, to commit themselves to a national lung health framework. These are the kinds of initiatives that deserve and cry out for funding.

As well, the Alzheimer's Society was here on Parliament Hill to plead the case of adequate funding for a national Alzheimer's strategy.

In summation, what is very distressing is how little the government is in tune with the needs of ordinary, everyday working people and how pathetic it is that the official opposition does not have any more sense of being in tune with those needs. Therefore, I am very pleased to speak in support of the supplementary report submitted by the formidable finance critic of the New Democratic Party to try to get the government back on track with progressive values and progressive initiatives on behalf of Canadians.

• (1210)

**Mr. Mike Wallace (Burlington, CPC):** Mr. Speaker, while I thank the hon. member for her intervention today in the discussion on the prebudget consultations that the finance committee has put together, obviously the member and I disagree on a number of areas. I have two questions for my colleague.

First, that member and the previous NDP speaker claimed that some of these corporate entities are getting these major tax cuts, but the corporate tax cuts are across the board for all corporations, for all job creating companies. Why is the member so opposed to companies that create jobs for ordinary people?

Second, is there ever a program not meeting its objectives that the New Democrats would allow to end? Or is every program meeting its objectives? Do those members have any sense of program evaluation? What would they like to do in that area? If the budget comes forward with some concepts on where we should reallocate money, would those members be in favour of that? Is there any program, under any sun, that they disagree with?

**Ms. Alexa McDonough:** Very briefly, Mr. Speaker, because I have only a couple of minutes, I will say that the member apparently is in complete accord with both the Liberal Party and presumably his own party with the idea that across the board tax cuts for corporations are somehow automatically going to generate good quality jobs for people—

**Mr. Mike Wallace:** It does.

*Government Orders*

**Ms. Alexa McDonough:** We need to talk about the evidence, then, because we know that in the auto sector and the forestry sector across the country there are many examples of companies whose last consideration is Canadian jobs. We need a more targeted strategy. We need a comprehensive strategy in each of these sectors, which is what all of my colleagues have been pleading for.

As for across the board corporate tax cuts, the biggest beneficiaries are big oil and big banks, yet big oil is thumbing its nose at the need for us to be concerned about the environment and the planet and the big banks are gouging people in every way they can with service charges and other things.

It is a question of priorities. It is a question of not subscribing to a whole lot of rhetoric about how if we throw big tax cuts at corporations they will generate the best jobs. It is a question of doing it on an evidence based basis.

**Mr. Bill Siksay (Burnaby—Douglas, NDP):** Mr. Speaker, the intervention of my colleague from Halifax in today's debate is an important one. The NDP minority report my colleague mentioned talks about the importance of investments in Canada's social infrastructure as well as the physical infrastructure and notes that this investment must be done in partnership with provinces, territories and municipalities.

We know that one of the areas where that investment is so desperately needed is housing. Over the last six months since I have been working on housing issues on behalf of the NDP caucus, there has been report after report about the need for a national housing program and the need for the federal government to make a long, enduring, and durable contribution to solving the housing crisis in Canada.

The Federation of Canadian Municipalities, the Big City Mayors Caucus, the Wellesley Institute, the report on women's homelessness in the north, and the cities of Victoria and Calgary have been unified in that call, yet we still do not have a national housing program in Canada. Could the member talk about the importance of that and why the government has not moved on this important issue?

**The Acting Speaker (Mr. Andrew Scheer):** There is only a minute left for the hon. member.

**Ms. Alexa McDonough:** Then, Mr. Speaker, I will have to give a very short answer. The single biggest reason why the Conservative government has done nothing about a national housing program is what the Liberal Party did in office when it eliminated literally the best national housing program in the world, which was introduced between 1972 and 1974—and it is important for people to know their history—because of the pressure of the New Democratic Party in a minority government era.

Then the Liberals came to power talking about desperate we were for housing and they outlined specific commitments, but from 1993 to 2006 the Liberals did absolutely nothing about putting together a national housing program. I guess we could call it the Liberals letting the Conservative government off the hook.

• (1215)

**Mr. Rob Merrifield (Yellowhead, CPC):** Mr. Speaker, it is a privilege for me to contribute to the debate on this prebudget

consultation. As the chair of the finance committee, it is interesting to listen to the dialogues of the members.

Before I go on to what I would like to present, I would like to indicate that I will be splitting my time with the hon. member for Northumberland—Quinte West.

I would like to describe to Canadians and to this House exactly the process that we went through to get to where we are today in tabling the report. It was a little bit late and we had to ask for an extension. It should have been done, according to the Standing Orders, in the early part of December. We had to ask for an extension because of the prorogation.

The prorogation also added more complications to our ability to travel as much as we wanted to across Canada to listen to people, but we did actually hear 400 different submissions and had 200 presenters before the committee, so it was not that we abbreviated it too much but it certainly was a little different than what was initially laid out.

Last June the committee decided it would study taxation, so we requested to have the submissions based on how the ideal tax system in Canada should work and what changes were to be made in that regard. That is what we listened to up until we got back into session and the committee was reconstituted in November.

At that time, the table had shifted somewhat and we had seen some different things happen in the Canadian economy that we wanted to address in our report. Therefore, there was a motion taken in the committee that we would expand our criteria from taxation to look at the higher dollar.

Before I get into what I want to talk about with regard to the higher dollar and some of the taxation recommendations that we made, it is important to understand the process of the committee and what we are actually trying to accomplish in the report.

Two days ago, on Tuesday, we had a delegation of Russian representatives come to our committee and their questions were actually very interesting. They asked us how we have accountability in our political process here in Canada, how we make sure we are getting value for money, and what the committee is trying to do with the prebudget report that would add to that accountability.

Those were the kinds of questions they were asking us. They are very good questions and questions that the Canadian public should understand because in the committees, particularly in a minority government where the opposition has the larger number of votes and outnumbered the governing party in the committees, we have to understand that we try to lower the political temperature in the committee meetings so that we can talk collectively about what is in the best interest of Canada because we do not report to a minister or a ministry. We report to this Parliament, to this House, and therefore the report contains recommendations to the government in power with regard to the things that it should do in the best interests of the people of Canada.

*Government Orders*

That is what we are trying to do in committee. That is what we tried to do in this report. I have heard a lot of the banter back and forth and it seems so political. I am sure people at home are wondering how in the world we came up with any consensus in this report. The reality is we came up with a considerable amount of consensus in the report.

We are now laying the report at the feet of the government and I want to just read a little bit of some of the backdrop of the Canadian fundamentals that we are living in at the present time.

Canada is in its 16th year of economic expansion, the second longest period in Canadian history. Canada is the fastest growing G-7 country over the past decade in employment and living standards. Canada's job market is the best in a generation. Our unemployment rates are at the lowest in 33 years. The share of adult Canadians working is at a record high. Inflation remains low and stable, the best in the past 15 years.

Canada is emerging as a superpower in energy. We are the largest producer of clean hydroelectric power in the world. We are the second largest in oil reserves next to Saudi Arabia, and arguably we are the largest but we will not get into that. We rank third in global natural resource production.

Canada is one of the few countries with a public pension system that is financially sustainable, and we are on the best fiscal footing of any of the G-7 nations. All levels of government are in surplus for the first time in 60 years, and we are the only member of the G-7 with a budget surplus and falling debt burden. Since coming into power, this government has created 700,000 new jobs in the past two years.

• (1220)

That gives members an idea of what we are now laying before this Parliament as far as recommendations in the upcoming budget, but a fiscal footing that is to be envied by any country in the world. It is important to look at some of the things that we did agree on when we look at the recommendations coming in this report.

We can talk about our supplementary reports and I like the words "supplementary reports" because they are not opposition reports. They are really supplement to what we are doing, but the things we do agree on are the basis of this report and are very important for us to consider.

We have said we wanted to increase the income threshold to cut personal income taxes. We all agreed on that to make sure the working class would be able to have the appropriate advantages. We all agreed that should take place. We wanted Canadians to withdraw money from their RRSPs to be able to purchase their first homes and to be able to fund their continued education. Those are things that we all agreed on that would be fundamental for enhancing the benefit of all Canadians.

The second thing we wanted to do is make sure we get people out of poverty and into the workplace as much as possible. We want to enhance the working tax credit benefit so that there would be no negative incentive for those who are not in the workplace, who are being subsidized, and who are trying get out of that situation and into the workplace.

We wanted to extend the five year capital cost allowance to manufacturers and processing for machinery and equipment. That one comes mainly because of the second priority when we came back in November. We realized that the climate we came into was not only the strong fiscal footing, but it also had something else that was looming that happened in the last five months prior to the committee actually launching into this study.

That was the massive, unprecedented increase in the value of the Canadian dollar with respect to American currency. It moved up 16% in five months. It went from 94¢ to \$1.10 and that had major impacts with regard to manufacturing, the forestry sector, the agriculture sector, tourism and many others.

We wanted to do a quick study on that as well, so we incorporated that into our recommendations. We spent a week or more debating those issues and looking at what we should do with regard to the Canadian dollar in order to help. I believe we have seen the government react more quickly than I have ever seen before because we came up with \$1 billion for the forestry and manufacturing sectors for those communities losing these different factories and plants, particularly in the softwood lumber industry.

I know all about that, by the way. My Bloc colleagues are saying it is all about Quebec which is being hurt more than anywhere else. In forestry, there is not a community in my riding that is not impacted negatively by the forest industry. The forest industry is going through a massive problem with regard to the slowdown in the United States. The demand is down. The high dollar has impacted it very negatively. In my area the pine beetle has impacted the industry even more significantly than both of those. So it is the ultimate storm. I know all about that.

I have lost a mill in a small community just recently. It has a major impact in the riding. We understand that full well. It is not just in one area of the country, it is the entire country. That is why the acceleration of the capital cost allowance would be very positive. It is one of the things we need to do. We need to do as much as we possibly can to get us through a short time. Before we get too far down on that thought, there is a quote that I would like to read from the president of the Forest Products Association of Canada. He came before the committee and said:

The best thing you can do for communities is to create a business climate where people want to invest in Canada...I want to be very clear, though, and this is something where I think there has been misunderstanding: we don't want subsidies. We don't want you to come in and save a mill that's uneconomic. What we want to do is make this a place where mills are economic.

That is the difference and that is what really we need to do, not pick winners and losers but set up a climate where whatever is being created is going to be a winning factor. I could go on in many other things. There are a couple more and I only have a minute.

*Government Orders*

I am going to lay out here other things we agreed on for consideration: one is the Olympics. We believed unitedly as a committee that the Olympics are important not only for the pride of our country but to make sure we deal with issues such as childhood obesity and others, and a \$30 million investment to the Olympics for the road to excellence is something we all agreed on.

We wanted to make sure that we increased the capital cost allowance for the railways to make sure we are competitive on that footing as well.

• (1225)

There are many other things that are in the report that we agreed on. I encourage all members to read it carefully. I know the Minister of Finance has been following the dialogue. It is very important that all members read the report.

I will say in closing that we did not want to issue a report saying what we believed. We wanted to issue a report saying what we heard and what we recommended. That is why it reads the way it does.

[*Translation*]

**Mr. Paul Crête (Montmagny—L'Islet—Kamouraska—Rivière-du-Loup, BQ):** Mr. Speaker, I was very pleased to hear the speech given by my hon. colleague, the committee chair, who masterfully guided the deliberations that led to this kind of report. Naturally, this does not mean that we agree on every point.

However, one thing seems crucial to me: some sort of improvement. A year ago, when the Standing Committee on Industry, Science and Technology was making recommendations for the manufacturing sector, there was unanimity. Several months passed before anyone would even consider implementing those recommendations. Only one of them was retained: a two-year accelerated capital cost allowance. It became clear, especially in the case of pharmaceutical companies and other sectors that have to seek foreign investments, that a five-year guarantee was needed. We hope the minister will follow our recommendation. In fact, I met with the minister yesterday.

The recommendations we all agreed on concerning the manufacturing and forestry sectors advocate some \$1 billion for the forestry sector, \$1.5 billion for the manufacturing sector and \$1 billion for infrastructure. I would like to know if my hon. colleague wants the Minister of Finance to introduce a bill as soon as possible to ensure that this year's surplus is used to make this money available.

[*English*]

**Mr. Rob Merrifield:** Mr. Speaker, when it comes to the forest industry, I understand the problems it is going through. I have described the problems. I live with this in my riding on a daily basis.

We have actually done a number of things. There are many things we are recommending, such as what the president of the Forest Products Association of Canada suggested, which is to build a climate where we will have an industry that will succeed.

We signed the softwood lumber agreement. Thank goodness the House agreed with the agreement and we have it in place. The agreement is allowing us an opportunity to do more for the industry than ever before. We now have some stability on that side.

How do we deal with the rising dollar, the slowdown in the United States and the markets? We must make sure that we seize the opportunity of the high dollar with an accelerated five year capital cost allowance, so that the forest industry can bring in equipment and upgrade itself. It must become more efficient. The more efficient these plants are, the more we will be able to compete. We will then build a climate where they will succeed in the long run for Canada.

The idea of simply giving the industry more money, and without setting the climate so it can succeed, is a foolish way to go. The committee understands this. We heard that from many industries.

It is important that we set that climate in place and that does reflect a number of the recommendations that we have in our report. What my friend is suggesting is further to that some actual funding with which I would disagree.

**Hon. Larry Bagnell (Yukon, Lib.):** Mr. Speaker, I would ask if the member would agree to reinstating the working income tax incentive to the level of the previous Liberal government?

The member can think about that. Before he answers, I would like to make a couple of corrections. The member from the Conservatives talked about his party wanting to lower the tone in committees. I think he should go downstairs and talk to the chair of the procedure and House affairs committee. The committee is now filibustering and making the Conservative Party look silly. The member for Regina—Lumsden—Lake Centre is doing the talking. The committee members are saying that it is ridiculous, that he is repetitive and wasting thousands of taxpayers' dollars.

The member also talked about the lowest unemployment rate which is not true. The Liberal finance critic made that clear when he mentioned all the lost jobs within the last few weeks. We totally agree that it is a great move to have the working poor tax incentive. However, it should be reinstated to the level that it was under the Liberals.

• (1230)

**The Acting Speaker (Mr. Andrew Scheer):** There is less than a minute for the hon. member to reply.

**Mr. Rob Merrifield:** Mr. Speaker, in less than a minute I am going to try to rattle through the member's questions as fast as I possibly can. When it comes to dealing with the unemployment rates, we have created 700,000 new jobs in a two year period. That record has been unequalled by any government in the past that I know of and in any time period in history.

We also see what is coming which is a looming slowdown in the United States as a country because of what is happening in the housing industry there.

This government brought in \$60 billion reduction in taxes in our mini budget last fall. This is leadership which has never been seen before by any government in recent history.



*Government Orders*

I will not go into the filibustering in committees. I try to be as civil as I possibly can, but there is a tremendous amount of dysfunctionality in our committees. It happens in all the committees. It is appalling because members do not really understand that when they are in committee, they should lower the temperature, especially in a minority government and deal with recommendations that can then be brought forward to this House.

**Mr. Rick Norlock (Northumberland—Quinte West, CPC):** Mr. Speaker, I thank the member for Yellowhead for his excellent presentation and for sharing his time with me.

One of the questions asked of me and many parliamentarians is: How much tax relief has the government provided since taking office? I can advise the House that the government believes that Canadians pay too much tax. One of the principal reasons I became involved in the political movement is because I think Canadians are overtaxed, which is why, since coming to office, we have taken action that provides over \$41 billion in tax relief to Canadians in over just three years.

Going forward, the government is committed to providing additional tax relief for Canadians, for individuals to improve the rewards from their working, saving and investing. This commitment is supported by the tax back guarantee.

Today we heard complaints that we are spending far too much time worrying about the debt. Since taking office, we have reduced our mortgage on each Canadian by over \$1,500. That is a significant amount of money in a very short period of time.

This tax back guarantee ensures that every time the debt is paid down, Canadians will realize that paying down of the debt by tax savings. That is the interest that Canadians pay, not the government. The government does not have any money. The only money the government has is the money it takes out of the pockets of Canadians, both corporate and personal. We intend to give that back as a direct result of paying down our mortgage.

It is fair to ask what we are doing to ensure that Canada's corporate tax system is competitive with other countries. We recently heard the bantering from the fourth party in the House that by having the lowest corporate tax we somehow are giving favours to people. We are giving favours. We are giving favours to the men and women who will have the jobs that corporate Canada creates. Governments do not create jobs. People and companies create jobs. Small and medium sized businesses create jobs.

We are building a tax environment that is internationally competitive and neutral with respect to business investment decisions. We want to encourage companies in the rest of the world to move their corporate headquarters and plants to Canada and create employment here because we will have a competitive tax base, not only for the companies but for the people who work for them. We believe this is crucial for creating the right conditions for business to grow and, more important, prosper.

This government is committed to an economic plan and it is called Advantage Canada. It will make Canada's overall tax rate on new business investment the lowest, as I previously stated, in the G-7.

Since 2006, this government has taken a number of actions to enhance business tax competitiveness, including: eliminating the

federal capital tax in January 2006; eliminating the corporate surtax for all corporations this year; reducing the corporate statutory income tax rate to 18.5% by 2011 from the 21% in 2007; and providing temporary tax assistance for Canada's manufacturing section.

We are ahead of the curve. We just heard south of the border that its economy is in significant challenge. The President of the United States just announced reductions in tax so that he can stimulate consumer spending. We did that six weeks earlier. We are ahead of the curve. Maybe the people in the United States should call George Bush the Prime Minister of their country, which would be a good idea because we are ahead of the curve.

● (1235)

We are also aligning our capital cost allowance rates with useful life for manufacturing buildings and other assets. As a result of the government's actions and recent provincial initiatives, Canada's overall tax rate on new business investment will fall by 2011 to the second lowest in the G-7 from the third highest.

As an Ontarian, I respectfully suggest to the Premier and Government of Ontario, the province in which I live, to look at what we have done with regard to our corporate tax rate and I encourage Ontario to reduce its current corporate tax rate. I know the province made some progress and I encourage Mr. McGuinty and his government to continue to reduce taxes for corporations and to match the federal government's move in that area. That would go a long way toward ensuring that in Northumberland—Quinte West, and indeed in all of Ontario, we will be as competitive as any of our neighbours to the south.

Some of the key points in budget 2007 proposed significant benefits for low income Canadians, those who need tax reductions the most. That includes the \$550 million annually through the working income tax benefit to make work more rewarding for 1.2 million low income individuals and families. This tax plan will remove 230,000 low income taxpayers from the tax rolls.

We introduced the new registered disability savings plan to improve the financial security and well-being of children with severe disabilities. I met with several constituents in my riding who are worried. They are getting older and they have children and young adults, and getting older adults, suffering from diseases, such as Down's syndrome, and they are worried about what will happen to their children when they are gone. They were most pleased with the 2007 budget when we introduced the registered disability savings plan that would help look after their children when they are no longer here.

*Government Orders*

Constituents are also very pleased with the tax measures that build on the tax relief from budget 2006 which removed 655,000 low income Canadians from the federal tax rolls. We also build on support already provided for low income Canadians by the federal government. Those include: \$3.7 billion in support for low and modest income Canadians through the goods and services tax credit; \$11.7 billion for families with children, including the universal child care benefit, the Canada child tax benefit and the national child benefit of which more than 40% goes to families with less than a \$20,000 income; more than \$7.4 billion for Canada's low income seniors through the guaranteed income supplement; \$1.4 billion to provide basic social development programs for first nations in the areas of federal responsibility; and \$3.3 billion to support youth housing and programs for legal aid, immigration and refugee settlement.

I would like to talk about the reduction of the GST and how it relates to people who do not pay any federal income tax and do not pay any income tax whatsoever. That is the one area that a government can influence the amount of tax Canadians pay.

In the House some time ago, in a debate discussing certain benefits, a member across the way made a remark when I mentioned that when people go to the grocery store they pay GST. He said that we do not pay GST on groceries. I made a challenge when I was on an open line radio show and asked folks, when they came out of the grocery store with their groceries, to look near the bottom of their receipt where it shows the amount paid. I told them that they would see that both GST and PST had been paid. I advised them to look at the difference in savings, the 2% that we would be saving people, and figure out how much that will save them in a year. In itself it may not be a huge amount but in addition to the other tax reductions that we have made for low and medium income families, especially for seniors, I think that adds to the significance of lowering taxes because every cent of tax we do not collect goes into our economy and helps create jobs.

• (1240)

**Mr. Mike Wallace (Burlington, CPC):** Mr. Speaker, I want to get to the issue of the GST because my colleague just talked about the reductions that we have made to the GST.

There is one thing I am not sure made it on the list. Right now when people buy a new home, the first section of it does not attract GST but after \$350,000 the GST starts to be attracted and then after a certain level it is full GST. Since that has not changed due to inflation in 12 or 13 years, I recommended that we move that amount up. The cost of housing for young families and families moving into their second homes has increased considerably and the thresholds to help people get into their homes need to change. Let us face it. Those GST costs get passed directly to the consumer. The builders do not pay them in the end.

My question for my colleague is this. Do you think that moving the thresholds, when the GST is attracted to new housing, would be of assistance to the residents in your riding?

**The Acting Speaker (Mr. Andrew Scheer):** I would just remind the hon. member to address the questions through the Chair and not directly to his colleague.

The hon. member for Northumberland—Quinte West.

**Mr. Rick Norlock:** Mr. Speaker, it is a significant savings. I think it is around a \$20,000 savings on the amount of money he just mentioned for a house.

We know that in Canada we continue to see an investment in new housing that is not occurring south of the border, and, as the member for Yellowhead and the members from the Bloc Québécois have mentioned, it is impacting the forest industry and the downturn in its housing market. Our GST reduction will not only save families money but will go a long way to help maintain some of the employment in our lumber industry.

However, it goes further than that. The argument we hear time and time again is that someone who is not making a huge purchase will not benefit by that. I will give an example of a personal nature from the people I meet who work in the constituency.

A lady came in the other day and said that she was one of those people who really thought that the GST did not mean very much. She heard me mention on the radio about looking at the grocery bill and she said that on her bill it was \$1.24 this week. However, she went on to say that her refrigerator had gone on the fritz and that she had to buy a new one. She said that the GST savings was a little better than \$1.24.

Quite frankly, it is not only for housing, but for those people who need to replace old appliances in their homes, it is a significant savings.

• (1245)

**Hon. Larry Bagnell (Yukon, Lib.):** Mr. Speaker, what would be even more helpful for that woman would be a big rebate for getting an energy efficient appliance, but that is not my question.

My question is whether the member will support us in reinstating the millennium scholarships.

As members know, at the millennium year, when the rest of the world was building concrete structures to celebrate the millennium, Canada invested in its people and we put out this wonderful program, most of which goes to low income people. In my riding alone, there were at least 869 millennium bursaries totalling \$2,607,000. We have had many students here in the parliamentary precinct. It has helped them so much.

Now that the fund has run out, would the member support us in getting it reinstated so we can carry on with that excellent program?

**Mr. Rick Norlock:** Mr. Speaker, I understand that it was a unanimous recommendation by the finance committee that the millennium program be continued, and I would support that.

I will tell members why this government supports education. It is more than just words. There has been a 40% increase in the federal budget toward post-secondary education, one of the largest, if not the largest, increase in post-secondary education in the history of this great dominion. More than that, the government believes it is necessary as we move toward a more knowledge based economy.

*Government Orders*

**Mr. Michael Savage (Dartmouth—Cole Harbour, Lib.):** Mr. Speaker, I am pleased to take part in the prebudget debate.

When I used to sit on the finance committee, I enjoyed travelling the country and going into different communities with my colleagues from Scarborough—Guildwood and Markham—Unionville and other distinguished members of our party. We would listen to Canadians, hear what they had to say and had an opportunity to put that into a report.

I had the chance last year, although I am not a member of the committee, to sit in on one session held in Halifax, in December, in my home community of Dartmouth—Halifax. I found that very useful too. It is important to hear from Canadians.

I remember being on the finance committee the day after the government announced the cuts back in the fall of 2006. At that point in time, pre-scheduled to meet with us that very day was the Canadian Museums Association. The guy had a presentation to give but he decided not to give it because it was irrelevant. He said that the association had been cut to bone and that it did not make sense. He asked why the government had done that. In our consultations that followed, we heard more and more from people who had their programs cut. Those cuts tell us a lot about the government and its ideological approach.

I want to focus my comments on areas for which I now have critic responsibility, which is the human resources area. Some of those cuts included, incredibly, literacy. I believe \$17.7 million was cut from literacy programs. That is hard to believe. Literacy Nova Scotia puts programs together on bubble gum and toothpicks. It hardly has any money. What little money it had was cut out from underneath.

I received letters from Learners of Nova Scotia. One learner in the riding of Kings—Hants sent me his story. He never had a chance until he hooked in with a literacy group and now his program was in danger of shutting down. Literacy Nova Scotia had no money and could not continue after the cuts.

I met with the department and the minister at the time. I asked them what they were doing. They told me not to worry about it. Although they had taken \$17 million away, they said that they had tens of millions of dollars that would go into literacy. I asked them where it would go and I was told they would let me know.

I then asked the literacy groups if they were receiving any money and they told me no. I asked the department where the money had gone. I was told it had gone to two groups, but the rest of the money would be coming. An awful lot of things are coming, and not particularly fast.

Recently we put a question on the order paper. We asked what the funding was for literacy last year. This is the response we received from the Department of Human Resources and Skills Development. It said, “These amounts of funding were provided to national, provincial and local organizations for literacy in the years as follows: 2005-2006, \$33,359,000; 2006-2007, \$16,800,000”.

This is half of what had been given the year before. Where is the money for the literacy groups? It is gone.

At the same time, \$6.5 million was cut from the Canadian volunteerism initiative, the CVI. Its total budget was \$7.5 million of which \$6.5 million came from the federal government. It chopped it all. The group puts together the infrastructure for volunteering.

There is not one member in the House of Commons who did not get here because of volunteers. Most of us, on all sides of the House, have been volunteers in many capacities, whether helping the Heart and Stroke Foundation, or the Canadian Cancer Society or maybe simply providing care to loved ones at the end of their lives, or a child who has autism, or a child who has special needs, or an aunt or an uncle who needs help.

If we take the volunteerism out of Canada, we collapse. If we take away the support of voluntary caregivers, for example, and let the system provide the nursing care and the respite care, the full care, the system will be bankrupt virtually overnight. There is not an area in Canadian society where we cannot look to and say that it relies on volunteers.

●(1250)

I was president in Nova Scotia of the Heart and Stroke Foundation. I believe we had 16 paid staff, but thousands of unpaid staff who went knocking on doors on cold February days. Some are out there now, knocking on doors to raise money for the Heart and Stroke Foundation. Six and half million measly dollars was cut by the government. It is shameful. It is unacceptable.

We recently had an opportunity in my riding. The member for York Centre was touring Canada. He calls it, “It takes the country to fight poverty”. He came to my riding. The member for Halifax West and I co-hosted a meeting in a church basement, expecting some people to come out to talk about poverty. Three hundred people turned out to talk about poverty and to talk about our leader, the leader of the Liberal Party, who came out with his 30:50 plan to tackle poverty, to reduce the number of Canadians living below the poverty line by at least 30% and cut in half the number of children living in poverty over five years.

Poverty is not a vote getter. People who really live in poverty need help the most. The Metro Turning Point Shelter in my community has 60 beds that are full every night. Men come in between 7 o'clock and 11 o'clock in the evening. They sleep in one room in beds that were surplus from a prison, I believe. Eighty per cent of them either have mental health or addiction issues. Imagine what it is like to sleep in that room.

In the morning they get up at 7 o'clock and go to Hope Cottage, which is a multi-denominational church that sponsors a food bank. They go there for their food and they spend their days in the street.

Some of the younger ones may be involved with Phoenix Youth Programs, which deals with troubled young citizens who have issues with mental health and many of them with addictions. The coalition on homelessness does what it can to support the people who do this, the Canadian Mental Association. However, one thing about those folks is they do not generally vote because they spend their time trying to live.

*Government Orders*

The leader of a national party, who has the opportunity to form a government, has said that he will draw a line in the sand and cut poverty by 30% and child poverty by 50% over five years. People have talked about poverty for many years. Some things that have come along, like the child tax benefit, have made a difference. For a leader to stand up and say that he will stake his government on hitting these goals is pretty inspiring for these people.

I talked to a couple of people. One came to me afterwards and said that he had worked against me the first time I ran. He worked with the NDP. However, he now is working for the Liberal Party because the NDP are not doing this kind of thing in our community.

Somebody else asked to speak to the member for York Centre after the meeting. The person never believed the Liberals could take a big bite out of poverty, that we could have a national early learning and child care plan either, but the Liberal party gave it to the people and because of that, the person was with us. That is pretty powerful stuff.

The leader of the Liberal Party has come out with a plan which would, among other things, create the making work pay benefit to lower the welfare wall and improving the Canada child tax benefit to support working families by making the non-refundable child tax credit into a refundable credit, so even those who do not pay tax get it.

We often hear that the GST is great for people who are poor. The guys staying at Metro Turning Point do not go out to by an Escalade in the afternoon. They are not taking advantage of it. A lot of people simply cannot.

Another part of our plan is to help lift vulnerable seniors out of poverty by increasing the GIS, to honour the Kelowna accord, a plan for aboriginal Canadians, and a number of other things too such as fighting for access to things like affordable housing, child care, public transit.

My recommendation for the government would be to look at some of these things and see if it could not, for once, do something for the people who need help the most.

I want to talk about education. I know I talk about it a lot, but it is an important message. Canada is a nation that is highly educated, and we have done pretty well. We have done well in some ways more by accident than design. We are a big nation, huge in natural resources with a relatively small population, largely spread in central centres. We do not have the kinds of tornados that swept through the United States yesterday. We do not have the kinds of natural disasters we see across many continents. We have not had world wars fought on our soil. We have had things pretty good.

• (1255)

We now face new challenges in the world. We face the emerging economies of China, India and Brazil. They are not our enemies, but they will be competitors for human capital over the next number of years.

We also see huge investments being made by OECD nations, which know they have to increase their skill level. They know they have to increase every citizen's ability not only for their own sake, but so they can contribute to their national economies.

One of the last acts of the previous Liberal government in 2005 was to bring an economic update into the House. We wanted to focus on helping students. We wanted to help all students because we felt it was important, but particularly important was to help those most in need. That update included \$550 million over five years to extend Canada access grants to 55,000 students from low income families. The grants would have been extended to all four years of an undergrad education.

The update also included \$2.2 billion over five years to improve student financial assistance and make post-secondary education more accessible for low and middle income Canadians. There was money for internships and MBA scholarships. Money for workplace training to enhance participation by aboriginal Canadians was also included. There was money to specifically assist persons with disabilities to get post-secondary education.

Young Canadians, and they may be in their early twenties, have come to me because they are faced with a particular challenge. I am sure other members of Parliament see them as well. Many of these young kids graduated from grade 12 feeling like they belonged. However, other kids, who were part of their graduating class, were heading off to university or community college or getting a job. Those the kids are left at home because there is a black hole once they leave high school.

The kids who come to see me do not look for much. They are looking for some workplace training. They are looking for an opportunity to get a job to do what they can do to provide for themselves and society. Our Liberal government put \$165 million in the update to help those kids have a better chance at an equitable life. When the government was defeated and the Conservatives came in, that all went out the window. It is a crying shame because we are not doing all we can to assist children to get the education they need.

Another program was the summer jobs program, which we remember from last year. The Conservative government knew it worked, but it had to put its own stamp on it. The government changed the program from the summer career placement program to the summer jobs program. It reduced the amount of money and changed the criteria.

Organizations across this nation, almost all of them not for profit, relied on the summer jobs program. Students thought this was crazy. There was a big fuss by a lot of members of Parliament on this side of the House. I remember one day last year, eight different Liberal members stood up in question period and asked a question about that summer jobs program. It clearly was broken, but the Conservative government said that things were fine.

We asked if the government was going to put more money into fixing the hole. The answer was no, things were just great. In the fall, the government slipped \$45 million into the supplementary estimates to cover its tracks. I will give the present minister credit for going back to the old Liberal program. We will have to see how it unfolds over the next few months.

*Government Orders*

That clearly showed the government did not respect students or community organizations, made up of volunteers who help us run the country.

There are some good ideas out there. I do not have to give all the answers, but let me talk about a few recommendations on the post-secondary side.

My colleague from Yukon was 100% correct about the millennium scholarship foundation. I was pleased to hear the previous Conservative speaker say that he supported it.

The millennium scholarship foundation was set up in the late 1990s by the Liberal government, and it has been a success. There were some problems early on with respect to it. There were some clawbacks in some of the provinces. There were some issues with getting it organized. It now works very well. Every province and every territory work with the millennium scholarship foundation and want it renewed. The foundation provides about \$350 million every year of almost exclusively needs based funding for students. That needs to be replenished. We cannot afford to lose \$350 million of funding for students.

● (1300)

Almost everyone wants to see the millennium scholarship replenished, or some of those people who I think have an ideological aversion to the millennium scholarship want to replace it with a needs based granting system. We definitely need to do something.

The Canada student loans program needs to be redone and looked at in a whole new way. We need to open it up to more people. We need to expand its scope. We need to reduce the cost of borrowing so that it makes more sense for students. We need to reduce bankruptcy provisions for students along with it.

Those are my views. I encourage the government to have a look at that. We studied some of this when I was on the finance committee.

Julian Benedict, who heads up the Coalition for Student Loan Fairness, has put together a lot of work on this. This is not new. This is not something the government has to study to death. The solutions exist.

Invest in research and innovation. Build on the great progress of the Liberal government in the late 1990s and early in this century, when the economy was finally on track after that \$41 billion annual deficit was turned into a surplus. We started to invest in research and innovation. I would admit that like poverty, it is not a big vote getter, but it may well be the single most important achievement of Canada in the last 10 years in becoming competitive.

Ten years ago we used to hear about the brain drain. In the *Globe and Mail* we would read about losing researchers to the United States and other parts of the world. It does not happen now. We are repatriating researchers to Canada because of those investments in CFI, CIHR, the granting councils and a whole host of research oriented areas. We are starting to lose that. And what did the government do? It fired Dr. Art Carty, one of the pre-eminent scientists in this country, who was leading the charge on a lot of this and had great respect in the research community. It is pretty scandalous.

Why do we not invest in research? Taking the indirect costs of research was something else from the economic update and we increased it to 40%. The Conservative government turned that over. Invest in the CIHR. The Canadian Institutes of Health Research came to the finance committee, 13 institutes that do unbelievable work. I know about the CIHR not because I am a doctor or because I am particularly scientifically gifted, but because I was involved in the national board of the Heart and Stroke Foundation when the CIHR came along. It changed research in Canada.

Organizations like the Heart and Stroke Foundation redid their governance. I know because I was part of it. I have the scars from that. We redid our governance so that we could pool money to take advantage of the CIHR which now in my view is being marginalized. We are losing another great researcher; Alan Bernstein has left his head position at the CIHR to go to New York. We need to do all of these things.

We should talk about the Atlantic accord. I am sure my colleague from Gander—Grand Falls will tell us. We stood in the House about a year ago when the budget was being read and realized the Conservatives were killing the Atlantic accord, the most important piece of economic development for the province of Nova Scotia and for Newfoundland and Labrador. The right hon. member for LaSalle—Émard signed that deal in 2004 guaranteeing Newfoundland and Labrador and Nova Scotia exclusive access to their offshore resources and all of a sudden it was being killed. What could be done?

We know what happened. First the then minister of foreign affairs who is now the minister of defence said, “Nobody is going to be kicked out of our caucus for voting on principle”. That was before he realized there was no one over there who had principles. Then they changed their minds. All Canadians want the Atlantic accord back.

There are a number of things the government could do to improve on the budget it is proposing to bring forward. We know that Tory times are hard times and we see coming down the pike the possibility of a recession. What is troubling is that the misery being inflicted on the poor people in Canada because of a right-wing ideology appears set to continue. Ask women's groups, minority groups which lost the court challenges program, literacy groups, hard-working public servants who are losing their jobs because they were doing their jobs. Ask students what they are going to do with an \$80 tax credit, working families who find it tough to get child care. Tory times are tough times and we deserve better.

● (1305)

**Mr. Garry Breitkreuz (Yorkton—Melville, CPC):** Mr. Speaker, I listened with great interest to the member opposite. He concluded by ranting against right-wing ideology, intimating that somehow Canadians do not sympathize with this.

*Government Orders*

I would like to relate to the member the reaction I receive in my constituency to some of the things the government has done. There are some very popular measures. One of those is the pension income splitting and another is the \$1,200 per child assistance to families.

I come from a riding that has the dubious distinction of having the highest proportion of seniors in Canada. One of the things that is very important to them is something else that we have been doing that enables the government to reduce taxes and give back to parents some of the money that it has taken from them. Tax reduction is something that we have absolutely emphasized is important to all Canadians.

When the member rants against those who have a right-wing ideology, I challenge him to go out and talk to the people of Canada about the specific measures that this government has implemented and what they mean to them. I think he will find out and he will agree that they actually support what we are doing.

One of the key things that I want to ask the member's opinion on is whether he agrees with our emphasis on paying down the debt. To me this is one of the more important things that we have done as Conservatives. That is something that helps everyone. If we do not pay down our debt, we will continue to have huge interest payments which do not allow us to have the tax reductions that we should have.

Tax reduction can happen when government spends less. When we have a huge debt hanging over our shoulders, we cannot put in place that tax reduction. Does he agree that paying down the debt should be a priority for us as a government?

**Mr. Michael Savage:** Mr. Speaker, I agree that paying down the debt that was left over from the Conservatives is a priority. We did that when we were in government. We fixed the \$41 billion mess that was left by Brian Mulroney and the Conservative Party.

In Nova Scotia the provincial Liberals inherited a \$671 million debt in the same year. That was a provincial Conservative debt from John Buchanan.

Yes, I agree with the member that the Conservatives left a mess. I agree that it has to be paid off. His government took out the fiscal prudence that the member for LaSalle—Émard and the member for Wascana always put in so that we had something to pay down the debt with.

I would say that at a time when there is the possibility of a recession and difficult economic times, we need support for the manufacturing, forestry and other industries. I do not know that \$10 billion is an appropriate amount. I think we need to have a discussion about that.

Not all Canadians benefit from lower taxes. The poorest of the poor who live on the street do not pay any tax. Those guys on the other side of the House think the GST helps everybody. They do not understand and they do not care that there are people who make no money whatsoever. We as a government and as a nation owe them something, unless we do not think that they are worthy of our help or they are below us somehow. That is not the case.

The Liberals believe in paying down debt. We did it. We believe in reducing taxes. We did it. We also believe in taking care of Canadians who need our help.

● (1310)

**Mr. Francis Scarpaleggia (Lac-Saint-Louis, Lib.):** Mr. Speaker, I am sitting right beside my colleague and I guess we could have a conversation between us. However, for the record, I would like to say that the hon. member mentioned that he is not a doctor nor an economist. I think he should receive an honorary doctorate in economics for the speech he gave.

**Mr. Michael Savage:** Mr. Speaker, I accept.

**Mr. Francis Scarpaleggia:** Mr. Speaker, I would like the hon. member to comment on a couple of ideas.

We hear a lot from the party opposite that we have to be disciplined and take the long view. As a matter of fact, the hon. member who got up a few minutes ago said that if we do not pay down the debt at an accelerated pace, we will be hurting future generations.

I think it is a question of balance. We pay down the debt, but we do not slash and burn in the short term simply for ideological reasons.

The party opposite always talks about taking the long view. However, when we look at their policies they are all short term policies that are targeted for short term political purposes and goals. We still do not have a science and technology policy. This is something that we need to build in Canada for the long term.

We do not have a national water policy which is something that we need to protect our economic growth in the long term.

Literacy is very important, especially in a high tech economy. Literacy is very important for long term prosperity. The government slashed literacy. Then we also saw the largest spending budget in Canadian history.

Where is the long term view in the government's approach? Does the government care about the economy, or does it only care about politics?

**Mr. Michael Savage:** Mr. Speaker, that is a powerful question. I must agree with my colleague on those things.

One of the funniest things I saw recently was the Prime Minister speaking to his caucus before the House came back saying, "If things are going to get tough, do you want to trust the Liberals?" Mr. Speaker, I know you are impartial and cannot laugh when you hear that, but the millions of Canadians who are watching us now are saying, "Wait a second, the Conservatives left us a \$41 billion annual deficit and a \$500 billion debt. The Liberals fixed it up, invested in the priorities of Canadians and gave the Conservatives a \$13 billion annual surplus. The Conservatives are the ones who cannot run an economy to save their lives. They give money away but not to the people who need it".

That is a group of people over there who love power but hate government. Government can be a source of good things. We can reduce taxes. We can pay off debt. We can provide better services to Canadians. The Liberals can do it; the Conservatives cannot.

*Government Orders*

**Mr. Mike Wallace (Burlington, CPC):** Mr. Speaker, the hon. member spoke about students quite a bit. He highlighted that there are two recommendations in the report we all agreed on, that we provide need and merit based support for students at post-secondary institutions and that the Canada Millennium Scholarship Foundation look for continued support.

However, I looked in the Liberal supplementary report and in its four pages there is absolutely no discussion of students or young people. There is no discussion about the four or five items that he did not like and which he highlighted at the end of his speech.

The member must be awfully disappointed in the finance people in the Liberal caucus who did not mention in this report any of the areas that he talked about in his speech today.

Why did the member's own caucus not deal with the issues that he brought up today?

**Mr. Michael Savage:** Mr. Speaker, Liberals across the country certainly are leading Liberals. The Leader of the Liberal Party, the member for Markham—Unionville and others have spoken across the country on the need for investments in post-secondary education.

We do not even need words. We need only look at actions. I could photocopy the economic update document and send it to my friend from Burlington. He may not have seen this because this was before he was elected. In the economic update that I talked about, there are billions of dollars in direct investments for students. The Liberal Party knows and understands the needs of students in Canada. We stand with them on those needs.

I can say that when we go to the people in the next election, we will be talking about education, post-secondary education, universities, community colleges, skills upgrading, training, apprenticeship and lifelong learning, because those are the things that the Liberals stand for. Those are the things that the Liberals stood for. Those are the things the Liberals did something about when we fixed up the Conservative mess in this nation. It is what we are going to do when we fix up the mess when we take over again.

• (1315)

**Mr. Garry Breitkreuz (Yorkton—Melville, CPC):** Mr. Speaker, I have to put a correction on the record. When the hon. member says that debt reduction does not help everyone, especially poor people, he is dead wrong. When taxes are reduced, and that can only be done if the amount of money that government spends is reduced, it helps everyone. Every product that we buy has taxes built into it. It is not just the GST that is tacked on to it. Businesses are taxed, everybody is taxed and that is built into the product that is being sold. Therefore, it is incorrect to say that.

I have a quick question for the member. He is from a rural—

**The Acting Speaker (Mr. Andrew Scheer):** I am afraid I will not be able to allow the member to finish his question because there are only about 20 seconds left for the hon. member for Dartmouth—Cole Harbour to respond to the comment.

**Mr. Michael Savage:** Mr. Speaker, I want to correct the correction. I did not say that debt reduction does not help all Canadians. I said tax reductions do not help all Canadians. Not all Canadians actually pay taxes.

Tax reduction is good, but there are other ways to help people than reducing taxes. Direct subsidies to people who need help could be increased. Investments could be made in homelessness, literacy, education and all the things the Conservatives do not believe in.

**Mrs. Joy Smith (Kildonan—St. Paul, CPC):** Mr. Speaker, I am honoured today to share my time with the member for Winnipeg South.

Today it is my great honour to speak about what our government is doing regarding the budget consultations. Right now in Canada we are among the strongest G-7 economies and the only G-7 member with both an ongoing budget surplus and a falling debt burden. That is remarkable.

Canada is also an emerging energy superpower. We are among the world leaders in clean hydroelectric power and natural gas production. We have one of the strongest and largest global oil reserves.

Nevertheless, we are also taking aggressive action to manage economic uncertainty. We are making broad long term tax reductions which impact on the Canadian public throughout our nation. We are reducing record amounts of debt, and we are spending responsibly and efficiently.

Canada cannot be immune from uncertainty in the U.S. nor immune from the global economy as a whole. Canada is working from a position of strength. Our economic fundamentals are solid.

We are experiencing the second longest period of economic expansion in our history. Inflation is remaining low and stable. We have the best job market in a generation. Our unemployment rate is the lowest in 33 years. Canada is one of the few countries with a financially sustainable public pension system and that benefits many of our residents and our seniors.

While we have seen job gains in other well paying sectors, manufacturing job losses are a real concern to our government. That is why we have introduced a billion dollar community development trust to help workers and communities facing major downturns.

That is why we have put \$8 billion in tax relief for manufacturers to help create the right economic climate for job creation.

We believe that paying down our national debt is important for Canadians. It is important for our economy. It is also important for the future generations of Canadians who should not be burdened with the debt we have accumulated.

In less than two years, our government has reduced the federal debt by nearly \$37 billion including \$10 billion in this fiscal year and at least \$3 billion each year after that. This means the federal debt burden on every Canadian man, woman and child is lowered by about \$1,570 or about \$1.5 billion a month. That brings the balance of our federal debt to \$467.3 billion from its peak of \$562.9 billion in 1996-97. That is a reduction of over \$95 billion. That is remarkable.

### *Government Orders*

In 2006-07 the government spent 14.4¢ of every revenue dollar on interest on the public debt, down from the peak of 37.6¢ in 1990-91. We intend to continue along this track. At this rate the federal debt will fall below 25% of our GDP by 2011-12, three years ahead of the original target date, marking the lowest debt burden since the early 1980s.

This is important to our small businesses. Yesterday I met with the Canadian Federation of Independent Businesses which is very supportive of the tax cuts that the government has made. The Canadian Federation of Independent Businesses has over 100,000 members throughout our nation. In one of its surveys of its members it asked this question: In what proportion should future federal surpluses be applied? The responses were as follows: 48% said pay down the federal debt; 36% said reduce taxes; and 16% said increase program spending.

As we can see, small businesses across our nation feel that the main priority is to pay down our debt and reduce taxes. That is what we have done and that is what we will continue to do in order to support all Canadians.

With the \$60 billion of cuts announced in our fall economic statement, including another one percentage point reduction in the GST, the total actions taken by the government to date are approaching \$200 billion in tax cuts over this year and the next five years.

• (1320)

Close to 75% of the tax relief offered by the government benefits individual Canadians and their families. That is how it impacts on our population today: a reduction in the lowest personal rate, from 15.5% to 15%; an increase in the basic personal amount, to \$9,600 for 2008 and to \$10,100 for 2009; a working income tax benefit was put in place to help low-income Canadians over the welfare wall; a registered disability savings plan was put in place to assist parents of persons with disabilities with the tools to provide financial security for their loved ones when they can no longer care for them; and also a child tax credit providing up to \$300 of tax relief for each child under 18 years of age.

For the first time ever, we are providing pension income splitting for all seniors and pensioners. We also eliminated the capital gains taxation on gifts of listed securities to private foundations.

By reducing the GST by another percentage point, our government has fulfilled a key campaign commitment and kept its word to Canadians, to our voters. Reducing the GST from 6% to 5% builds on the initial GST cut introduced in budget 2006. For consumers, the total savings from the two percentage point reduction will amount to approximately \$12 billion.

In another survey by the Canadian Federation of Independent Businesses, members were asked to rate the priority of reduction of taxes by the federal government. Here, 39.1% placed a high priority on reducing the GST and 39.9% placed a medium priority on reducing the GST. So we can see, overall, it was a very high priority for the sample. We are listening to small business.

Today, Canadians are already benefiting from one new tax cut, thanks to the Conservative government's second GST cut in as many years.

In the weeks ahead, Canadian families can look forward to even more tax relief as the Conservative government's retroactive income tax reductions also take effect. Our Prime Minister has cut income taxes retroactively. As a result, Canadians families will have a smaller tax bill for the 2007 year. I know all of us are looking forward to that. Effective January 1, 2007, the lowest personal income tax rate will be reduced to 15% from 15.5%.

In addition, the amount that all Canadians can earn without paying federal income tax will be increased to \$9,600 for 2007 and 2008, and to \$10,100 for 2009, as I said before.

Together, these two measures will reduce personal income taxes for 2007 by almost \$225 for a single worker earning \$40,000. A two-income family that earns \$80,000 will save more than \$400 on their 2007 tax bill. That is significant.

Thanks to the leadership of our Prime Minister, Canadian families will have more money refunded for last year, more money this year, and more money for the years to come. That is money into the pockets of everyday Canadians, where it counts.

While the Leader of the Opposition spends his time musing about the kinds of higher taxes he wants to impose, our Prime Minister continues to show real leadership by lowering taxes and allowing hard-working Canadian families to keep more of what they earn.

Something that I am personally very excited about is the taxpayer bill of rights that our government introduced last year. It was very pleasing to stand with the minister and be there when she announced this taxpayer bill of rights. This is a historical document that will benefit all Canadians, including those in my riding of Kildonan—St. Paul.

We believe that our tax collection system can be more accountable and more user friendly for the public. The public need not be fearful of dealing with the Canada Revenue Agency to meet its tax obligations.

There are 15 points. I know I am running out of time and cannot go over all 15 points. However, the taxpayer bill of rights was a groundbreaking initiative that our government put forward.

In closing, these significant steps will help Canada remain well positioned to face any volatile environment. The opposition consistently criticized and opposed these vital measures, offering nothing as an alternative but costly band-aid solutions with no long term vision, threatening to return Canada to a deficit. Approaching budget 2008, we will continue to act in a stable and responsible manner.



*Government Orders*

• (1325)

**Mr. Paul Dewar (Ottawa Centre, NDP):** Mr. Speaker, I listened attentively to my colleague's comments on the government's financial pathway. She talked about a bill of rights for taxpayers. I recently visited a housing project in my riding and met with some people who are doing their best with very little. It is not far from here, Mr. Speaker, and if you have the time I would love to take you there. The people in that housing project are deeply concerned about the government's priorities.

In particular, the six women I talked to all have families. Some of them are living in one bedroom apartments, five or six people living together as a family. They are paying 90% of their income on rent. This government has done absolutely nothing for them. They cannot eat the taxpayer bill of rights. It will not pay the rent and what is abhorrent is that most of the people I was talking to were actually newcomers. Two of them were from Afghanistan. They are living in abhorrent conditions here in Canada.

Their question to me, that I will pose to the member is: what is the government doing for them?

**Mrs. Joy Smith:** Mr. Speaker, clearly, the \$100 that is given to families across Canada is a really concrete benefit to all families, no matter what the income level is. It really helps support the food on the table, the child care, the kinds of things that are needed on an every day basis.

Our government now has put more money than ever before into homelessness, with transfer payments to the provinces on the issue of affordable housing. I know in Winnipeg I have made no less than four announcements for people who are in low income housing. I know the people with whom I talked to there were appreciative of the kind of finances that the government had put into affordable housing in my province of Manitoba.

I think that our government has placed a priority on families.

• (1330)

**Hon. Larry Bagnell (Yukon, Lib.):** Mr. Speaker, one of the items that I have been pushing for a long time is an increase in the northern residence tax deduction. People in the north face higher expenses so there is a tax deduction for them. It has not changed in some time.

As the critic for the north, I have heard that people from the Northwest Territories and Nunavut would like that as well. I wonder if the member would support me in getting some increase to the tax deduction.

**Mrs. Joy Smith:** Mr. Speaker, the north is a very special place. I have flown up to the north on several occasions and have been just awe struck by the potential that is there and the development that is going on in our Canadian north.

Having said that, I know there are challenges in terms of increased expenses for basic things like housing, food and even transportation. The good thing about the House of Commons is that we can sit on committee and we can all put forth our suggestions and work together to ensure that these inadequacies that we do find in our population can be addressed. I would certainly stand with the member in this area.

**Mr. Larry Miller (Bruce—Grey—Owen Sound, CPC):** Mr. Speaker, we all know that the NDP has never seen a surplus that it

would not love to spend. The Liberals have never seen a surplus that they have not spent. The member commented on a taxpayers bill of rights. With a taxpayers bill of rights, if we had that back in the days of former Prime Minister Trudeau, in her opinion, would we maybe not have a deficit today? Could the member comment on that?

**Mrs. Joy Smith:** Mr. Speaker, the former government had 13 years to solve this problem. In just the two short years that our present government has been in power, we clearly have addressed Canadians' concerns. Whether it is in cutting taxes or with the taxpayers' bill of rights, we have tried to fill in the gaps. We will continue to do more very quickly.

**Mr. Rod Bruinooge (Parliamentary Secretary to the Minister of Indian Affairs and Northern Development and Federal Interlocutor for Métis and Non-Status Indians, CPC):** Mr. Speaker, it is an honour to speak in relation to this prebudget consultation debate. It is unfortunate, though, that I have to follow the member for Kildonan—St. Paul, because she has so completely captured our government's position that it is difficult to add to what she said. If I were a lawyer, I would say the case is closed, but thankfully I am not a lawyer.

However, I will try to expand a bit on what she has said and focus some of my statements on the tax cuts of which she spoke. Now more than ever, I think, we are realizing that with the softness in markets south of the border and abroad, it is essential that we as a government prepare our country to be able to withstand any changes south of the border, to continue the substantive economic growth we have seen, and to maintain the incredible growth in jobs over the last number of years.

Thankfully, we have a Prime Minister and a Minister of Finance who have been able to see this for some time and who have had the vision to bring in some of the most historic tax cuts in our nation's history. There have been some 60 tax cuts since our government took office 21 months ago. As I think back to January 23, 2006, it has been only two years, but the amount that has been accomplished is really quite incredible, especially in relation to the previous government.

It is as if we came to office understanding the situation the country was in and realizing that it was time to give back to all the hard-working, taxpaying Canadians and the businesses that have built our country and maintained such an incredible economy. That is exactly what we have done. We have given tax relief in the realm of \$190 billion, not only this year but over the next five years. As well, in the previous economic statement in October, we added an additional \$60 billion in broad tax cuts, including a further reduction in the GST.

We often hear the opposition complain about the GST cut. In the past, we have heard that complaint many times from the Liberals. In fact, in 1993 the Liberals won an election based on the promise of getting rid of the GST, but of course that got tossed the day after the election. They actually utilized the revenue from the GST for a number of years. There is no question about it: they had no intention of ever keeping that promise.

*Government Orders*

As a government, we felt it was the right time to bring that tax down. We committed in the last election campaign to reduce it from 7% to 6% to 5%. We promised to do that in five years, but as everyone knows, as Conservatives we like to take the initiative and get the job done, so we actually achieved that promise in less than five years.

In fact, it took us under two years in office to accomplish that reduction. The opposition parties, and specifically the Liberals, have complained quite loudly about this reduction, but when we think about the GST reduction and the timing that is now in effect, we are seeing it come in at a moment in Canada when it is actually needed quite considerably with our dollar where it is.

Our dollar, being affected by international markets and the strength of the Canadian economy, has risen quite dramatically, to the point where it actually broke the \$1 mark in U.S. dollars. That was somewhat unexpected and has really put some pressure on Canadian consumer prices. There has been a lot of interest by consumers in reductions in the prices that they see relative to other markets.

Therefore, bringing in the GST cuts is one thing the government can do to assist our business community and our retailers in dealing with what many see as a challenging situation with our dollar. Thankfully, the dollar has moved back from its high mark of \$1.10, and we hope we will be able to continue to work our way through this time of parity.

● (1335)

The GST cut has definitely helped the auto sector, which has had considerable pressure placed upon it over a number of years, in that it has seen both growth and decline. A GST reduction such as the one we have put into place has really aided the auto sector in being able to offer prices at a much reduced rate. I know that members opposite complain about and scoff at a \$600 saving on a vehicle, but \$600 is a lot of money where I come from. Maybe at their country clubs they can light their cigars with those six \$100 bills, but back where I am from, that is a lot of money.

Of course, the purchasing power of consumers is going up. That is an important thing to remember, because Canadians want to take more of that pay home and they deserve to take more of that pay home. I am someone who believes in having more money in the taxpayer's pocket and not in funding every government program that the Liberals, NDP and Bloc want brought in.

There is a time for government intervention and there is a time when government needs to back down. When the fiscal capacity of government is removed by returning it to the people, where it actually rightfully belongs, it becomes a more conservative environment so that government is able to look at all of its spending programs under a conservative lens.

Thankfully, that is what this Prime Minister has been able to accomplish with the changes he has brought in, and we actually are seeing considerable benefit in our economy. Out in Manitoba, where I am from, we are seeing a fantastic situation because of the fact that we have seen a real retooling of the fiscal imbalance in our country. It was something that our party campaigned on. We campaigned on

changing our equalization program to better suit Canada and, in reality, to bring it back to its original form.

Unfortunately, the previous Liberal government dealt with it in a way that became very political. It was utilizing federal fiscal capacity to begin intervening in the territory and the jurisdiction of the provinces. Perhaps the Liberals felt that it was a successful political methodology to utilize, and maybe they were right in some situations, but in terms of actually keeping the federal government in the jurisdiction in which it belongs, it was the wrong choice.

Now we can look at provinces such as Manitoba, which under this new formula is receiving \$1 billion more than it did. That is allowing the province to actually start working in the areas that are in its jurisdiction, such as post-secondary education, health and child care. These are the areas that Manitoba can now focus on, instead of having the federal government trying to come up with some half-baked scheme, such as we saw under the former administration, with plans that could not possibly work and could not possibly be funded but were built only as an electoral scheme to draw votes.

Of course, we are seeing this country emerge as an energy superpower that is second only to Saudi Arabia. Canada has been able to utilize its natural resources, including its petroleum supplies, thus allowing our country to continue our stellar economic growth pattern.

This does not mean that we cannot continue with our other economic and energy strategies. Too often, we forget that Manitoba is one of the largest exporters of green energy. Manitoba's hydroelectric capacity is practically the largest in North America. It is something that is under-reported, so I have to incorporate it into my speech now, if members will indulge me.

I have spoken about the debt reduction, which is at about \$10 billion over this year alone and at \$27 billion since we came into office. That is the equivalent of \$1,570 for each man, woman and child.

● (1340)

This is going to be a legacy for our children and for the individuals who will come after us so that they will have the capacity to be able to continue building this country in the future and to continue to make it the greatest place on earth to live. I know that as I look back on the time that I have spent in the House of Commons I will realize that with the leadership that we have had from the Prime Minister we have done exactly that. We have left an excellent legacy for our constituents.

[*Translation*]

**Mr. Marc Lemay (Abitibi—Témiscamingue, BQ):** Mr. Speaker, I listened to most of the speech by my colleague opposite.

*Government Orders*

We are at the prebudget consultation stage. The member who just spoke in the House and who is the Parliamentary Secretary to the Minister of Indian Affairs and Northern Development must be starting to anticipate my question. It is incredible. We have the founding peoples of this country, the people who were there before us and they are the aboriginal peoples. I did not see anything in the prebudget consultations about what the government would like to see done or what investments it could make to help aboriginal populations. I do not want to discuss last year and I hope that my colleague will not start in again about the Declaration on the Rights of Indigenous Peoples.

I have a very specific question. Would it not make more sense to consider investing even more, particularly in housing. There is an urgent need for it in aboriginal communities. In view of the \$4 billion profit of the Canada Mortgage and Housing Corporation, would it not make sense, in the next budget, for a portion of the CMHC surplus to be spent on building or upgrading residences in aboriginal communities?

[*English*]

**Mr. Rod Bruinooge:** Mr. Speaker, there is no question about our commitment to assisting aboriginal people in being able to achieve housing capacity in their home communities, but going even further than that, I believe that what we are attempting to do is actually provide first nations peoples, specifically those on reserve, with the opportunity to own their own homes.

I was very fortunate to be part of an earlier announcement in the spring. A young first nation lady by the name of Alisha Bigelow was the first recipient of a program in Manitoba that assists first nations people in being able to come up with the down payment. We have seen among first nations peoples that it has been challenging to buy that first home. The most challenging part has been coming up with the down payment.

It was really exciting for me to be a part of this announcement that there is now government assistance for first nations people in buying a home and getting a mortgage. We assist them by helping them with the down payment. This is essential because it is actually a change in direction. Allowing people on first nations reserves to actually own their own homes is a departure from the past.

• (1345)

**Mr. Mike Wallace (Burlington, CPC):** Mr. Speaker, while my colleague made an excellent presentation today, being that he is the Parliamentary Secretary to the Minister of Indian Affairs, I have a question. As a member of the committee, I do not recall us ever debating a recommendation on moneys for Indian Affairs, but I see that the Liberal supplementary report is now saying that the government should implement the 2005 Kelowna accord as agreed to by the premiers of the provinces. I think the Liberal critic made a presentation today to the press.

There was no debate on this item. Could my hon. colleague tell us what is the danger of having this included in this document and why it is irresponsible?

**Mr. Rod Bruinooge:** Mr. Speaker, I actually have no surprise at hearing what the member has mentioned, in part because this is how the entire Kelowna concept first came about. It was rushed and last moment, previous to an election call.

It was from a government which knew that it had accomplished nothing in relation to aboriginal peoples over its entire tenure. It had to rush out this very ill-conceived press release at the last moment. The Liberals often speak about it as something that was an accord. Of course I know that accords are signed. There was actually no agreement as to how those proposed dollars would be spent among first nations leaders, but of course everyone knew that it was right before an election. It has received that type of stature, but it unfortunately is only a shameless attempt at trying to establish some degree of credibility on the file.

[*Translation*]

**Mr. Jean-Yves Laforest (Saint-Maurice—Champlain, BQ):** Mr. Speaker, I would like to say at the outset that I will be sharing my time with the very effective member for Trois-Rivières.

On the occasion of this debate on the prebudget consultations, I would like to say that the Bloc Québécois position is the result of consultation. The Bloc Québécois consulted people in the various ridings it represents. Since most of the ridings in Quebec are represented by Bloc members, we believe we represent the opinion of most Quebeckers. We consulted businesses as well as socio-economic and community groups.

People were unanimous in saying that the government must put money into helping companies and individuals by using the portion of the surplus that is available to invest. However, the government will have to invest heavily in Quebec's priorities in the upcoming budget.

We announced certain conditions pertaining to certain key sectors. It is important that the budget respond to calls from Quebeckers and the Bloc Québécois by providing \$1 billion in aid for the forestry industry and not aid shared by the forestry and manufacturing industries. The budget must provide \$1.5 billion to help manufacturers purchase more productive and efficient equipment, which will boost productivity.

Another important area is transfers to municipalities. Municipalities have an urgent need for assistance to renovate municipal infrastructure.

Creation of an independent employment insurance fund is another priority. The Bloc Québécois has been suggesting this for quite some time. Successive governments have paid down Canada's debt out of funds generated by workers, whose contributions make up the bulk of the fund. When the government takes this money, which belongs to workers, and uses it to pay down the debt, these workers are entitled to expect much better and much more respect from their government.

The government also needs to set up an income support program for older workers. The Conservative Party made this promise during the last election campaign. To date, there has been no indication that the Conservatives intend to keep their promise. Yet they made a very firm commitment. Once again, workers and seniors are being shortchanged by the government.

*Statements by Members*

There is also the issue of funding for social housing. Each year, the Canada Mortgage and Housing Corporation generates a surplus of several billion dollars. It is important for the government to come up with a strategy for reinvesting in social housing.

I would like to talk a bit more about the sectors I mentioned. With respect to help for the manufacturing sector, the Bloc Québécois, through its participation in the Standing Committee on Finance, generally approves of the direction that the committee proposed. Several measures proposed by the Bloc Québécois were accepted by the committee, but others were rejected, even though some of them were essential. Among those accepted by the Standing Committee on Finance, which means that they were accepted by Liberal, Conservative, New Democrat and Bloc members, are some important measures worth highlighting.

The Bloc believes that the government should not stall in following up on some of the proposed measures because even Conservative members of the committee agreed to them. The committee recommended that the government allocate \$1 billion to the forestry sector. I think the government should act on this measure. One billion dollars for the forestry sector alone.

Earlier, I said that the trust that was announced and voted on this week was for \$1 billion to be divided between the manufacturing and forestry sectors. It is important to point out that difference. There are a lot of similarities between the two sectors.

• (1350)

Quebec's forestry sector is in such a state of crisis that it requires special consideration. The Standing Committee on Finance agreed to that and recommended it.

The committee also recommended that \$1.5 billion be redistributed to manufacturing industries through tax refunds and tax credits so that these industries can buy new equipment and become more productive. If we want these companies to compete in the global market, we have to help them prepare for it.

All members of the Standing Committee on Finance agreed to that measure, and they also suggested that the federal excise tax transfer be raised to 5¢ to help municipalities become more competitive. The committee also recommended that this measure come into force not in 2010, but right now. This is an important element that the Standing Committee on Finance approved of and recommended to the government in its prebudget report.

With respect to the employment insurance fund surplus, the Bloc Québécois finds it unfortunate that an independent fund cannot be created to help cushion the blow for workers who lose their jobs temporarily or, sometimes, indefinitely. That money should go back to the workers who paid into the fund before it goes anywhere else.

Another important element has to do with the dignity of seniors. Earlier I mentioned the Conservatives' promise during the last election campaign to make the guaranteed income supplement for seniors fully retroactive. The government did not get it done. It did not agree and it broke its promise to seniors. The Bloc Québécois is very disappointed that the Standing Committee on Finance did not agree with this measure. This is a real shame for seniors; we owe them a lot. These people often live below the poverty line. The

government and society are indebted to them, and we should respect that.

The fiscal imbalance is also important. It really must be settled. We called for \$3.5 billion for post-secondary education funding, because it has been cut in recent years. It is vital that we get the funding we used to get if Quebec is to move forward and to properly educate all the students under its jurisdiction.

In terms of social housing and the status of women, the Standing Committee on Finance, once again on the Bloc's initiative, agreed to have the government use some surpluses from the Canada Mortgage and Housing Corporation to invest in social housing.

By acting on this very interesting report we can give back to a number of people, including aboriginals, so that they can once again live with much more dignity. The CMHC must dip into its surplus to provide money for social housing and to create an improved program, so there is more adequate social housing throughout Quebec.

Obviously, in its supplementary report, the Bloc Québécois was also severely critical of the ideological cuts made in recent years to status of women programs and to the court challenges program. The Bloc recommended that these measures be reinstated, but the committee did not agree. It is a terrible shame, and that is why we included this recommendation in our supplementary report.

I would like to conclude with the issue of funding for culture, where there is a huge lack of money. Over the past two years, we have not felt that the government was committed towards developing culture.

• (1355)

**The Acting Speaker (Mr. Andrew Scheer):** We have five minutes left for questions and comments. We will come back to that when debate resumes, after oral question period.

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## STATEMENTS BY MEMBERS

[English]

### YOUTH EXCHANGE PROGRAMS

**Mr. Ted Menzies (Macleod, CPC):** Mr. Speaker, I would like to draw attention to the great benefit that government supported education programs provide to our youth.

Last May, students from my riding had the opportunity to participate in an exchange to Ontario through SEVEC, an organization supported by the Department of Canadian Heritage.

Youth exchange programs funded by our government allow young Canadians to explore other traditions, share new ideas and broaden their appreciation for our country's great diversity.

Programs for youth on Parliament Hill, such as the page program and internship programs, allow students to get a first-hand look at how Parliament works.

I am delighted that youth in my riding are taking advantage of the many educational programs offered by our government and I hope that they take what they learn from their experiences out with them into the world and use it to make Canada an even better place.

\* \* \*

#### REGINALD GULLIFORD

**Mr. Scott Simms (Bonavista—Gander—Grand Falls—Windsor, Lib.):** Mr. Speaker, I rise today to pay tribute and honour a truly heroic person, Sergeant Reginald Gulliford from Buchans, Newfoundland and Labrador.

Early in his career, he was stationed in Manitoba. In 1986, Reg and his partner, Constable Thomas, were at a gas station to assist an individual when that person fired on them killing Constable Thomas and striking Constable Gulliford with three bullets.

However, Reg was never the type of person to give up. He survived. He underwent 29 operations and by September 1987 he was back on his feet. Incredibly, he returned to work with the RCMP in St. John's the following January.

Recently, at the age of 46, Sergeant Reg Gulliford passed away after battling with cancer. As always, Reg faced this terrible disease with strength of character and always a positive approach.

Yesterday, I spoke to Reg's mother, Bernice, who lives in Buchans. She was very proud of her son and misses him very much. He was a great son and, like his colleagues, he was a proud member of the Royal Canadian Mounted Police and truly a great Canadian hero.

\* \* \*

• (1400)

[Translation]

#### TEACHERS' WEEK

**Ms. Diane Bourgeois (Terrebonne—Blainville, BQ):** Mr. Speaker, this is Teachers' Week, and I would like to thank and pay tribute to those whose energy, dedication and perseverance is key to the education of our future citizens.

Teachers are precious. Their understanding, commitment and competence help prepare students for future challenges. Every day, these educational professionals have a positive impact on the daily lives of our children. In recognition of just how much work teachers do and to pay them proper tribute, the Commission scolaire de la Seigneurie-des-Mille-Îles in my riding launched a contest called "My Teacher" for the second year in a row. What a great initiative.

On behalf of my Bloc Québécois colleagues, I would like to salute all our teaching professionals, who really care about the progress of Quebec society, and congratulate the school board on this wonderful initiative.

#### Statements by Members

[English]

#### ABORIGINAL AFFAIRS

**Ms. Catherine Bell (Vancouver Island North, NDP):** Mr. Speaker, at a recent meeting with the Mowachaht/Muchalaht First Nation and the lieutenant governor of B.C., Chief Mike Maquinna addressed His Honour Steven Point on the present situation of his people.

He recalled the history of generosity that his people have exhibited since that first meeting in 1792 when Captain Vancouver sailed into Friendly Cove and made contact with the ancestors of today's residents of Tsaxana. That generosity was once again demonstrated in the festivities of the day.

It had not escaped their attention that many of the visitors had stayed and made great fortunes from their land. The same could not be said for his people. He expressed their collective hopes that, in light of the B.C. 2010 Olympics and in just plain return of favour, it would be appreciated if the Mowachaht/Muchalaht could share in the wealth.

The chief asked representatives from government who had been invited to bear witness to their meeting to carry this message to their parliaments. I am privileged today to do that.

The Canadian government must start treating the Mowachaht/Muchalaht and all first nations in this country with a lot more respect and allow them to participate in Canada's wealth.

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#### CHILD CARE

**Mrs. Joy Smith (Kildonan—St. Paul, CPC):** Mr. Speaker, once again, NDP members are refusing to debate their own child care proposals. Why do they not want to discuss their plan for Canada's children in this House? Have they finally realized how offensive and unworkable their bill really is?

The opposition wants to take away the universal child care benefit from families and, instead, create additional government bureaucracy to establish a network of government run day care centres.

That is offensive to the thousands of private day care operators and others who provide excellent child care across the country. It is incredibly offensive to the relatives, grandparents and parents of children who choose to provide care in their own homes. It is offensive to the provinces, all of which object to using taxpayer dollars to create additional bureaucracy rather than new child care spaces.

We will not permit the opposition to sacrifice the well-being of our children to the self-serving interests of its friends nor to its insulting belief that without government direction parents cannot choose what is right for their children.

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#### EAST COAST MUSIC AWARDS

**Hon. Andy Scott (Fredericton, Lib.):** Mr. Speaker, I am pleased that the East Coast Music Awards will be celebrating its 20th anniversary this weekend in Fredericton.

*Statements by Members*

The ECMA showcases and honours the many professionals dedicated to the promotion of east coast music. Thanks to the organizers and many volunteers, ECMA events will take over the city from today until Sunday.

I wish all the nominees good luck, including Fredericton's own Thom Swift, Ross Nielsen, Richard Paul, Evangeline Inman, the New Brunswick Youth Orchestra, The Fredericton Playhouse, Dolan's Pub, Kyle Cunjak Photography and CFXY 105.3 The Fox.

Denise and I will be celebrating Noah's second birthday by attending the ECMAs, and I urge everyone to come out or tune in for the stellar lineup of east coast artists who will be celebrated this weekend in Fredericton.

\* \* \*

• (1405)

[Translation]

**AGRICULTURE AND AGRI-FOOD**

**Mr. Steven Blaney (Lévis—Bellechasse, CPC):** Mr. Speaker, one thing is clear: the Bloc is doing nothing to help our dairy farmers. It has nothing to offer.

However, at noon, the Secretary of State (Agriculture) and the Minister of Agriculture and Agri-Food spoke at the Dairy Farmers of Canada conference. They reiterated the firm stand taken by the Conservative government in support of supply management at the WTO.

They also pointed out the government's positive actions, particularly in establishing cheese composition standards. And if this were not enough, at noon, the minister announced special safeguard measures.

I am proud of Quebec members' efforts on behalf of Quebec farmers and dairy producers and I am proud that our Conservative government takes action and defends so vigorously the interests of our dairy producers and farmers.

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**INTERNATIONAL DEVELOPMENT WEEK**

**Mrs. Vivian Barbot (Papineau, BQ):** Mr. Speaker, during International Development Week from February 3 to 9, 2008, the City of Ottawa is hosting a meeting of the Advisory Group on CSOs and Aid Effectiveness. Several NGOs there are calling for an end to a model that does not target poverty reduction and excludes civil society.

Excluding NGOs makes no sense, since those organizations have in-depth knowledge of local realities and generally have strong roots in the communities receiving assistance. Involving them directly in development programs helps reinforce democracy and promote savings in societies that are often marginalized.

It is time to speak out about the fact that Canada is still far from reaching the development assistance target of 0.7% of GDP. There is room for improvement.

[English]

**TACKLING VIOLENT CRIME ACT**

**Mr. Brian Storseth (Westlock—St. Paul, CPC):** Mr. Speaker, this government is committed to keeping our communities and streets safe, which is why it is imperative that members on that side of the House come to their senses and do the right thing and pass the tackling violent crime act which imposes mandatory jail time for serious gun crimes, cracks down on drug and alcohol impaired driving, increases the age of protection for sexual activity from 14 to 16 years old and ensures that high risk and repeat offenders face tougher consequences when they are convicted.

Our government is committed to keeping our promises and committed to passing Bill C-2. By stalling the passing of this bill in the unelected and unaccountable Liberal Senate, the Leader of the Opposition continues to put our communities and children at risk. Canadians demand more. They demand cooperation on a bill that affects the lives and well-being of all our loved ones.

It is time that the opposition stopped playing its petty partisan games and work with us to better protect our children. It is time that the Liberal leader do just that: lead, follow or get out of the way.

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**CHINESE NEW YEAR**

**Hon. Maria Minna (Beaches—East York, Lib.):** Mr. Speaker, I would like to offer warm greetings to Canadians across this country who are celebrating the Chinese New Year. I welcome everyone to the Year of the Rat.

The Chinese New Year is the most important of the traditional Chinese holidays, with festivities to ring in spring until the rising of the full moon. It includes customs that date back thousands of years.

This celebration has become an important part of our cultural landscape. It should remind us that the Canada we now have today would not be the same without the role played by Chinese Canadians. This is a time for all Canadians to appreciate all that multiculturalism brings to this nation and to remember that our diversity is our strength.

On behalf of the Liberal Party, I wish everyone a Happy Lunar New Year and may the new year bring health and good fortune to all.

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**TACKLING VIOLENT CRIME ACT**

**Mr. Mike Lake (Edmonton—Mill Woods—Beaumont, CPC):** Mr. Speaker, it is increasingly apparent that the Liberals have been misleading Canadians regarding their stance on the tackling violent crime act.

Let us consider the facts. Although they voted for the bill, some Liberals have talked openly about repealing sections of it if they return to power.

*Statements by Members*

At every opportunity, the unelected and unaccountable Liberal senators have obstructed initiatives to protect Canadian families, while waving politically motivated nonsense like Bill C-288 through in mere seconds.

And now it seems just a matter of time until the Liberal Party forces an election, leaving this important bill to die in the Senate.

There is a simple reason that getting tough on crime was prominent in both the Conservative election platform and in our Speech from the Throne: it matters to Canadian families.

In a couple of minutes, the Liberal leader will stand up, cheered on by his team of Liberal lemmings. I hope he will use this opportunity to tell the House that in his long-awaited first act of leadership he is demanding that his unelected Liberal senators stop playing political games with the safety of Canadians.

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• (1410)

### ENERGY SECURITY INITIATIVE

**Mr. Dennis Bevington (Western Arctic, NDP):** Mr. Speaker, the Conservative government's misguided policy of selling out Canada's energy security through the North American energy security initiative, boldly promoted on the Prime Minister's own website, is being viewed as a total failure by all sectors of Canadian society.

Business leaders, academics, labour leaders, respected energy experts, provincial governments and municipalities, the consensus is overwhelming that the Conservative government is on the wrong track. They all agree that we must develop a Canada first energy security strategy.

Working Canadians cannot wait until all of our oil and natural gas is completely committed to the United States. We need to move now. We need leadership on how best to invest over the next 25 years in energy systems that will create a green and energy secure Canada.

We need leadership to get Canadians to reduce their energy consumption. We need leadership to increase the use of renewable energy.

That is a tall order, one the Conservative government is not up. The Conservatives would rather hide behind the false image of our energy superpower status.

Working Canadians want a—

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

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### PRINCE EDWARD ISLAND

**Hon. Joe McGuire (Egmont, Lib.):** Mr. Speaker, last week, Prince Edward Island dodged a bullet. Another hour of freezing rain would have catapulted the province into total disaster.

The response to the crisis by Maritime Electric workers, who worked around the clock, the Red Cross and volunteer fire departments, mitigated a situation that could have been much worse. They have the gratitude of all Islanders.

The P.E.I. ice storm showed the absolute necessity of having contingency plans to deal with natural disasters developed by people who know how to organize a proper response.

Something governments could do for starters would be to implement a tax credit for people to purchase gas generators so households could at least function with heat and hot food.

It is an expensive proposition to wire a home for a generator and purchase the machine. A tax credit would encourage this essential step.

Again, our gratitude goes out to all the volunteers who helped to avert a major crisis on Prince Edward Island.

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[Translation]

### ALUMINUM INDUSTRY

**Mr. Robert Bouchard (Chicoutimi—Le Fjord, BQ):** Mr. Speaker, on February 1, aluminum giants Chinalco and Alcoa acquired a 12% interest in the British group, Rio Tinto.

Once again, uncertainty reigns in the Saguenay—Lac-Saint-Jean region and in Quebec. Workers and the general public are worried that foreign companies will buy up our companies and our natural resources bit by bit without offering any guarantees with respect to processing or employment in the aluminum industry.

Alcan's recent acquisition of Rio Tinto showed that we cannot count on the Conservatives to protect our assets or our jobs. This government's laissez-faire policy gives foreign companies free rein and asks nothing in return.

With the entry of new players in Rio Tinto Alcan's operations, Quebec and my region will lose even more control over their own development. Quebeckers will not forget the role the Conservative government played by failing to take action.

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### INTERNATIONAL HUMANITARIAN ASSISTANCE

**Mr. Bernard Patry (Pierrefonds—Dollard, Lib.):** Mr. Speaker, Canada has an important responsibility to the poor of this world to whom it sends assistance. It has a responsibility to make sure that the aid it sends to international agencies will be distributed fairly and transparently, so that those who need it most can take full advantage of it.

Bill C-293, which was adopted in this House by all the members except the Conservatives, has this very objective.

However, since the bill was passed, it has been blocked in the Senate by the Conservative senators, who are engaging in an orgy of obstruction and disinformation. Yet this bill was supported by numerous petitions and demonstrations.

Once again, the Conservatives are being hypocritical by talking about transparency and accountability but refusing to walk the talk. This shows a serious lack of leadership on an issue that affects millions of people and Canada's international reputation.

*Oral Questions*

The poor of this world deserve better from this government.

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[English]

**AFGHANISTAN**

**Mr. Deepak Obhrai (Calgary East, CPC):** Mr. Speaker, we see yet again more confusion and division on the part of the Liberal Party when it comes to our mission in Afghanistan.

Yesterday, the deputy leader of the Liberal Party insisted that the Liberals want to stay in Afghanistan. He stated, "The party over there wants to pull out of Afghanistan, not this party".

Yet the leader of the Liberal Party wants to continue to stick to his line that Canadian soldiers should not be allowed to engage in a combat mission in Afghanistan, but only to do training. Of course, he has no problem with invading Pakistan.

Perhaps the deputy leader of the Liberal Party could explain to his leader what the independent panel said on this kind of plan:

One variant would have Canada end its combat mission completely in February 2009. This Panel did not judge this to be a viable option.

The deputy leader of the Liberal Party said recently, "do it right or don't do it at all". That is what he should tell his leader.

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**ORAL QUESTIONS**

• (1415)

[English]

**AFGHANISTAN**

**Hon. Stéphane Dion (Leader of the Opposition, Lib.):** Mr. Speaker, last April, the House voted on a Liberal motion to affirm the end of our combat mission in February 2009 and immediately inform NATO of the need to find replacements for our troops.

Unfortunately, the Prime Minister, supported by the leader of the NDP, rejected that motion. A full year after this huge mistake, will the Prime Minister realize that Canada, NATO and Afghanistan, all of these, would be in a much better position today if he had not wasted a full year?

**Right Hon. Stephen Harper (Prime Minister, CPC):** Mr. Speaker, as the Manley panel of independent experts said, the previous government chose Kandahar in 2005. We undertook important obligations to the Afghan people in Kandahar whom we are protecting, as well as to the broader international community.

Obviously, we had an extension of the mission, voted on in Parliament, to February 2009. NATO is aware that is the case. NATO is also aware that this government is willing to extend that commitment if we can get certain conditions fulfilled by NATO countries.

The choice for all parties in this House will be clear: to support the military mission or not to support it.

[Translation]

**Hon. Stéphane Dion (Leader of the Opposition, Lib.):** Mr. Speaker, the Prime Minister is now saying that the mission as

originally conceived must change or be ended. If that is true today, it was true a year ago. He has not been doing his job for the past year. He did not inform NATO that we could not continue the mission as originally conceived. He made everyone—NATO, Afghanistan and Canada—waste a whole year.

Will he admit that if he did so it was because ultimately what he is proposing is a never-ending mission?

**Right Hon. Stephen Harper (Prime Minister, CPC):** Mr. Speaker, NATO has been informed several times of the political situation in Canada, the fact that Parliament extended the mission until February 2009 and that the government has to make a decision after that.

We accept the recommendations of the Manley panel, namely that we should extend our mission if NATO provides more troops and equipment.

The choice for all parties in this House will be difficult but straightforward: support the military mission or oppose it.

[English]

**Hon. Stéphane Dion (Leader of the Opposition, Lib.):** Mr. Speaker, Canadians deserve the truth from the Prime Minister. He must be honest about his plan for a never-ending mission. He should also end the mismanagement and confusion: ministers contradicting each other, ministers misleading the House.

How can Canadians have any trust in the Prime Minister with his plan for a never-ending mission, a prime minister who controls everything but runs nothing?

**Right Hon. Stephen Harper (Prime Minister, CPC):** Mr. Speaker, the government established a panel of independent experts consisting of people from both partisan backgrounds, including and led by the former deputy prime minister of the Liberal Party.

The recommendations of that panel, I think widely accepted, are very clear, that we have a choice. The choice is to do and in fact to strengthen the military mission, or to not do the military mission and to abandon those commitments. On that fundamental question, those two choices, Canadians deserve the truth from every political party.

• (1420)

**Mr. Michael Ignatieff (Etobicoke—Lakeshore, Lib.):** Mr. Speaker, as we go into a national debate about Afghanistan, the government owes Canadians a clear explanation of its position.

The Prime Minister has said that he will not extend the mission unless he receives 1,000 additional troops from NATO.

If this is the policy, the Prime Minister ought to answer three basic questions. Why did it take him so long to pick up the phone? What assurances can he give Canadians that they will actually find the troops in time? And most important of all, what evidence does he have that 1,000 will make any real difference?

**Right Hon. Stephen Harper (Prime Minister, CPC):** Mr. Speaker, once again, we have accepted the recommendations of an expert independent panel that on behalf of the government has consulted widely.



*Oral Questions*

In terms of the additional troops and equipment that the panel identified as necessary to training, to long term success and exit, we have discussed those recommendations with the chief of the defence staff and the military. They are in agreement with those recommendations.

Once again, the question for every party in the House is, do they support the extension of the military mission, or do they not support it?

[*Translation*]

**Mr. Michael Ignatieff (Etoobicoke—Lakeshore, Lib.):** Mr. Speaker, hiding behind the Manley report is not the answer. An additional 1,000 soldiers could turn into a simple political gesture or a symbolic presence, but our troops need help and reinforcements immediately.

I will ask the question again. Where will these 1,000 soldiers come from and what exactly will they do to help us? Canadians need an honest answer from the Prime Minister. Does he have one?

**Right Hon. Stephen Harper (Prime Minister, CPC):** Mr. Speaker, the recommendations are quite simple: we need 1,000 NATO soldiers and some major equipment to help us in our military mission in Kandahar.

This government is clear: we accept this recommendation. Without a response from NATO to these requests, Canada will not extend the mission in Afghanistan. We are nonetheless prepared to do so if NATO gives us the help we have asked for.

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**MANUFACTURING AND FORESTRY INDUSTRIES**

**Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ):** Mr. Speaker, in his desire for an election at all costs, the Prime Minister is putting his own partisan interests ahead of files that are much more important, including the crisis facing the manufacturing and forestry industries. By fueling election rumours over the past few days, the Prime Minister seems to want people to forget that his assistance plan is inadequate and that everyone is demanding improvements.

Since the manufacturing and forestry industries are in full crisis, will the Prime Minister attend to the most urgent things first, in other words, improve his assistance plan?

**Right Hon. Stephen Harper (Prime Minister, CPC):** Mr. Speaker, we introduced an important plan for these industries throughout Canada. The community development trust is a plan that will help many industries in several provinces. It comes in addition to other measures taken by this government in various files, including the fall economic statement. As always, this government will continue to work to help and strengthen the Canadian economy.

**Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ):** Mr. Speaker, with a \$10.6 billion surplus for 2007-08, the Prime Minister easily has the means to improve his assistance plan, especially since Ontario and Quebec are particularly hard hit by the economic slowdown.

Will the Prime Minister set aside his own partisan interests and focus on what matters: helping the workers, businesses and communities affected by the crisis in the manufacturing and forestry sectors?

**Right Hon. Stephen Harper (Prime Minister, CPC):** Mr. Speaker, with two budgets, two economic statements from the Minister of Finance and a softwood lumber agreement, this government is taking action to help the forestry sector and other sectors of our economy. In many such instances, our actions were supported by the Bloc. I hope the Bloc will continue to support the important measures that this government is prepared to implement for the Canadian economy.

• (1425)

**Mr. Paul Crête (Montmagny—L'Islet—Kamouraska—Rivière-du-Loup, BQ):** Mr. Speaker, the Minister of Finance himself acknowledged yesterday that the economy is slowing down. However, he prefers to adopt a laissez-faire approach rather than being proactive and countering the effects of this downturn. In addition, he has announced in advance that there will be nothing in the budget to deal with the crisis.

Now that the Minister of Finance has acknowledged that the economy is slowing, is it not his duty to use some of the current \$10.6 billion surplus for additional measures which will immediately improve the assistance plan for the manufacturing and forestry sectors?

**Hon. Lawrence Cannon (Minister of Transport, Infrastructure and Communities, CPC):** Mr. Speaker, we are obviously in a period of prebudget debate in the House. In this debate, we have the opportunity to indicate what the government has done in the past two years, not only to make our economy competitive but also to ensure that our businesses and workers have the necessary tools to deal with a possible downturn. The commitment of \$1 billion across Canada for the most vulnerable sectors is an initiative that deserves to be recognized.

**Mr. Paul Crête (Montmagny—L'Islet—Kamouraska—Rivière-du-Loup, BQ):** Mr. Speaker, the Minister of Transport, Infrastructure and Communities may have “zero” to say but, as the zero expert, he has annually handed out over \$900 million to oil companies. The minister gets a zero for that.

Can this minister, who has sold out to the oil companies, tell us what he has done for the workers in Maniwaki and the Haute-Gatineau region, for example, where plants are closing? That is a big, fat zero.

**Hon. Lawrence Cannon (Minister of Transport, Infrastructure and Communities, CPC):** Mr. Speaker, in reality—since he is letting me repeat it—for 18 years the Bloc Québécois has done zero itself in terms of projects, bills, jobs created. I, at least, can proudly say this evening to the people in Maniwaki, in my riding, I can easily say that I delivered the goods.

\* \* \*

[*English*]

**HEALTH**

**Hon. Jack Layton (Toronto—Danforth, NDP):** Mr. Speaker, when it comes to ensuring the health care for the hard-working families of this country, the fact is that the Prime Minister cannot be trusted.

*Oral Questions*

Here are the facts. Millions of families cannot find a doctor. Nursing shortages are reaching crisis levels in this country. Prescription drug costs are soaring and wait lists are growing for home care and long term care. Now we see privatization, making health care less affordable and available for Canadians across the country.

If the Prime Minister promised to fix the health care problems that were left by the previous government, how come they are only getting worse?

**Right Hon. Stephen Harper (Prime Minister, CPC):** Mr. Speaker, I do not agree that the health care problems are getting worse, although I do agree that health care remains a major challenge for this country.

That is why this government, led by the Minister of Health, has undertaken a number of important cooperative initiatives with the provinces to deal with the wait times problem.

I can certainly say, as a private citizen, that my family and I have always depended on the public health care system. That is what I will be depending on the day I leave office. I can assure the hon. member, that is where my heart is and that is what we in the government will aim to make sure it works.

[*Translation*]

**Hon. Jack Layton (Toronto—Danforth, NDP):** Mr. Speaker, the government must show some leadership and not let the private sector control our health care system, as we are seeing in Ontario, Alberta and now in Montreal, with its private clinics.

Within 10 years, the shortage of nurses will reach 113,000. We need 5,000 more family doctors in this country because 5 million people do not have their own family doctor.

When will the health care crisis be taken seriously by this government? When will we start to see results?

**Right Hon. Stephen Harper (Prime Minister, CPC):** Mr. Speaker, the health care system is a very important issue to all Canadian families. That is why this government, led by the Minister of Health, is working in cooperation with the provinces—not against them—to better manage the system, to increase staff and to shorten waiting lists. We are starting to make progress.

As I just said, in my private life, my family and I have always used the public health care system, and we believe in this system.

\* \* \*

• (1430)

[*English*]

**AFGHANISTAN**

**Hon. Denis Coderre (Bourassa, Lib.):** Mr. Speaker, when Justice Mactavish dismissed today the injunction sought by Amnesty International and the B.C. Civil Liberties Association on the Afghan detainees transfer, she clearly stated that there are:

—very real concerns as to the effectiveness of the steps that have been taken thus far to ensure that detainees transferred by the Canadian Forces to the custody of Afghan authorities are not mistreated.

Since torture is a serious issue in Afghan controlled prisons, will the government notify Parliament and Canadians before transfers are resumed?

[*Translation*]

**Hon. Maxime Bernier (Minister of Foreign Affairs, CPC):** Mr. Speaker, I have already told the House and I am pleased to say it again for the hon. member: we signed an agreement last May, to improve the agreement signed by the previous Liberal government. This agreement is still in effect. The Canadian Forces have the discretion to enforce the agreement in the field.

I can assure you that if ever cases of abuse or allegations of abuse are raised with our officials, they will contact the Afghan government directly to follow up on the allegations.

**Hon. Denis Coderre (Bourassa, Lib.):** Mr. Speaker, unfortunately, the government is still shirking its responsibilities.

Justice Mactavish also said:

[*English*]

Furthermore, in the event that transfers do resume...we do not know what additional safeguards may be put into place to protect detainees while they are in the hands of the Afghan authorities.

[*Translation*]

What will it take for this government to tell us the truth about this scandal that is marring our reputation on the world stage because of their insignificance, their incompetence and their dishonesty?

**Hon. Maxime Bernier (Minister of Foreign Affairs, CPC):** Mr. Speaker, we want to have an open, clear and transparent debate on the future of the mission in Afghanistan. I would ask my hon. colleague to take part in this debate with us and to present constructive proposals to help Canada have a mission that responds to the concerns of our country and the Canadian Forces and to what the Afghan government and the international community are seeking.

\* \* \*

[*English*]

**NATURAL RESOURCES**

**Mr. Omar Alghabra (Mississauga—Erindale, Lib.):** Mr. Speaker, MDS Nordion testified in committee today that it informed senior natural resources officials of the shortage in nuclear isotopes. Guess when? It was on November 22.

It conveyed a great sense of urgency and it warned of a global shortage of isotopes, yet the Minister of Natural Resources claims he did not know until December 3 and apparently he did not bother telling the Minister of Health until December 5.

Why did the Minister of Natural Resources put Canadian lives at risk because of his incompetence?

*Oral Questions*

**Hon. Tony Clement (Minister of Health and Minister for the Federal Economic Development Initiative for Northern Ontario, CPC):** Mr. Speaker, nothing could be further from the truth. In fact, we have heard everything from all sides from Liberal opposition members. One week they are saying we did not act soon enough and on another week they are saying we should have acted sooner.

That is not leadership. On this side of the House we recognized when we were properly informed that there would be a long shut down, that we had to act to protect the lives and safety of Canadians.

We acted on this side of the House. On the other side of the House we had dodge, duck and deke. We have everything in dodge ball, but there is no leadership on that side. We have leadership on this side and we are proud of the decision we made.

**Mr. Omar Alhabra (Mississauga—Erindale, Lib.):** Mr. Speaker, the more that minister emphasizes the fiasco, the deeper the hole he digs for himself.

We learned today that MDS Nordion knew on November 21. We know now that natural resources knew on November 22, but the minister claims he did not know until December 3.

We also know that the nuclear medicine industry knew on November 27, yet the Minister of Health claims he did not know until December 5. Who is telling the truth? Exactly what level of incompetence is needed before one is kicked out of cabinet?

**Hon. Tony Clement (Minister of Health and Minister for the Federal Economic Development Initiative for Northern Ontario, CPC):** I guess, Mr. Speaker, that this week the Liberal opposition question is: why did we not act sooner? Last week it was: why did we not act?

The question is this. When is the opposition going to show leadership on that side of the House? One week it is, why do we not act and the next week it is simply, why do we not act sooner?

The question is this. When are the Liberals going to show leadership so they can ensure the health and safety of Canadians? They never show leadership and that is the problem. That is why they will be in opposition for a long time to come.

\* \* \*

• (1435)

[*Translation*]

#### AFGHANISTAN

**Mr. Claude Bachand (Saint-Jean, BQ):** Mr. Speaker, yesterday, I asked a very straightforward question about how the army deals with Afghan detainees. Unluckily for me, I got an answer from the parliamentary secretary who gave me statistics on violent crimes committed in Canada. As we might say, what's that got to do with the price of fish?

Rather than contribute to his government's culture of secrecy with meaningless answers, will the parliamentary secretary tell us what happens to those detainees? If they are not transferred, and there is no prison to put them in, what happens to them?

**Hon. Maxime Bernier (Minister of Foreign Affairs, CPC):** Mr. Speaker, we have an agreement in place that allows us to transfer Afghan detainees. The agreement has been implemented in a theatre

of military operations by our armed forces. That agreement is still in place and they may, at their discretion, transfer Afghan detainees. This agreement is an improvement over the previous Liberal government's agreement. We have an agreement that respects international standards. If ever a case of abuse is brought to our attention, we will discuss it with the Afghan authorities directly.

**Mr. Claude Bachand (Saint-Jean, BQ):** Mr. Speaker, the minister just said that the armed forces have started transferring detainees again. Maybe he should get his story straight. First we were told that transfers have not been happening since November. Now we are being told that transfers are happening. That is the problem we have with this government: its lack of transparency. Its members systematically refuse to answer our questions.

We would like the government to tell us the truth, once and for all. What are the armed forces doing with Afghan detainees? We demand clear answers on this issue.

**Hon. Maxime Bernier (Minister of Foreign Affairs, CPC):** Mr. Speaker, we have an agreement in place that allows us to transfer Afghan prisoners. It is up to the armed forces on the ground to decide whether to implement that agreement.

That being said, I am glad that the Bloc Québécois is asking questions, but I would like the party to ask questions about the future of our mission and to participate in an open debate about it here in the House.

Why is the Bloc Québécois against letting Canadians have an open and transparent debate on the future of our mission in Afghanistan?

\* \* \*

#### ELECTION RETURNS

**Mr. Michel Guimond (Montmorency—Charlevoix—Haute-Côte-Nord, BQ):** Mr. Speaker, the Conservatives complain that the senators are blocking their legislative agenda. But since September 10, 2007, the members—

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

**Mr. Michel Guimond:** But since September 10, 2007, the Conservative members have been going for a Guinness record for useless reading by delaying the work of the Standing Committee on Procedure and House Affairs, thus protecting their elected members and candidates whose election returns are being challenged by Elections Canada.

We understand that the Prime Minister wants his members to practise to become senators, but can this behaviour, which has been going on for too long, be seen as an admission of guilt?

**Hon. Peter Van Loan (Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC):** Mr. Speaker, the fact is that the opposition parties, including the Bloc Québécois, do not want a balanced debate that would examine the activities of the Bloc Québécois and the Liberals. That is fair, that is equitable, and that is what we are asking for.

**Mr. Michel Guimond (Montmorency—Charlevoix—Haute-Côte-Nord, BQ):** Mr. Speaker, the only election returns that are being challenged are those of 67 Conservative candidates.

*Oral Questions*

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

**Mr. Michel Guimond:** Elections Canada has issued reimbursements for all the other returns here in the House. We have nothing to be ashamed of. The questionable returns involve nine members from Quebec and three ministers seated in the front rows.

Could it be that the Conservatives on the committee are trying to buy time so that they can do the same thing during the next election campaign?

• (1440)

**Hon. Peter Van Loan (Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC):** Mr. Speaker, if all the activities of the opposition parties are above board, then what are they hiding? What is the problem? They should support the motion calling for a review of all the activities of all parties.

[*English*]

I have one example. The member for Beauséjour had an example of a grouped advertising buy. It was never revealed anywhere in his returns filed with Elections Canada, yet he got reimbursed. We agree. That does not seem fair. That does not seem equitable. That should be examined. All parties should be treated exactly the same way, so I will pass.

\* \* \*

**TRADE**

**Hon. Scott Brison (Kings—Hants, Lib.):** Mr. Speaker, Fred Montaseri, a Canadian citizen, was fired because of George Bush's ITAR law. This law bans Canadian firms that employ Canadians from countries like Iran, China and Haiti. The British and Australian governments have negotiated ITAR exemptions for their countries.

When will this Prime Minister defend multiculturalism and defend Canadian jobs? When will he stand up for Canada and stand up against George Bush's discriminatory ITAR law?

**Hon. Maxime Bernier (Minister of Foreign Affairs, CPC):** Mr. Speaker, we are standing up for Canadians.

[*Translation*]

We are standing up in French and English for Canadians.

[*English*]

I am proud to be the foreign affairs minister. I am proud to work with the U.S. I am proud of what we are doing. What we do for the good of Canadians is always in the interests of Canadians.

**Hon. Scott Brison (Kings—Hants, Lib.):** Mr. Speaker, MacDonald, Dettwiler and Associates pioneered and owns the Canadarm and RADARSAT technologies. MDA's space division is selling out to Americans partly because under George Bush's ITAR rules, the only way MDA can get more American contracts is to sell out to an American company. George Bush's ITAR law is hurting Canada's space industry. It is gutting Canada's economic and defence sovereignty.

When will the Prime Minister stand up for Canada's national interests and secure ITAR exemptions?

**Hon. Jim Prentice (Minister of Industry, CPC):** Mr. Speaker, the proposed acquisition of MDA by ATK is a difficult transaction that must be approached with caution. It is important that the facts be clear.

First, the Minister of Industry, as the minister responsible for Investment Canada, is required to approve any such transaction under the net benefit test. To this point, no such transaction has been submitted to the minister and no approvals have been granted.

In addition to that, as the minister responsible for the Canada Space Agency and the former Technology Partnership Canada program, a very significant number of assignment consents are required from myself, as Minister of Industry. None of those have been granted. I will be diligent in protecting the interests of taxpayers.

\* \* \*

[*Translation*]

**GOVERNMENT CONTRACTS**

**Hon. John McCallum (Markham—Unionville, Lib.):** Mr. Speaker, all we hear from the Minister of Finance is, "Yes, I broke the rules, but it was worth it for taxpayers."

I therefore wrote to the Auditor General today to ask her if she thought this was the best use of taxpayers' dollars.

In the meantime, did the minister hire Hugh MacPhie to work on the budget speech again this year? If so, did he break the rules again?

[*English*]

**Mr. Ted Menzies (Parliamentary Secretary to the Minister of Finance, CPC):** Mr. Speaker, we have been very clear and consistent on this matter. Good value was provided for money in this contract. It was very legitimate work. Administrative functions were not followed, but the rules will be followed from here on out.

• (1445)

**Hon. John McCallum (Markham—Unionville, Lib.):** Mr. Speaker, that is a useless answer. Could the Treasury Board president answer?

It is his rule that the finance minister broke in handing out a \$122,000 contract to a Conservative buddy. Why does he have no qualms in firing public servants for obeying the law, while saying and doing absolutely nothing when Canada's chief financial officer flagrantly breaks the law?

Why does the government show no accountability, no transparency, no consequences when it comes to Conservative crime and Conservative ministers who break the law?

**Mr. Ted Menzies (Parliamentary Secretary to the Minister of Finance, CPC):** Mr. Speaker, following on the theme of—

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

**The Speaker:** Order, please. There seem to be a host of questions, but there is only one that is going to be answered. That was asked by the member for Markham—Unionville and the Parliamentary Secretary to the Minister of Finance has been recognized by the Chair as the member who will reply to the question. He has the floor. We will have some order, please.

*Oral Questions*

**Mr. Ted Menzies:** Mr. Speaker, thank you for the opportunity to respond to a useless question, if that is his accusation.

Let me repeat that we have been very clear and consistent on this matter. Good value for money was provided. There was a recognition that administrative functions were not followed. We have taken action to ensure this does not happen again.

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**INTERNATIONAL AID**

**Mr. Dave Batters (Palliser, CPC):** Mr. Speaker, when it came to international aid, the Liberals talked the talk but they did not walk the walk. They hung out with rock stars and lectured the world, but they just did not get it done.

The Prime Minister and the Minister of International Cooperation have set realistic and achievable goals to meet our commitment of doubling aid to Africa. The Prime Minister's announcement of \$105 million for the Canadian-led initiative to save a million lives is just the first step.

Could the Minister of International Cooperation tell us the latest steps this government is taking to meet her commitment?

**Hon. Bev Oda (Minister of International Cooperation, CPC):** Mr. Speaker, I agree with my colleague. The government is getting things done. We will in fact meet our commitment of doubling aid to Africa this year.

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

**The Speaker:** Order, please. The hon. Minister of International Cooperation has the floor. We will have some order. I remind hon. members today is Thursday. It is no longer Wednesday. The Minister of International Cooperation will have some order so I can hear her answer.

**Hon. Bev Oda:** Mr. Speaker, as I said, the government will meet its commitment to doubling aid to Africa this year. In fact, we have announced the initiative to save a million lives and \$125 million to the World Food program to feed African school children.

Earlier today, I announced almost \$400 million to strengthen the economic growth, fight hunger and ensure basic service to Africans.

I am proud to be part of a government that is delivering to Africa and getting things done.

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**GOVERNMENT CONTRACTS**

**Mr. Thomas Mulcair (Outremont, NDP):** Mr. Speaker, there is a clear rule at Treasury Board requiring multiple bids above \$25,000. The Minister of Finance breached that rule. He gave a contract to one of his buddies for \$122,000.

It is a fundamental issue of public trust. In the last election the Conservatives, in the wake of Liberal scandal, promised even higher ethical standards. What we have is a Prime Minister who refuses to apply the rules. Does he realize that by putting themselves above the rule, the Conservatives are signalling to the public that the rules do not count when it comes to the government and they are breaching the trust?

**Mr. Ted Menzies (Parliamentary Secretary to the Minister of Finance, CPC):** Once again, Mr. Speaker, I will remind all hon. members that in this contract we did receive good value for money. The contract was administratively not functioning. Administrative functions were not followed, but they will in the future.

Let me talk a little about the legitimate work that was done in this contract. It is part of what brought us budget 2007, a document that resolved the fiscal imbalance that the Liberals left for 13 long years.

• (1450)

[Translation]

**Mr. Thomas Mulcair (Outremont, NDP):** Mr. Speaker, there are rules in place. They are clear. They were flouted by a minister.

Instead of sending one of his backbenchers to protect him, why does the Prime Minister not have the courage to rise in this House and discipline his minister, who gave \$122,000 to one of his buddies for a 20-page speech, a flagrant breach of the rules? Why are there no sanctions for these ministers, although they insist that the public obey the law?

[English]

**Mr. Ted Menzies (Parliamentary Secretary to the Minister of Finance, CPC):** Mr. Speaker, once again, I will remind the hon. member of what I have answered many times before. Good value for money was provided. This good value went into budget 2007, a budget that resolved the fiscal imbalance in massive infrastructure funding like the country has never seen before. It is something the Liberals, by the way, voted against, as did the NDP.

It is very surprising that they would go home to their constituents and admit that they did not vote for \$33 billion in infrastructure spending.

\* \* \*

**JUSTICE**

**Hon. Judy Sgro (York West, Lib.):** Mr. Speaker, behind the repackaged and rebranded Conservative Party, we see that it is nothing more than the old Reform-Alliance, trying to turn back the clock 50 years by voting unanimously in support of the death penalty yesterday.

The Prime Minister said that the death penalty and the issue of abortion were "not issues for the first Conservative government". Does yesterday's vote not prove beyond a doubt the Conservatives want to bring back the death penalty?

**Hon. Rob Nicholson (Minister of Justice and Attorney General of Canada, CPC):** Mr. Speaker, the member has it absolutely wrong. The government has no plans to change its policy and introduce any legislation in this area.

*Oral Questions*

[Translation]

**Hon. Irwin Cotler (Mount Royal, Lib.):** Mr. Speaker, by voting yesterday on the death penalty, the Conservative government voted against Canadian legislation and policies, against the case law of the Supreme Court, against our international obligations and against victims of wrongful convictions.

Why undermine the rule of law? Why scorn the rights of innocent people? Why support such a cruel and unusual punishment?

[English]

**Hon. Rob Nicholson (Minister of Justice and Attorney General of Canada, CPC):** Mr. Speaker, the member has it absolutely wrong. We respect the decisions and the directions of the Supreme Court. Again, we have no intention of bringing in legislation in this area.

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**THE ECONOMY**

**Hon. John McKay (Scarborough—Guildwood, Lib.):** Mr. Speaker, we know that CPP saw its assets shrink by \$2 billion in the third quarter, including hundreds of millions of dollars in income trusts devastated by the Conservative government. Similar losses are being faced by millions of Canadians as they look at their RRSP statements for February.

Canadians are deeply worried about the economy, but yesterday the finance minister said that the government had done “enough” to help Canadians.

Does the Minister of Finance have anything to offer Canadians other than, “Hold on, it's going to be a bumpy ride?”

**Mr. Ted Menzies (Parliamentary Secretary to the Minister of Finance, CPC):** Mr. Speaker, I am thankful for the opportunity to respond to the question and talk about all of the amazing tax cuts that were put in place in budget 2007 and our economic statement.

It is a little in contrast to what the member for Markham—Unionville is asking. He is suggesting that he does not want to see us go into a deficit budget. He then comes with a shopping list as long as it would take to drive us into a deficit position.

I do not understand the Liberals' costing mechanism over there.

**Hon. John McKay (Scarborough—Guildwood, Lib.):** Mr. Speaker, that is a rather unsatisfactory answer for those who have seen their CPP or RRSPs devastated. It is not surprising that the Conservatives see no role for government. They do not believe in government. Hundreds of thousands have lost their jobs in industry, manufacturing and forestry. Truly tough times are Tory times.

Does the Minister of Finance agree with his caucus member who said,

In terms of the unemployed...[we] don't feel particularly bad for many of these people. They don't feel bad about it themselves, as long as they're receiving generous social assistance and unemployment insurance.

Who said that? The Prime Minister.

● (1455)

**Mr. Ted Menzies (Parliamentary Secretary to the Minister of Finance, CPC):** Mr. Speaker, this gives me another opportunity to talk about how strong our economic fundamentals are in the country.

That is because of the finance minister and the decisions taken by the Prime Minister.

We are experiencing the second longest period of economic expansion in Canadian history, much to the contrast of the previous 13 years. Business investment is expanding for the 12th consecutive year.

I am glad they are cheering me on. I could continue with all the wonderful things we have done on this side of the House.

\* \* \*

[Translation]

**INFRASTRUCTURE**

**Ms. Christiane Gagnon (Québec, BQ):** Mr. Speaker, the \$19 million disbursed to the municipality of Shannon in 2004 by the federal government is not enough to complete the construction of a new water system capable of providing citizens with potable water. An additional \$11 million is required.

Given that it is his responsibility, will the Minister of National Defence promise to provide additional financial assistance to Shannon in order to complete construction of the water system?

[English]

**Mr. Laurie Haw (Parliamentary Secretary to the Minister of National Defence, CPC):** Mr. Speaker, the Canadian Forces have been working with the people of Shannon for years. The people of the community have been using the Valcartier water system for years. We are working with them every day to try to make the situation as good as we can. We will continue to do that.

[Translation]

**Ms. Christiane Gagnon (Québec, BQ):** Mr. Speaker, furthermore, the Conservatives had promised to complete the repairs to the Quebec bridge, a promise it did not keep although they took CN to court to force it to complete the work. Since CN is refusing to honour its commitments, the federal government must regain ownership.

Will the Minister of Transport, Infrastructure and Communities undertake to rescind this transfer enabling the federal government to regain ownership of the bridge and complete the repairs, as the Conservatives promised in the last election?

**Hon. Lawrence Cannon (Minister of Transport, Infrastructure and Communities, CPC):** Mr. Speaker, with respect to accomplishments in the greater Quebec City area over the past two years, we can mention the Chauveau stadium, our participation in the study on high-speed trains, an investment of \$15 million in the airport, CED investments in the 400th anniversary celebrations and, of course, the Quebec bridge.

As my hon. colleague is aware, this matter is presently before the courts.

*Oral Questions*

[English]

**ELECTION EXPENSES**

**Hon. Karen Redman (Kitchener Centre, Lib.):** Mr. Speaker, in looking for more proof that accountability was nothing more than a Conservative slogan during the campaign, we can just look at the Standing Committee on Procedure and House Affairs.

The government has done everything possible to block an investigation by Elections Canada that found the Conservative Party, and no other party, overspending the legal limit for national advertising by a million dollars.

Will the member for Cambridge, the chair of that committee, assure this House that at the very next meeting there will be a democratic vote on hearings on the Conservatives' in and out scheme, or will he continue to merely be a pawn of the PMO?

**Hon. Peter Van Loan (Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC):** Mr. Speaker, I appreciate the enthusiasm. I can say that it is indeed ironic to hear members of the Liberal Party complaining about this, because it is those members of the Liberal Party who are blocking and refusing to have an investigation into all political parties when it comes to spending. The Liberals are only willing to look at one. I quote Vincent Marissal in *La Presse* today, "Opposition MPs are perverting the role of parliamentary committees and turning them into courts of inquisition to attack one another and settle their petty partisan squabbles".

That is how those parties have poisoned the operation of this Parliament. Canadians deserve better.

\* \* \*

● (1500)

[Translation]

**CAP-TOURMENTE NATIONAL WILDLIFE AREA**

**Mr. Luc Harvey (Louis-Hébert, CPC):** Mr. Speaker, the Cap-Tourmente National Wildlife Area is a wonderful natural setting in which to observe wildlife up close on the Côte-de-Beaupré, near Quebec City.

It is one of Canada's main ornithological sites and is also a staging area for the world's only population of greater snow geese, which gather there by the thousands every year.

Recently, some members of the Bloc Québécois have spread all kinds of rumours, as usual, about the funding for the Cap-Tourmente Wildlife Area.

Could my hon. colleague, the Minister of the Environment, share the truth with the House?

**Hon. John Baird (Minister of the Environment, CPC):** Always the truth, Mr. Speaker. I appreciate the question from my colleague, the member for Louis-Hébert. I am proud to tell the House that our government has taken tangible steps to protect the Cap-Tourmente Wildlife Area. My colleague, the Minister of Canadian Heritage, Status of Women and Official Languages, is actually the one who worked tirelessly on this issue, and so I am able to confirm that the government will provide stable funding to the wildlife area in the future.

[English]

**FIRST NATIONS TECHNICAL INSTITUTE**

**Ms. Jean Crowder (Nanaimo—Cowichan, NDP):** Mr. Speaker, First Nations Technical Institute is in limbo waiting for the government to decide if it supports aboriginal education or just likes to talk about it.

The federal government is threatening to cut two-thirds of the funding to FNTI on April 1 and says that the alumni should fund raise to make up the difference between the federal cut and the needs identified by FNTI. Students deserve leadership on this issue.

Is the minister going to commit to supporting on reserve schools like FNTI with long term sustained funding, or is he just going to keep talking about it?

**Hon. Chuck Strahl (Minister of Indian Affairs and Northern Development and Federal Interlocutor for Métis and Non-Status Indians, CPC):** Mr. Speaker, we did come up with emergency funding to keep this technical institute open until the end of the school year. We have for the last several years attempted to get this institute to come up with a business plan that would make it sustainable in the longer run.

There are six or seven other first nations schools in the province of Ontario, all of them doing good work. Unfortunately, just this one institute comes back every year for emergency funding. I am urging it to consider other business plans, as the other schools are doing, to make sure that we can have a long term, sustainable first nations education.

\* \* \*

[Translation]

**STANDING COMMITTEE ON PROCEDURE AND HOUSE AFFAIRS**

**Mr. Yvon Godin (Acadie—Bathurst, NDP):** Mr. Speaker, my question is for the chair of the Standing Committee on Procedure and House Affairs.

For many months now, he has been delaying the committee's work by not applying the rules at his disposal to ensure the proper functioning of the committee.

Will he commit to taking his role seriously next week and restoring order in the committee or will he follow his government's agenda of partisan tactics?

**Hon. Peter Van Loan (Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC):** Mr. Speaker, I know the chair of that committee and I believe he always takes his responsibilities seriously.

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**PRESENCE IN THE GALLERY**

**The Speaker:** Order, please. I would like to draw to the attention of hon. members to the presence in the gallery of Mr. Guy Gurwez.

*Government Orders*

[English]

Mr. Gruwez has for 40 years been the chair of the Last Post Association in Belgium and thus responsible for a nightly ceremony commemorating the 7,000 Canadian soldiers who were killed in World War I and whose names are etched on the Menin Gate at Ypres.

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

\* \* \*

• (1505)

**OFFICIAL REPORT**

**The Speaker:** I believe the hon. Secretary of State for Small Business and Tourism has a point of order she would like to raise in the House. I will recognize her for that purpose now.

**Hon. Diane Ablonczy (Secretary of State (Small Business and Tourism), CPC):** Mr. Speaker, I refer to page 2662 of *Hansard*. Yesterday in question period, when I answered a question, I misspoke. I would like to advise the House of the correct information.

This was about the government spending on tourism. The government spending on tourism is \$800,000 over two years.

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**GOVERNMENT ORDERS**

[Translation]

**PREBUDGET CONSULTATIONS**

The House resumed consideration of the motion.

**The Speaker:** Prior to oral question period, the hon. member for Saint-Maurice—Champlain had the floor. There are five minutes left for questions and comments.

Since there are no questions or comments, we will continue the debate. The hon. member for Trois-Rivières.

**Ms. Paule Brunelle (Trois-Rivières, BQ):** Mr. Speaker, it is with pleasure that I speak to the prebudget consultations today. First of all, we should remember that the Bloc Québécois had set six conditions for its support of the 2008 budget: an assistance plan to help workers and businesses affected by the forestry and manufacturing crisis, measures to restore dignity to seniors, the return of the education and social programs transfer to 1994-95 indexed levels, increased funding for social housing and a reversal of the Conservative government's ideological cuts, increased funding for culture, and a 180-degree turn on the environment.

You will not be surprised to hear me talk about assistance for the manufacturing sector in this House. I am the industry critic and therefore take considerable interest in this matter. The manufacturing and forestry industries are experiencing an unprecedented crisis. The committee recommended that the government implement various initiatives to help the sectors and workers affected by the crisis.

The Standing Committee on Finance therefore recommended that the government allocate \$1 billion to the forestry sector. The Committee also recommended that the government allocate \$1.5 billion in reimbursable contributions to allow companies to

purchase new equipment. There was also the recommendation to increase the excise tax on gas to 5¢ per litre and to permanently transfer this federal tax, effective 2008-09, to all municipalities, a request made many times by Quebec municipalities.

We also want to support the workers affected by this crisis. To that end, the committee recommends that the government create an independent employment insurance fund and an assistance program for older workers. Naturally, the Bloc Québécois is disappointed that the committee did not accept its suggestion to use the surplus in the independent employment insurance fund to enhance the program.

Furthermore, the committee ignored our request to reinstate the Technology Partnerships Canada program, at a cost of \$500 million. But the facts are tragic. Action must be taken; the situation is urgent.

Here are some figures. Since January 1, 2003, 148,000 jobs have been lost in the manufacturing sector. Since the Conservatives took power in 2006, 78,000 jobs have been lost in the manufacturing sector. And these numbers are just for Quebec. Since April 2005, 21,000 jobs have been lost in the forestry industry alone, which includes the related industries and services, such as transport and forestry equipment. That is just over half of the total in Canada. Since the Conservatives took power, Quebec's forestry industry has lost nearly a quarter of its jobs. In total, of the 288,000 jobs lost in Canada, 148,000, or 51%, were in Quebec.

I hardly need remind hon. members that the forestry industry is important to Quebec. Quebec has 88,000 jobs in forestry, sawmills and pulp and paper plants; 230 cities and towns depend primarily on the forestry industry, and 160 cities and towns depend exclusively on it. Nearly half the forest communities in Canada are in Quebec. The forestry industry is a key reason for settlement patterns in Quebec. We do not want people to leave our regions.

We have worked to propose solutions that we would like to see in the coming budget. They include support for businesses that want to buy new production equipment. This can take the form of a program of loans and loan guarantees to help companies modernize.

Companies that are suffering and having difficulty borrowing money on private markets must pay a risk premium, which increases the interest they pay. If companies are to compete successfully, they must buy new production equipment, which means that the government must guarantee their loans.

• (1510)

We also suggest a series of investments and tax measures to support research and development in industry. The federal government must provide better tax support for corporate research, development and innovation. It must expand the range of expenses that are eligible for funding, for example, by including the cost of taking out patents or training personnel to work on innovative projects.



In addition, the R&D tax credit must be made refundable so that companies can take advantage of it, even if they are at the development stage and not yet turning a profit. It can take many years to develop a new product. We need to support our businesses.

The federal government really must support research and development by cancelling the cuts to the Technology Partnerships program and increasing the program's funding instead. It must make sure that the program funds really go to the provinces so that they can distribute the funding where it is most needed.

Leading-edge sectors such as pharmaceuticals, environmental technologies, advanced materials and production technology have been left on their own. Contrary to this government's claims, the tax cut is not a cure-all. We must reintroduce an economic diversification program for forest regions.

Because I represent a resource region, I am in a position to understand the difficulties a region can experience when its primary economic activity is in jeopardy. A number of regions in Quebec are taking the full brunt of this crisis in the manufacturing and forestry sectors.

The Bloc Québécois is therefore proposing that special attention be given to the resource regions that are affected by the present forestry crisis and that desperately need to diversify their industrial base. We must therefore restore a regional economic diversification and support program for the regions that have been hit by the forestry crisis.

We must offer tax breaks for the companies operating in resource regions and support them while they grow by encouraging skilled workers to settle in the regions. We must create a program to support the development of energy and ethanol production using forest waste.

The Minister of the Economic Development Agency of Canada for the Regions of Quebec has eliminated the program specifically devoted to the regions affected by the forestry crisis. That is the laissez-faire policy adopted by the government. We saw nothing in the Speech from the Throne or in the Minister of Finance's economic statement. We must see some solutions in this budget.

On the question of revising trade laws to provide our businesses with better protection against unfair competition, we can see that as a result of the Conservative laissez-faire trade policy our businesses are being left to their own devices to deal with what is sometimes unfair competition. Canadian antidumping laws date from the Cold War era and are completely out of date in the present situation, particularly for dealing with China. It is urgent that Canadian trade laws be brought up to the same standard as in the other industrialized nations, in particular the United States and the European Union countries.

As well, despite the fact that the Standing Committee in Industry, Science and Technology unanimously recommended that it do so in its February 2007 report on the manufacturing sector, the government is not modernizing its antidumping legislation. They are completely out of date and give our businesses less protection than the laws of virtually all of the industrialized nations.

### *Routine Proceedings*

Lastly, we propose better financial support for the workers who are hit by the crisis in the manufacturing sector. We believe it is necessary to enhance the employment insurance program. We also have to make sure that we avert an exodus of workers hit by this crisis, and we have to support those of our workers aged 55 to 64 who are victims of mass layoffs.

To conclude, the Bloc Québécois is close to the grassroots; it stands with the people of Quebec; and it is trying to find solutions that will address this crisis. It seems to us that the next budget is an opportunity to deal with this, and we call on this government to take action. It is urgent, and this is the time when it must be done; the future of our communities depends on it.

\* \* \*

● (1515)

[*English*]

### CITIZENSHIP ACT

(Bill C-37. On the Order: Government Orders:)

December 10, 2007—Second reading and reference to the Standing Committee on Citizenship and Immigration of Bill C-37, An Act to amend the Citizenship Act—the Minister of Citizenship and Immigration.

**Hon. Peter Van Loan (Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC):** Mr. Speaker, there have been consultations and I believe you would find the unanimous consent of the House for the following motion.

I move:

That, notwithstanding any standing order or usual practices of this House, Bill C-37, An Act to amend the Citizenship Act, shall be deemed to have been read a second time and referred to the Standing Committee on Citizenship and Immigration.

**The Speaker:** Does the hon. government House leader have the unanimous consent of the House to propose this motion?

**Some hon. members:** Agreed.

**The Speaker:** The House has heard the terms of the motion. Is it the pleasure of the House to adopt the motion?

**Some hon. members:** Agreed.

(Motion agreed to, bill read the second time and referred to a committee)

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## ROUTINE PROCEEDINGS

[*Translation*]

### COMMITTEES OF THE HOUSE

#### FISHERIES AND OCEANS

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

That, notwithstanding any Standing Order or usual practices of the House, the debate pursuant to Standing Order 66 scheduled for tonight be deemed to have taken place and the First Report of the Standing Committee on Fisheries and Oceans, presented on Thursday, December 6, 2007, be now concurred in.

*Government Orders*

**The Speaker:** Does the hon. Leader of the Government in the House of Commons have the unanimous consent of the House to move the motion?

**Some hon. members:** Agreed.

**The Speaker:** The House has heard the terms of the motion. Is it the pleasure of the House to adopt the motion?

**Some hon. members:** Agreed.

(Motion agreed.)

[*English*]

**Ms. Catherine Bell:** Mr. Speaker, I rise on a point of order. In the translation, it said something about Standing Order 67 and on the paper it says Standing Order 66. I just want to clarify that it is Standing Order 66.

[*Translation*]

**Hon. Peter Van Loan:** Mr. Speaker, it is 66.

\* \* \*

[*English*]

**EMERGENCY DEBATE**

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

That, during today's debate on the Emergency Debate, no quorum calls, dilatory motions or requests for unanimous consent shall be received by the Speaker.

**The Speaker:** Does the hon. government House leader have the unanimous of the House to propose this motion?

**Some hon. members:** Agreed.

**The Speaker:** The House has heard the terms of the motion. Is it the pleasure of the House to adopt the motion?

**Some hon. members:** Agreed.

(Motion agreed to)

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**OFFICIAL REPORT**

**Hon. Diane Ablonczy (Secretary of State (Small Business and Tourism), CPC):** Mr. Speaker, I rise on a point of order. I have good news and bad news for the House.

The bad news is that my correction that I made previously was in error and in fact the federal government spending on tourism is \$800 million over two years.

The good news is that I devoutly hope this is the very last thing the House will hear on this topic from me.

• (1520)

**The Speaker:** I thank the hon. Secretary of State for her careful correction of all statements in this matter.

**GOVERNMENT ORDERS**

[*Translation*]

**PREBUDGET CONSULTATIONS**

The House resumed consideration of the motion.

**Mrs. Claude DeBellefeuille (Beauharnois—Salaberry, BQ):** Mr. Speaker, I would like to congratulate my colleague, the hon. member for Trois-Rivières, on her excellent speech. She is the Bloc Québécois industry critic and I can assure this House that industry and indeed all workers are well represented by this member.

All the solutions put forward by the Bloc Québécois have been reviewed and, more importantly, endorsed by industry. I would like the member to tell us how manufacturers, that is, businessmen and women in the forestry industry, and the unions reacted to the proposals and solutions put forward by the Bloc Québécois.

**Ms. Paule Brunelle (Trois-Rivières, BQ):** Mr. Speaker, I thank my hon. colleague for her question.

Bloc Québécois members held prebudget consultations across Quebec. We met with people from businesses, organizations, people from all sectors, workers and union representatives. Naturally, the measures we put forward here in the House are a reflection of what people told us and their demands, and they all said the same thing. It is always an honour for us to bring to this House what the majority of our citizens want.

We know that the Bloc Québécois is well established in all areas of Quebec. We are very proud to submit these suggestions, in an effort to end this major crisis in the manufacturing and forestry sectors.

**Mrs. Claude DeBellefeuille:** Mr. Speaker, the member for Trois-Rivières told us that she accompanied our party's finance critic, the member for Montmagny—L'Islet—Kamouraska—Rivière-du-Loup, on a tour of Quebec and that stakeholders supported the Bloc Québécois' solutions.

Now can she tell us that many of those solutions and proposals were debated and unanimously adopted by the Standing Committee on Industry, Science and Technology? Can she also tell us that the Conservative members accepted most of the solutions proposed by the Bloc Québécois? Can she tell us more about this?

**Ms. Paule Brunelle:** Mr. Speaker, in November 2007, the Standing Committee on Industry, Science and Technology adopted a report. The report contained 22 recommendations to address the crisis. The report was tabled in the House after the committee spent a year studying the issue and hearing witnesses. Of course we think it is important for the government to adopt a number of these measures. However, only one of the measures—accelerated capital cost allowance—was chosen, and then only by half measures, unfortunately. We still think these recommendations are valid. The committee gave its unanimous approval, and we would like to see them in the budget.

It is also important to understand that during the prebudget consultations, we met with groups that are often ignored in our budgets, such as status of women and social housing groups. The government often forgets to consult these groups because they do not represent big business. All the same, these people are deeply involved in areas that experienced harsh program cuts, and now they would like their funding back.

[English]

**Hon. Larry Bagnell (Yukon, Lib.):** Mr. Speaker, I would like to ask a question regarding Burma, or Myanmar.

The government has given \$300 million over five years to Palestine. We had a huge crisis in Burma and the government has done good legislative work on that, but on the aid side there is only \$2 million a year.

I hope we could get all parties in the House to increase that amount. I just came from the Thai-Burma border and lots of money is needed for food and education. There are refugees right on the border. I hope the member would support me on that.

[Translation]

**Ms. Paule Brunelle:** Mr. Speaker, I would have a hard time commenting because this is not an issue I am familiar with.

• (1525)

[English]

**Mr. Gerald Keddy (Parliamentary Secretary to the Minister of the Atlantic Canada Opportunities Agency, CPC):** Mr. Speaker, before continuing the debate, I would like to say that I will be splitting my time with the member for Simcoe North.

**Mr. Dennis Bevington:** —splitting your title.

**Mr. Gerald Keddy:** Mr. Speaker, I heard a comment from the NDP. Perhaps that member would like to repeat it.

I am please to rise in this debate today. Certainly, there are a couple of fundamentals that really need to be discussed here when discussing the preparation leading up to the budget.

First, it is important that government listen to those who have elected it. Whether it is this government or any other government, it is extremely important to listen to the people.

Quite frankly, there is no point in asking Canadians for their views and their advice if we are simply going to ignore them. That counsel, the concerns, the ideas presented to us by Canadians from all walks of life and from all regions of the country, in our case, has contributed immeasurably to the development of a strong and fiscally sensible economic action plan.

A fact with which we continually struggle is the realization that we cannot do everything at once, but by setting priorities, making realistic choices, and finding ways to do what is needed while still living within our means, we have been able to strengthen our economy and increase opportunities for Canadians now and into the future.

Even with such progress, we have not finished our work. That is why prebudget consultations are so helpful in developing budgets

### *Government Orders*

that better reflect the priorities of all Canadians, not just a select few but all Canadians.

We are close to completing a series of cross-Canadian round tables and the online prebudget consultation process is still under way. I would encourage all my fellow members in every party in this place to tell their constituents about this unique opportunity to offer their views and suggestions until February 11, the last day of the online consultation. Hon. members will find the online prebudget consultations on the Finance Canada website, for anyone who cares to look.

We are still receiving comments and ideas for budget 2008 and beyond, so it is too early to comment on all of those results, although I will say, having been a panel member at the prebudget consultations in Halifax, many excellent comments and ideas were received by the panel.

We heard early and clearly, in our first round of national prebudget consultations after we took office, that Canadians pay too much tax. In fact, lowering taxes stood high on the list of priorities we heard about during our first ever national online prebudget consultation process back in 2006.

As I said a few minutes ago, there is no point asking people for their advice if we are not willing to act on what we have been told, so we acted quickly on many fronts, and in particular, we acted to reduce taxes.

We wanted what Canadians said they wanted: to get ahead and stay ahead, and to create better incentives for Canadians to succeed. We also wanted to improve the rewards for working hard, saving and investing in the new knowledge and skills.

There is no doubt that we have made great strides on the tax front. We have provided relief in every way the government collects taxes: personal taxes, consumption taxes, business taxes and excise taxes.

We have increased the basic personal amount to \$9,600, retroactive to January 1, 2007 and the basic personal amount will be further increased to \$10,100 on January 1, 2009.

This is especially good news for low income Canadians who can least afford to pay taxes. The \$10,100 as of 2009 and the \$9,600 as of January 1, 2007 is the total amount all Canadians can earn without paying federal income tax.

• (1530)

This measure provides Canadians with an additional \$2.5 billion in tax relief in 2007 and 2008. In addition, our government moved the lowest personal income tax rate to 15% from 15.5%, retroactive to January 1, 2007.

**An hon. member:** That's after you raised it last year.

**Mr. Gerald Keddy:** The opposition members obviously want some part in this discussion and I would be happy to allow them to speak during questions and answers.

The measure provides Canadians with \$8.4 billion in tax relief over this year and the next five years. Personal income taxes will come down even further as a result of our tax back guarantee.

*Government Orders*

This fiscal year, we plan to make an additional debt reduction of \$10 billion for a total of more than \$37 billion in debt relief since coming to office. We are dedicating all interest savings from this shrinking federal debt to further reduce personal income taxes. This is serious debt relief and serious tax relief for Canadians. With the additional debt reduction in the 2007 economic statement, the total value of tax relief provided under the tax back guarantee will rise to \$2.5 billion by 2012-13. Together, these income tax cuts will deliver relief on income tax returns this year.

These tax cuts will move some 385,000 people off the income tax rolls altogether. It is good news for low income Canadians. As a result of the steps we have taken, the purchasing power of consumers will go up. In addition, the take home pay of all Canadians will go up. Reducing taxes for all Canadians is a key part of our long term economic plan entitled "Advantage Canada".

It is a plan that would lead to a more rewarding future for Canadians and their families. It is a plan to give Canada and Canadians the key advantages to be able to compete effectively and attract new growth and investment.

The other four key advantages are: a fiscal advantage eliminating Canada's total government net debt in less than a generation; an infrastructure advantage, building modern world class infrastructure that promotes economic growth, a clean environment and international competitiveness; a knowledge advantage, creating the best educated, most skilled and most flexible workforce in the world; and an entrepreneurial advantage reducing unnecessary regulation and red tape, and increasing competition in the Canadian marketplace.

I would further like to point out that since coming to office some 24 months ago, our government has taken action that approaches \$200 billion in tax relief for Canadians and businesses, bringing taxes to their lowest level in nearly 50 years. As we move forward, the good news is that we are working from a position of strength.

Our economic fundamentals have remained strong and we can be proud of our achievements. We are experiencing the second longest period of economic expansion in Canadian history. Business investment is expanding for the 12th consecutive year. Our unemployment rate is the lowest in 33 years with more Canadians working than ever before.

Canada is one of the few countries in the world with a sound public pension plan and we are on the best fiscal footing of the major western industrialized countries. In fact, we are the only member of the G-7 with both ongoing budget surpluses and a falling debt burden.

In conclusion, we are well along in our 2008 prebudget consultations. We are listening. We are putting Canadians first and without exception, we fully intend to continue to do that.

I mentioned earlier that I am sharing my time with the hon. member for Simcoe North who is a great representative for that part of Ontario. He also has a solid business background as a small businessperson and an entrepreneur, and brings a real small business opportunity and perspective to this debate.

**Hon. Wayne Easter (Malpeque, Lib.):** Mr. Speaker, I cannot believe what I heard, which is a lot of propaganda coming out of the PMO.

However, one thing the member for South Shore—St. Margaret's did talk about was trying to do what is needed while still living within their means. The problem with that line is that the current Conservative government has basically killed the ability of the federal government to have the means to do what is needed for this country.

Why do the Conservatives not just admit it? They have taken a country that was the envy of the G-8 in terms of the industrialized world and in terms of fiscal capacity and responsibility and driven it to the brink of deficit.

The member, in representing his riding, should be standing on the floor demanding some help for the fishermen, the farmers and the hog and beef producers who have basically said, before the agriculture committee the other day, that what the government was doing was seen by their members as a cruel joke to the families that it was supposed to help.

Why does the member ignore the facts? Why does he make a speech here saying that the government lowered income tax to 15% when in fact just the year before it raised it to 15.5%? Let us lay out some facts.

• (1535)

**Mr. Gerald Keddy:** Mr. Speaker, there are facts and there are falsehoods and we have just heard the latter.

The income tax rate was 15.5% last year and we lowered it to 15%. The previous government had gotten a little ahead of itself. It changed it in the booklet but it did not change it in the act. It never went through the House.

We had a government at the time that was above the law and above Parliament. That is the way the Liberals treated this place for the 13 years they were here and that is the way they would treat it again if they were to come back.

I will repeat what I said before. We are on the best fiscal footing of the major western industrialized countries. In fact, we are the only member of the G-7 with both an ongoing budget surplus and a falling debt burden.

We have improved things for fishermen and for farmers. We have cut capital tax, corporate tax and personal income tax. We have supported families. Things are better in rural Canada than they have ever been under this party.

**Ms. Alexa McDonough (Halifax, NDP):** Mr. Speaker, I missed the first part of the comments by the member from South Shore but I listened to what he asserted to be the facts. I am glad he wants to deal with the facts.

It is a fact, and the member knows it is a fact, that of the 18 different groups that appeared in Nova Scotia to make a presentation to the finance committee, 15 of them, one way or another, indicated clearly and strongly how opposed they were to the priorities of the government as reflected in the 2007 economic statement and, as they fear, will be reflected in the upcoming budget.

*Government Orders*

First, I want to ask the member if he is prepared to acknowledge that that indeed is a fact.

Second, in his propaganda reading of the PMO line on this, is it not also a fact that he ignored the pleadings of people on behalf of the anti-poverty movement—

**The Acting Speaker (Mr. Andrew Scheer):** I will have to cut off the hon. member there to allow the hon. parliamentary secretary time to respond.

**Mr. Gerald Keddy:** Mr. Speaker, I am certainly happy to at least attempt to answer that question but I am sure I will be interrupted by the opposition parties.

The reality is that the economic fundamentals of Canada are the best they have ever been.

Let us be realistic about this. We do not know what the future will hold. We do need to be prudent and cautious in the upcoming budget. We do need to take a look south of the border at what the American economy will do. And, we did listen to the presenters who came before us for prebudget consultations.

• (1540)

**Mr. Bruce Stanton (Simcoe North, CPC):** Mr. Speaker, it is a great honour and privilege to join the prebudget debate today and, I understand, for the next few days.

I commend my colleague, the parliamentary secretary and the member for South Shore—St. Margaret's, with whom I share space over in the Justice Building, for his comments. I must say that he has been a great mentor to me. He is a veteran here in the House and for a new member of Parliament it has been good to have a guy like him show us the ropes.

The topic in front of us today is something that we have been able to reflect on as we look back over the last few months to see the kind of pressures that have come to bear here in Canada and to reflect on the kind of response that we have made in ensuring that Canada's economic fundamentals will allow it to withstand the kind of pressures that we have seen, for example, from the slowdown that seems apparent in the United States.

I must say that Canada, looking back over the last decade, has not been immune to these outside economic pressures. We witnessed the drying up of the equity market that occurred in the Asian markets not too long ago, the tech bubble, BSE and SARS, various geopolitical events that happened in the world that cause our economy some ill. There is no doubt that in the future the one thing we know for sure is that this will not be the last. There will continue to be events that arise in the world economy. We know that year after year our economy continues to be ever more connected with what happens in the world. We see that in trade. We see that our dependence on a strong economy relies on good trade relationships with other parts of the world. We can all be sure that will be increasingly important. What that also brings is the greater likelihood that world events will impact our economy.

How do we prepare for that? The measures that this government has taken in the last year have been exactly spot on in what we need to do. Almost every economist will say that the best way to manage and backstop against those kind of pressures is to concentrate on

fundamentals, concentrate on getting our fiscal house in order, ensuring that we are making the right investments, that we are not overtaxing Canadians and that we are reducing our debt. I would maintain that is exactly what this government has been doing the last two years, which is what has given rise to the kinds of things that my hon. colleague talked about.

We have reduced debt by some \$37 billion since we took office. We have seen taxes go down. Taxes for all Canadians and businesses right across the country have been reduced by some \$190 billion that has been lightened up from our economy.

What do we see happening from that? We see unemployment being at its lowest level in some 30 years.

Those are all the result of sticking to the basics.

The opposition wants to talk about programs. I will take, for example, the community development trust. This was a good program that was devised, in particular, for one industry towns where the workers were in transition and needed help and to help those towns build stronger new economies.

What do we hear? We hear that it is not enough. The opposition members would have us spend and spend. They would take us into deficit. They do not seem to talk. Let me correct that. They do think the GST should go back up to 7%. We have heard that from them as well. The GST is putting some \$12 billion back in the pockets of Canadians because of those two measures, a promise we kept from the 2006 election. They would put that GST back up to 7%.

• (1545)

I would need to defer to some of the commentary the Liberals would bring on this question. It would be up to them to tell Canadians how they would disburse these new taxes that they would apply back to Canadians, but they have a tax and spend approach, which is exactly what failed Canada in the past.

Our approach is to liberate the economy and that is what we are doing. We are making investments in the right areas and to have fiscal balance. We are trying to ensure that the provinces and territories are working on an even footing, that they have the kinds of resources they need to spend in their jurisdictions that is fair, predictable and consistent, the kind of proper balance needed between the two levels of government to ensure we are serving Canadians well.

We invest in the right areas but at the end of the day we ensure that the kind of economic decisions we make enable Canada's economy. What has come as a result of that? My hon. friend from South Shore—St. Margaret's has explained that in some detail.

I have had the opportunity over the last six months to participate in the Standing Committee on Industry, Science and Technology. It has been a very enlightening experience listening to the testimony in committee on the topic that we are discussing on the service sector of Canada's industries. Some 75% of our economy is in the service sector, a critical sector for our economy.

*Government Orders*

The committee had several meetings on the whole issue of how the strengthening of the Canadian dollar has impacted us here in Canada. What the witnesses said supports exactly the kind of logic that we have applied, not just in our economic statement this past fall, not just in budget 2007, but going right back to when we campaigned back in 2005-06 to bring a new and better approach for Canada, and it is paying off.

This is not the time to start delving into robust, strong interventionist policies, the kind of heavy spending, heavy intervention by governments that, to be honest, got us in trouble back in the 1970s and 1980s. It was those kinds of approaches, these knee-jerk reactions to try to jump in and use public dollars to create imbalances in our economy that caused the ebb and flow to issues around inflation and interest rates.

Many members will remember that that was a very chaotic time for our economy. We have learned from that and we are doing a better job of it. This government will continue that approach. No one ever wants to see job losses in the country, but the fact is that when times come upon us where we need to re-tool, adjust and equip ourselves for the newer economy, adjustments will take place.

What we heard from witnesses who appeared before the committee is that while we may have lost some jobs in one part of the sector of the economy, we are actually gaining even more in other sectors. We may have lost 100,000 or so jobs in some sectors of the economy, in this case in manufacturing, but we have actually gained 400,000 jobs in another sector. The net gain has been positive.

Some think, in the service sector in particular, that all jobs are low paying. That has not been the experience. Every sector has its highs and lows in terms of quality employment, the kinds of jobs that can give people the livelihoods they need to raise their families, move ahead and be tremendous contributors to Canadian society. That is what we all want and that is what we are all looking for.

The fact is that times are changing and Canada needs to adjust with it. The very best way we can do that is to ensure we concentrate on giving the economy all the tools it needs to have effective job opportunities, the right kinds of investments and the kind of dynamic, competitive environment that will attract investment, and that is happening. We are seeing companies coming to Canada doing a fantastic job.

● (1550)

Other members have suggested that there is some kind of demise of our manufacturing sector. I have to say that our manufacturing sector is the most resilient and the strongest part of our economy that I have seen.

In Midland, Ontario in my riding, there is a sector that is 35% overrepresented on the provincial average of manufacturing jobs. Yes, they are going through some paces and they are having to make some adjustments, but they are in business and they are performing well. In other sectors of manufacturing in Canada, bigger investment is coming.

I will end with that. I invite comments from my colleagues.

**Hon. Anita Neville (Winnipeg South Centre, Lib.):** Mr. Speaker, there are two things I want to comment on.

My colleague opposite speaks of the GST. I would say to him that he is reinventing a reality when he says that members on this side of the House have any intention of raising the GST. I do want to ask him why, when he cites economists, he does not cite those economists who said that the GST was the worst possible tax cut the government could employ, that in fact it should have been looking at income taxes?

When he speaks about government spending, I particularly want him to comment on the fact that with the Liberal government, from 1992-93 to 2005-06, program spending was 2.3% and Liberal government spending, after balancing the budget from 1997 to 2005-06, was 5.5%. With the Conservative government from 2005-07 it was 6.4% and the direct federal spending by the Conservative government was 8.6%. That is higher than any previous Liberal government since 1992.

How does he reconcile his remarks with these figures?

**Mr. Bruce Stanton:** Mr. Speaker, first, on the GST, the GST was in fact reduced to 6% last year and to 5%, which is where it is right now. We welcomed members opposite to support us in that decision, but if I recall, they voted against that. They were against reducing the GST. I assume from that they would have preferred to keep it where it was. That is the root of my comments.

On the other question, this government in the last two years has reduced debt by \$37 billion. The debt is now down to \$457 billion, the lowest it has been in some 25 years. At the same time, we have liberated the taxes on Canadians by some \$190 billion. We have done that and we have continued to make sure that investments are in the right place.

Yes, we are investing in things like supporting our men and women in the armed forces. These are important priorities, the kinds of things that we promised we would do also.

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**MESSAGE FROM THE SENATE**

**The Acting Speaker (Mr. Andrew Scheer):** I have the honour to inform the House that a message has been received from the Senate informing this House that the Senate has passed the following bill: Bill C-41, An Act respecting payments to a trust established to provide provinces and territories with funding for community development.

\* \* \*

**PREBUDGET CONSULTATIONS**

The House resumed consideration of the motion.

**Mr. Dennis Bevington (Western Arctic, NDP):** Mr. Speaker, with respect to my colleague's comments, we are very concerned around the change in the corporate tax rates in this country. The change in the rates will affect primarily businesses and corporations that have profits. One of the clear winners is the banks. The banks and the financial institutions have about 35% of pre-tax profit in this country. If we calculate those figures, what this means to the banks is about \$4 billion a year by 2012 in the banks' pockets.

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How does this fit with building our economy? How does this make our economy work better?

• (1555)

**Mr. Bruce Stanton:** The short answer to the question, Mr. Speaker, is we are on track to get the corporate taxes down to 15% and we advanced the small business tax to 11% even one year quicker than we originally intended to. This puts us at the lowest corporate tax rates of all of the G-7 and the right kind of taxes to attract a competitive and dynamic environment where businesses will want to invest in Canada and create jobs.

Finally, with regard to the banks, I do not want to be an apologist at all for the banking community, but one must remember that many Canadians have investments, stocks and mutual funds invested in these kinds of corporations. Those are investments and profits that actually help their own retirement incomes as well.

**Hon. Anita Neville (Winnipeg South Centre, Lib.):** Mr. Speaker, I will be splitting my time with my colleague, the member for Kings—Hants.

I am pleased to have the opportunity to speak during this prebudget debate. In the coming weeks we are expecting to see a budget from the government, a government that so far has let down Canadians across the country and has particularly let down the people of Manitoba and of Winnipeg.

Two years ago the government inherited a sound fiscal record left by the previous Liberal government, a government that worked for nearly 13 years to bring our country out of deficit, a deficit, I might add, that we inherited from the former Conservative government, a pattern not uncommon to Conservative governments.

It was a Liberal government that produced eight consecutive balanced budgets. Canada had the best fiscal record of all the G-7 economies when the Liberals left office.

Times were good when the government took office and now our fervent wish and top priority is that the Conservative government now stay out of deficit. As hard times are upon us, the fiscal cupboard is almost empty. We have seen a government that cares more about posturing and power, a government that politicizes the affairs of the country, a government that often misspeaks.

The government has introduced two budgets and an economic statement. We saw a spending spree when times were good, and I would say, irresponsible tax cuts aimed to attract the voter rather than sound fiscal management.

It also managed to cut in areas that would make us more productive, such as research and innovation, or in areas that were in desperate need, such as literacy and poverty.

I want to touch on a number of issues that are of concern to the people of Manitoba and those issues that aboriginal Canadians face today that must be addressed by the government in its upcoming budget. We see a trend from the government and its fiscal record, a trend that entails mismanagement, hypocrisy, vindictiveness, and as I said before, much misspeak. There is misspeak on lowering income taxes while in fact increasing them, misspeak on program formats while in fact the government cut funds and narrowed the criteria.

When the government decided to break its promise on income trusts, it destroyed \$25 billion of Canadians' hard-earned savings. This was a direct hit to the pockets of every Canadian. The income trusts policy, I would say, was based on a false premise. The Conservatives have not been able to prove the notion that income trusts give rise to substantial tax leakage and tax unfairness. It is completely false. It has been discredited by many experts.

What there has not been enough public discussion on, and my colleague raised it earlier in question period, is how indeed this income trusts debacle is affecting both the CPP and other public and private pension programs. That is something that requires further study.

I also want to note that while holidaying far away, I was stopped on the street by a resident of my constituency, whom I do not know, who complained about income trusts and the horrendous impact it had on his family's finances.

It is also troubling to hear the Prime Minister and his finance minister say that the federal government has no role to play in urban communities. We know that last November the Federation of Canadian Municipalities came out with a report entitled, "Danger Ahead: The Coming Collapse of Canada's Municipal Infrastructure". The report outlines a, what is said to be underestimated, \$123 billion infrastructure deficit that Canadian municipalities now face. The report called for a national plan to eliminate this deficit and prepare the groundwork for effective management of our infrastructure.

The shell game the government is playing with infrastructure money is really an insult to Canadians. The reality is that Liberal programs are the backbone of that funding. The reality is that of the new money the government says it is putting forward, four programs are not accessible to municipalities.

• (1600)

The real Conservative building Canada fund is \$8.8 million, and even that is suspect, and now may be as little as \$1.3 billion over seven years. That is disgraceful and duplicitous.

In Manitoba we are anxious to know that funding for the floodway will come out of the old Liberal national strategic infrastructure program, not out of provincial allocations. Bridges, roads and water are very important to Manitobans.

The environment is a priority for everyone. We have an obligation to address this issue now and for the future.

Unfortunately, we are seeing no leadership from the members opposite. The Prime Minister was quoted in the *Toronto Star* in June 2004 as saying, "Carbon dioxide does not cause or contribute to smog, and the Kyoto treaty would do nothing to reduce or prevent smog". Perhaps that is another misspeak.

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The government claims it has taken action on the environment, but again it is empty rhetoric and an empty plan. We have a plan. I am not going to go into any details, but we know that the carbon budget would make a difference.

The government has restricted access to the home energy retrofit program for those who need it most. There is less money in the program, narrower criteria, and those who are poor cannot access it.

We hear it over and over again from every pulpit and every podium that children are our future. Well, the government must show it and invest in children and invest in post-secondary education.

The official opposition is committed to working with the provinces to bring forth an effective, high quality child care early learning program for families, something each and every child has a right to. We have not seen the promised 125,000 spaces. We have not seen the 32,000 spaces the minister says he has created.

In my riding of Winnipeg South Centre day cares have waiting lists of 300 children. Parents are forced to leave their employment. Many are not achieving their goals of further education because they do not have the necessary supports for their children.

On September 27, the headline in the *Winnipeg Free Press* read, "Tories say they made child care boo-boo". It was a big boo-boo and Canadians are paying for it.

I recently visited the aboriginal head start program in Winnipeg where the evaluations are showing they are changing the realities and opportunities for academic success for children and their families who participate in the program. I urge the government to look at this seriously.

In terms of post-secondary education, money must be available to students and universities for the direct and indirect costs of research. The government must go further than it did in budget 2007. Yes, there was money for 4,000 graduate students, and I appreciate that, and I am sure they appreciate that as well, but what about the undergraduate students? What about the students struggling to make ends meet? What about those young Canadians who cannot even access post-secondary education?

The millennium scholarship fund must be renewed. Countless Manitoba students have had their debt load reduced through this program and it has enabled them to go on to further education.

I cannot stand here and not talk about aboriginal Canadians. Members opposite treated the Kelowna accord, which dealt with the issues of poverty, education, housing, health, governance on reserve and off, with what I would call disgusting disrespect for this initiative. For 18 months it was a consultative process and all parties came up with a solution. It is a priority if we are going to close the gap.

We have seen how the Conservative government operates: income trusts; investment tax deductibility; squandering of fiscal prudence; raised income taxes for the poorest versus a regressive GST cut that benefits the rich; a relief package for workers that does too little, too late; mounting job losses; a rising dollar; a struggling U.S. economy; and a number of our own key sectors in trouble.

Even the current finance minister has not excused himself with tremendous credibility on the financial management front. I speak not just of squandered fiscal prudence and income trust debacles, but the simple management of his own office and the disregard for his own government's guidelines.

● (1605)

**Hon. Judy Sgro (York West, Lib.):** Mr. Speaker, I know how hard the hon. member has worked on a variety of issues, whether we talk about child care or women's issues. I have attended many meetings with the hon. member and know of her intense interest in the issues surrounding the aboriginal community.

It has been two years since the Kelowna accord was taken apart and destroyed. Has there been any progress at all in dealing with the aboriginal files?

**The Acting Speaker (Mr. Andrew Scheer):** The hon. Parliamentary Secretary to the Minister of ACOA on a point of order. I think I may know what he is grieving.

**Mr. Gerald Keddy:** I think you may, Mr. Speaker. The hon. member is an experienced politician in the House. She should be well aware that when we ask questions or present points in the House, we are supposed to be in our own seats.

**The Acting Speaker (Mr. Andrew Scheer):** I appreciate the hon. member raising that point. I was just double checking. I will allow the hon. member for Malpeque to ask a question, while the hon. member for York West finds her normal seat.

The hon. member for Malpeque.

**Hon. Wayne Easter (Malpeque, Lib.):** Mr. Speaker, the member for Winnipeg South Centre made a lot of good points, but I know she did not have time in her remarks to make them all.

My question for her relates to the Canadian Wheat Board, which I know is centred in her city. The Wheat Board and others have done an analysis that the moves by the government will take about \$800 million net out of the collective economy of farmers. It was admitted by an official of the Department of Agriculture, before the federal court on an appeal, that the Government of Canada, in terms of its Wheat Board change, had not done any economic analysis, either pro or con, on its moves.

Does the member really believe it is a responsible government when it does not do any economic analysis and, in the whole process, puts at risk jobs in her city and certainly goes against the democratic desires of farmers in the west?

**Hon. Anita Neville:** Mr. Speaker, my colleague is right. I did not have time in my remarks to speak to the issue of the Wheat Board, which is of grave concern for Manitobans. It is of grave concern to those farmers who have been railroaded and not respected in their choice and their will on the Canadian Wheat Board.

However, a study has been done. The impact on the city of Winnipeg is profound. What is also profound is the deafening silence from members opposite, not speaking up for the impact on the city of Winnipeg and the farmers. What is the point of electing them if they cannot speak up on behalf of their constituents?



My colleague is right. Thousands of direct and indirect jobs will be lost. Many producers will be affected. It will have a profound impact on Portage and Main. Head companies will leave Manitoba. There is no speaking up on that side—

•(1610)

**The Acting Speaker (Mr. Andrew Scheer):** The hon. member for Yellowhead.

**Mr. Rob Merrifield (Yellowhead, CPC):** Mr. Speaker, as I listened to the hon. member across the way go through her discussion and her speech with regard to the prebudget consultation, I was struck by a couple of things.

First, I will ask a short question. Does the hon. member understand the agricultural community very well? Sectors in the agricultural community have never seen better times than we have had in the last couple of years. The future looks even better than we have ever seen in the oil and grain sectors. The hog and beef sectors are the only ones going through a difficult time and the present time.

**Hon. Anita Neville:** They count too.

**Mr. Rob Merrifield:** They do count.

We went across Canada and listened to every Canadian we could find and asked for their input on the prebudget consultation. We never heard one word from anyone on the Kelowna accord. Yet we see it as an addendum to the supplementary comments by the Liberal Party.

Where did the Liberals get their testimony to put that into a report when we had absolutely no testimony presented before us—

**The Acting Speaker (Mr. Andrew Scheer):** The hon. member for Winnipeg South Centre has a very short time to respond.

**Hon. Anita Neville:** Mr. Speaker, I reiterate what I called in my remarks, a disgusting disrespect for the Kelowna accord.

The Kelowna accord was an eighteen month consultation process made up of the leaders of the aboriginal community from coast to coast to coast and the leadership of the provinces and the federal government. Their concerns dealt with education, health care, housing and governance. It is of profound importance for—

**The Acting Speaker (Mr. Andrew Scheer):** Resuming debate, the hon. member for Kings—Hants.

**Hon. Scott Brison (Kings—Hants, Lib.):** Mr. Speaker, it is with pleasure that I rise today to speak on prebudget consultation as we lead up to what is arguably the most important legislative instrument of the government on an annual basis, the introduction of a budget.

It is interesting today that the debate is around where to spend the surplus. That was not always the case. It took years and it was a struggle for all Canadians, not just a Liberal government that worked to reduce and eliminate the deficit. However, over a period of time all Canadians made sacrifices and worked together to achieve what was to become the soundest fiscal situation in any of the industrialized world. A declining debt to GDP ratio, a capacity for governments both to lower taxes and increase spending. In fact, the Conservative government inherited the strongest fiscal situation of any government in the history of Canada upon entering office.

It is interesting that the member for Yellowhead said something that was extremely telling a few minutes ago. He posed the question

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as to why the Liberals still cared about the Kelowna accord. Why did Liberals include the Kelowna accord as one of their priorities? Why did Liberals still considered the Kelowna accord to be important? According to the member for Yellowhead, in the consultations across the country, he did not hear many Canadians speaking about that.

A responsible and progressive government would defend the rights and interests of all Canadian, regardless of whether they form the majority. The government and the Conservative Party have demonstrated a remarkable capacity under the Prime Minister to pit one group against another, to write people off if they do not believe they will vote for them. It was for easy for them to write off the Kelowna accord.

They did a simple political calculation and politically the aboriginal and first nations people in Canada would not vote for the Conservatives, so they were expendable. It was very easy for them also to eliminate early learning and child care. They calculated that by and large young women would not vote for them according to the polls, so they wrote them off. They took them off the political balance sheet.

Good governments and principled governments do more than help those people who vote for them. They help all Canadians. There is a responsibility, particularly for aboriginal and first nations communities, to work with them, to address the economic and social challenges that are faced by aboriginal and first nations communities. It not just good public policy for them to ensure equality of opportunity, but it is good public policy for all Canadians, particularly as we see aboriginal and first nations communities being one of the fastest growing populations in the country.

If we do not, as non-aboriginal political representatives, take this seriously, we are letting down all Canadians on what could be a massive economic and social challenge. We need to not only bring back the Kelowna accord and address those social issues, but we need to move beyond Kelowna and address the economic challenges and opportunities for Canadian aboriginal people.

My riding in rural Nova Scotia has three aboriginal reserves, the Cambridge Reserve, Port Reserve and Shubenacadie Reserve. The challenges being faced by people in those communities is immense. As a government, we invested in schools at Shubenacadie Reserve and we invested in people. We were prepared to move beyond that with the Kelowna accord on a national basis. I would like, as one the priorities of a future Liberal government, to restore the Kelowna accord and to move beyond it.

We believed in early learning and child care. In fact, it is not just good social policy; it is good economic policy. An article in *The Economist* magazine called "A guide to womenomics" focused on the kinds of economic policies that not only could address equality issues, but also address economic growth and prosperity. It pointed to the countries that enjoyed the greatest level of economic growth, particularly Scandinavian countries. These countries not only did the right thing in terms of reforming their tax systems and cutting corporate and personal taxes and moving to a more competitive tax system, but they also invested in social policy, particularly early learning and child care.

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•(1615)

If we do not have a strong network of early learning and child care, it will hurt women disproportionately. Women pay a higher career cost and earnings cost than men, typically, for the responsibility of raising children. Regardless of how progressive couples become, that continues to be a fact.

The degree to which communities and society work together to share that burden and opportunity will reduce the barriers for women in the workplace and increase the economic prosperity of the country. That was made clear by *The Economist*. It is not a left wing or right wing principle; it is just good, basic, sound economic and social policy.

Beyond that, we are in a situation where other countries, and I mentioned some of the Scandinavian countries, countries like Norway and Sweden and Ireland and Australia, have reformed their tax systems to be more competitive. One of the benefits we have as a country in a surplus situation is we can reform our tax system. There is no country in the world, however, that is reforming its tax system by cutting a consumption tax. Canada is the only one.

The global economic consensus is that a country is better off cutting personal income taxes and reducing income tax. In fact, with the \$14 billion per year that the Conservatives are expending with the GST cut, they could have increased the basic personal exemption, the point at which Canadians start paying income taxes, to about \$20,000 per year. It is currently around \$9,600. We could take millions and millions of low income Canadians off the income tax rolls altogether and provide a tax break through the income tax system to all Canadians and have a more competitive tax system.

The fact is our corporate tax rates are still higher than many of our OECD competitors. While statutory corporate tax rates may be becoming as competitive, the actual effect of corporate tax rates are still higher in Canada. The problem is it is a moving target. The Conservatives are saying that in five or ten years Canada will be one of the most competitive corporate tax environments in the world. In five or ten years other countries are going to move faster, address corporate taxes and become more competitive and we are going to be sitting here. They say in the long run that we will be more competitive. John Maynard Keynes, the economist, once said, "In the long run, we're all dead".

We actually have a responsibility to be nimble, to move more quickly and to reform our tax system for growth, prosperity and equity more quickly. Cutting the GST is not the best way to achieve that. I believe it is more important to cut personal income taxes.

Beyond that, it is critically important that we not ignore the looming economic challenges facing the country. The reduction, or practically the elimination, of the fiscal envelope or fiscal capacity of the government to act in times of crisis is troubling. The latest edition of *The Economist* magazine said, "Economists reckon that Canada's fiscal and current account surpluses could disappear".

Who would have thought, even a few months ago, that a country with as massive a surplus as Canada was enjoying, a country that had been lauded by countries, economists and finance ministers around the world as a beacon of fiscal probity and economic innovation

would have *The Economist* magazine say, "Economists reckon that Canada's fiscal and current account balances could disappear?"

It is a very serious situation because it speaks to the bad economic management of the government. Not only is it incapable of investing in sound social policy, but it is also incapable of good economic growth policy. I would not mind it being completely market reliant and laissez-faire if it in fact understood the market.

Beyond that, Canadians are looking for long term investments on recreational infrastructure. Across my riding, facilities were built in the memorial wave of federal investment. Facilities, arenas and recreational facilities were built as part of the centennial wave of federal investment. However, across my riding there is a tremendous infrastructure deficit in places like Lantz, Brooklyn and Windsor.

•(1620)

We see child care facilities that need investment and parents who need help to afford quality child care.

We see an agricultural industry that is facing immense challenges. I hope one of the questions will be on agriculture, because we need to address agriculture and the government does not take—

**The Acting Speaker (Mr. Andrew Scheer):** Questions and comments, the hon. member for Victoria.

**Ms. Denise Savoie (Victoria, NDP):** Mr. Speaker, I listened very carefully to the member's comments. He was very quick to point out his former government's good fiscal record, as he put it, but we are all aware of that government's not so good environmental record.

Does he not think that the present government's problem is very similar to the former Liberal government's problem in the fact that it is caught in this false dichotomy that pits the environment against the economy? It seems unable to balance economic, environmental and social factors in its decision making process.

**Hon. Scott Brison:** Mr. Speaker, while I appreciate the hon. member's question, I was in fact part of the cabinet in 2005 when we introduced a budget referred to by the Sierra Club as the greenest budget in the history of Canada.

We did take steps to address environmental issues and climate change issues. In fact, our present leader was the environment minister who introduced project green, a plan to green the Government of Canada. As minister of public works, I established in my department the Office of Greening Government Operations, which aimed, through green procurement, green building management, and LEED's gold standards in buildings, to address that.

The fact is that I want to see governments do more. This is something I share with the member. She said something that was extremely important, that is, that economic growth can coincide with environmental responsibility. She is absolutely right.

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Innovative governments and companies around the world are seizing the green agenda, the green rush. They are investing in clean technologies and the research, development and commercialization of those technologies. It is broadly felt that in fact environmental technologies and clean tech will be the fastest growing area of the 21st century. Canada has the potential to be a global leader in clean energy and clean tech, so I agree with her on that.

• (1625)

**Mr. Bruce Stanton (Simcoe North, CPC):** Mr. Speaker, we are engaging in these budget deliberations and we honestly believe this is the right thing to do. Canadians need to be heard.

However, a member of the Liberal caucus, and in fact it might even be the member across the way who just spoke, has been quoted as saying in the *National Post* on July 17 that this kind of budget deliberation would be like asking a “janitor for budget suggestions”. It is this kind of sort of shameful comments about Canadians that really kind of irk Canadians when it comes time to respect this kind of process.

I see the member opposite shaking his head so perhaps it was not him, but that a Liberal member would have the gall to say such a thing about Canadians participating in a budget process, what does he think about that?

**Hon. Scott Brison:** Mr. Speaker, I would ask that the hon. member table that because in fact I did not say it. I would hope that the hon. member, when he does table it and when it is found that I did not say that, would apologize to me, withdraw his comments and apologize to the House for misleading the House, because I certainly would not say something like that. I think there is human dignity in every job that anyone does because there is pleasure and dignity in service. I would not ever say that and I did not say it, so I would hope that the hon. member, as an honourable member, will do exactly that.

I know the hon. member is from a rural riding. I have been to his riding. I know that he in fact lives in a beautiful part of the country and operated or operates a tourism facility there, a very nice one. He should understand the importance of the government's lack of commitment to tourism and the fact that the government eliminated the GST tax credit for individuals and damaged tourism at a time when the declining U.S. dollar already had dealt it a blow.

As a rural member, he should understand the importance of agriculture. I meet with farmers in my riding on an ongoing basis. I hear of the importance of a buy Canadian plan, focusing on encouraging Canadians to buy local and encouraging more Canadians to think about food security, and to think about the importance of a national food policy.

I hear about the importance of investing in infrastructure to help farmers sell their goods and farmers' markets in places like Wolfville, Windsor and Halifax. There is a proposal to have the most innovative green market anywhere in Canada in Halifax. ACOA turned it down because it did not see the importance of farmers being able to sell locally to consumers who want the best products grown in Canada.

**Mr. Bradley Trost (Saskatoon—Humboldt, CPC):** Mr. Speaker, before I begin my remarks, I must say that it will be my pleasure to

split my time with my colleague, the member for Bruce—Grey—Owen Sound.

There are various ways to approach a prebudget consultation in a prebudget speech. One can roll out a series of economic facts. One can talk about certain specifics or one can lay out certain principles and backgrounds and begin to develop what one thinks. I think that both methods are positive. Both methods have their strengths.

Having listened to a number of my colleagues go into specifics today, I thought I would concentrate more on a general aspect of laying out my philosophy, my background and where I come from so that the voters of Saskatoon—Humboldt, the people I represent, could better understand where I come from on a principles basis, so they could understand what their representative thinks, what goes into his deliberations, and why he comes to certain perspectives when he casts his vote. I hope that my colleagues will bear with me as I take a slightly different approach.

I would first like to lay out for my electorate and the population at large my background so that they might know my bio. I come from a very middle class family. My dad was a farmer. He has an education degree and taught for a while before going back to his first love. My mom is the local town librarian back home. We were not by any stretch of the imagination a rich or wealthy family.

So when I went off to the University of Saskatchewan, from which I ended up graduating with degrees in geophysics and economics, I did not have some major trust fund or any great amount of wealth to support me. I think this was very good for my education and for my background in understanding basic economics.

To pay my way through university, to be able to afford to go and have the privilege to earn some degrees at the university to provide for my future and to help with my education, I had to work each summer. I had to get down and do physical labour and do something that helped to build and mould my character.

In particular, I ended up working at a couple of different places. I worked at Good Spirit camp as the manager, chopping wood and managing the store. There I learned about fiscal responsibility. I also worked at tree planting for three summers in B.C., which was very important for my practical economic understanding. While the theory of economics was wonderful in the classroom, piecemeal tree planting is very good for practical economics. I understood very quickly that if one did not plant that tree and do it right, one did not get paid. There was a direct and immediate correlation and responsibility between the work one had done and the payment. I had the privilege of receiving that paycheque only for what I did and was responsible for.

I value those summers because they taught me about responsibility and valuing money, things that I think are sometimes lost today on people who do not come from a background where they are forced to address those questions directly.

Before I begin to speak today, I note that those are the experiences I come from. I took those prejudices and that background and began to apply them to my general principles approach as to how we should do our budget deliberations.

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Based on that background, I began to work through my principles. First and foremost, in regard to all the expenditures of all the money that we receive from the people of Canada, we as parliamentarians must consider that it is not our money. It is not the government's money.

It is the money of the people of Canada. They individually worked for it by the sweat of their brow. It was their effort. It was their initiative that caused the creation of wealth. We only hold it for them in trust. This is a trust that we must hold in higher regard than we hold our personal finances. I think we must remember that in regard to every penny we spend in budget 2008 someone worked for it, someone sacrificed and someone made decisions to try to create that wealth.

Therefore, instead of having the government come to this with the assumption that we have the right to spend the money, that it is ours to decide, we as the government and as members of Parliament should be required to justify each and every expenditure.

• (1630)

We should be able to say in regard to each year's budget that every penny was well spent. We should go through them over and over again. Just because program spending was appropriate in one year does not mean that we should continue it in a future year.

We must continue to justify to the voters, the electorate and the citizens of Canada that their money needs to go to whatever programs we put into the budget, because it is ultimately theirs and we only hold it in trust. It is not our right to decide what to do. We only get that right as it is given to us by the voters and only in trust.

If we are to hold that wealth from our voters in trust, it must be required that whatever expenditures we make, we do them with the utmost efficiency and for the creation of more wealth, not less. We must use government expenditures to create more opportunity to create services that cannot be provided through other means, and we must use those services with maximum efficiency. We must not waste money in any way, shape or form.

With those basic principles underlined, we look to history to see where they have been best applied, where governments have held money most in trust, and where have they gone out and applied these principles in an economic fashion with the greatest efficiency.

We can see that very clearly throughout history this has been best applied by government administrations that have applied some basic principles. They are governments that have emphasized free markets, not a collectivistic approach. They are governments that have supported free trade rather than a mercantilist style of approach, one that would hoard for an elite and keep a country looking inward instead of using the economic efficiencies of the entire world. This means a government policy that uses the currency as a means of trade and not as a means of manipulation for the power of the state to tax through inflation.

With those historical premises and the philosophical understanding, how do we then begin to apply that to what we have? I think the government has been quite good at applying those basic principles.

First of all, we have paid down the debt that was built up and which was predominantly a legacy of the Trudeau administration in our history, with some other administrations also sharing lesser degrees of blame. We have paid down the debt by \$37 billion and will continue to pay down that debt by a minimum of \$3 billion more per year. That is wise and prudent management of the public finances, because that debt is taxation for the future. It was caused by irresponsible and wasteful squandering by previous administrations.

Second, we have emphasized lower taxes, because again it is back to that principle: we hold the money in trust. While there have been criticisms of certain specific tax cuts, I know of no tax cut that is a bad tax cut. They are all good.

I must say that I am proud of the government's business tax cuts. While certain parties in the House may sharply criticize corporations, they do not criticize the investments in things, which teachers, farmers and workers across the country receive from these corporations in the forms of dividends and appreciated stock value. It is people's retirement that is being boosted as these companies are being supported.

Most notably, we have also dropped the GST by two full percentage points. Again the opposition criticizes us, although there is a certain degree of irony since two of the parties that were around at that time were harshly critical of it when it was first implemented and used the exact reverse of their arguments then.

I realize that parties are not the same throughout their history. They are organic, living and changing things, but there is a certain irony when the exact same people who in some situations criticized the imposition of a consumption tax are now reversing their position to criticize the decreasing of a consumption tax.

We have done other things. Among them, we have helped to increase the basic deduction for income taxes.

As I see my time is winding down, let me say finally that cutting taxes and watching the deficit are two of the most important things, but we must also make sure that we spend on necessities, not frills. We have increased spending on certain things such as infrastructure and direct targeting to communities in need. Those sorts of things are necessary to promote and protect our society, particularly regions of our society that are at a disadvantage due to outside forces.

• (1635)

Targeted wise spending on solid things, cutting the budget, cutting the deficit by balancing the budget, and cutting taxes are the priorities of the government. They are the priorities—

**The Acting Speaker (Mr. Andrew Scheer):** I hate to cut the hon. member off, but I will have to do so to allow for some questions and comments. The hon. member for Malpeque.

**Hon. Wayne Easter (Malpeque, Lib.):** Mr. Speaker, I will admit that I enjoyed the member's remarks because he was basically trying to point out how governments should be responsible, how members in the House should be responsible when they are using taxpayers' money for programs, and what they must do to review expenditures. I believe he said not to waste money in any shape or form.

*Government Orders*

I would take from that, that the member for Saskatoon—Humboldt would also, in a more indirect sense, believe that the government when it is passing legislation, that it should do so based on sound discussions and economic analysis. That is where the government has failed terribly.

I will quote from the Federal Court from July 16 of last year, in the court case over the government's illegal activities in terms of trying to put in place regulations. The director general of marketing policy for Agriculture Canada testified under oath at the Federal Court.

Question:

Did the government or the civil service or anybody retained by either do any analysis of how the amending regulations would function in the marketplace - are you aware of any studies of the kind I have mentioned to you?

Answer: "No".

Question:

Was anybody retained to analyze that in the recent past?

Answer: "No". Basically the bottom line was that no, no one was aware of anybody in the government who had done that kind of analysis.

Does the member really think the government is being responsible when it does not—

• (1640)

**The Acting Speaker (Mr. Andrew Scheer):** Order. I will have to stop the hon. member there to give the hon. member for Saskatoon—Humboldt a chance to reply.

**Mr. Bradley Trost:** Mr. Speaker, for people who are watching and who are not aware, he was discussing some matters involving the Canadian Wheat Board, particularly about barley.

If I may point out to the hon. member, there has been a considerable amount of discussion and papers prepared outside the government, so I do think it is prudent for the government to take information from outside the public realm, from outside the civil service, and examine it to see if it has been well and thoughtfully done. The government can then use information papers researched from outside its own civil service to help it come to conclusions.

I, for one, would not want the public purse to again re-invent the wheel by spending more money to come to the same conclusion as papers would have from outside research.

**Mr. Dennis Bevington (Western Arctic, NDP):** Mr. Speaker, one issue that was raised by the Conservatives in the development of their budget and their mini budget was the concept of fairness as it applies to taxation. I think that is one thing that I did not hear in my colleague's comments.

When we adjust the tax system to favour one group or the other, surely he would see that not all tax cuts are necessarily fair to the other parties in society. I know my experience in municipal government dealing with the ratio of taxation for commercial businesses and for residences suggested that we have to look at fairness in the system very carefully.

Now we have made some very large tax cuts that are going to serve the needs of the larger financial institutions in the country to the greatest extent. How does that compare to what we have done—

**The Acting Speaker (Mr. Andrew Scheer):** Order. The hon. member for Saskatoon—Humboldt has less than a minute to respond.

**Mr. Bradley Trost:** Mr. Speaker, I would agree with my hon. friend. One of the other jobs I did not mention in my preamble that I had done was that I worked in a bakery from 4 a.m. to 12 noon each day and paid out unemployment insurance each and every day. Some of my colleagues had been there for 10 to 12 years making a low income, minimum wage and were paying this payroll tax.

I agree with my hon. colleague, that instead of emphasizing sometimes the redistribution of things, we should be fair and let the working poor keep their wages, keep what they have worked for, and I would suggest cutting payroll taxes is one of those fair ways to cut taxes.

**Mr. Larry Miller (Bruce—Grey—Owen Sound, CPC):** Mr. Speaker, it is great for me to participate in these prebudget consultations. I think it is paramount that all of us in this House have that chance to speak for all Canadians.

As everyone in this House is quite aware, we live in a global economy with very fierce competition and growing uncertainty from time to time. In an environment like that, government needs to find bold and innovative ways to stay ahead of the curve. Part of that process is, as insinuated early, listening to Canadians. That is why we hold these prebudget consultations every year.

We look to Canadians for ideas to help the government create an environment that rewards hard work, encourages growth and improves our quality of life. We are well on our way down that road.

We are making broad-based, long term tax reductions.

We are reducing record amounts of debt. That is something that we have to continue to do. We have to look at the debt that this country has incurred and that has been added to since the 1970s as mortgages on people's houses that they pass on to their children and their grandchildren. I do not want my granddaughter and any possible future grandchildren to have that debt. We need to work on it all the time.

We are spending responsibly and efficiently.

While Canada is certainly on a solid financial footing, we are mindful of the various challenges that confront us; global pressures and domestic challenges that vary from region to region and certainly from sector to sector.

Some examples that come immediately to mind are: the appreciation of the Canadian dollar that has left a variety of sectors struggling; increasing economic competition from abroad, especially from emerging economies like China, Brazil and India; and, aging infrastructure and increased gridlock. We have to address these issues.

These challenges require a clear plan to guide us into the future. That plan is our long term economic plan called "Advantage Canada".

*Government Orders*

The “Advantage Canada” plan focuses on creating five key advantages: a tax advantage, a knowledge advantage, an entrepreneurial advantage, a fiscal advantage, and an infrastructure advantage.

On the last point, an infrastructure advantage, Canadians have told the government that they are concerned about the state of Canada's infrastructure: our roads, bridges and public transit.

I can tell members that those concerns are no less warranted in my riding of Bruce—Grey—Owen Sound. I hear from my former colleagues in municipal government, the mayor and councillors there today, that it is one of their biggest concerns at that level and I certainly understand that. We are going a long way toward addressing that.

In addressing that, we are making the largest investment in infrastructure since World War II, \$33 billion over seven years, through this building Canada plan. This is new money to build roads and rapid transit lines, rehabilitate bridges and water systems, and upgrade our international gateways, trade corridors and sewage treatment plants.

So, what exactly is our building Canada plan? Building Canada would fund strategic investments in projects designed to produce results in three areas of national importance: a growing economy, a clean environment, and strong and prosperous communities.

Building Canada would provide long term, predictable funding right up to the year 2014. It would provide the provinces, territories and municipalities with the certainty they have been looking for. In fact, over half of the funding under the building Canada plan would be provided directly to municipalities.

Specific elements of the plan would include maintaining the increase to 100% in the GST rebate, which, combined with the GST rate reduction, would provide municipalities with \$5.8 billion in predictable revenue from now through to 2014 that could be used for infrastructure priorities.

I remember my 12.5 years in municipal government. It always irked me that municipalities had to pay GST on any of the projects and any of the purchases that they made. We did get 58% of it back, but it still was not right. It took staff time and government staff time as well. This is clean and it should have been done years ago.

We would also maintain and extend the federal gas tax fund, providing municipalities with \$11.8 billion over the next seven years for a range of infrastructure investments such as public transit, water and waste water infrastructure, and local roads.

• (1645)

The plan will create an \$8.8 billion Building Canada fund that will in part support larger strategic infrastructure investments of national and regional significance, such as improvements for the core national highway system.

As well, the Building Canada fund will provide the necessary financial support to smaller community-based infrastructure projects. I have a lot of those in my rural riding.

Building Canada focuses on upgrading our border crossings and gateways through our \$2.1 billion gateway and border crossings

fund. This includes a significant investment in a new crossing between Detroit and Windsor to improve the flow of traffic at our most important gateway.

The plan will provide \$1 billion for our Asia-Pacific gateway and corridor initiative. Through this initiative we are making important infrastructure investments that will allow Canada to take advantage of the growing Asia-Pacific market.

Each province and territory will be provided with \$25 million minimum in base infrastructure funding annually, which amounts to \$175 million each over the next seven years.

The plan establishes a \$1.26 billion public private partnership fund, the first initiative of its kind in Canada, something that really excites me. We are also providing \$25 million over five years to set up a federal public private partnership office.

On this public private partnership, or P3s as it is commonly known, the government is doing its part by providing long term, predictable infrastructure funding. There are not many instances of a better way, a different way, of doing business than the use of public private partnerships.

There are many success stories in other countries around the world. Perhaps one of the best known in Canada is the Confederation Bridge linking Prince Edward Island and New Brunswick. I had the privilege of crossing that bridge this past summer. It is quite a sight. This kind of public private partnership has worked very well there. Another good example is the Royal Ottawa Hospital right here in Ottawa.

When managed properly, P3s can help close the infrastructure gap. We have to be innovative in finding ways to address the infrastructure deficit in this country. I would like to emphasize that smart investments in infrastructure drive productivity, support trade, and fuel economic growth.

In today's highly competitive, just in time world, modern, efficient infrastructure is not a luxury; it is a necessity. Replacing our aging infrastructure is going to be a challenge. It is also a priority if Canada is to continue to be competitive in today's global economy.

We need our roads, our bridges, and our trade corridors in order to move our goods efficiently. We also need public transit to move our people quickly and safely but also to decrease the effect and harm to the environment.

We need our water systems to provide us with clean water.

Following our “Advantage Canada” plan, our government has developed a forward looking infrastructure renewal plan that balances regional needs with national priorities.

Building Canada provides historic and long term funding for provinces, territories and municipalities, so they can build modern and healthy communities today and for future generations.

*Government Orders*

•(1650)

**Hon. Wayne Easter (Malpeque, Lib.):** Mr. Speaker, my colleague across the way from Bruce—Grey—Owen Sound sits on the agriculture committee with me and we have had lots of good discussions. We both understand the agricultural industry.

He mentioned the global economy in his remarks and the fact that there is fierce competition. He also mentioned that there should be a reward for hard work. He also talked about broad-based tax deductions. If anyone should know about hard work, it is that member who is a farmer and his neighbours who are also farmers in the hog and beef sector.

Can anybody on that side of the House tell me what good broad-based tax deductions are going to do for those folks who are not in a taxable position? What good are they going to do for hog and beef farmers who are going broke while the minister sits on his hands? Those deductions are not going to do any good.

In the finance committee report, the UPA in Quebec also talked about the problem. The high Canadian dollar has a profound effect on Canada's agriculture sector, creating reduced competitiveness, loss of market share, and a decline in prices.

We do not need to wait for the budget to deal with the hog and beef crisis. We cannot wait for the budget. I would ask the hon. member, what would he propose for hog and beef producers right now?

**Mr. Larry Miller:** Yes, Mr. Speaker, my hon. colleague across the way and myself do sit on the agriculture committee and I believe his concern for agriculture is the same as mine.

Yes, we do have some problems in a couple of sectors right now. Just last night I had the privilege of sitting beside a young farmer in my riding at the Dairy Farmers of Canada. We were talking about agriculture in general and he congratulated us on the amount of money that has gone out.

Just recently I met with a number of the pork and beef producers, as I have a number of times in recent months. Some of the money we have put out there to help address some of the costs of production is helping. We are looking for other ways, in cooperation with industry.

The record amount of money that we have put out there to help agriculture over the year is hitting home in some places, but enough is never enough sometimes.

•(1655)

**Mr. Gerald Keddy (Parliamentary Secretary to the Minister of the Atlantic Canada Opportunities Agency, CPC):** Mr. Speaker, I was not in the House for all of my hon. colleague's speech, the member for Bruce—Grey—Owen Sound, but knowing the member as well as I do I am sure it was a lively and informative speech.

I am wondering what this budget does for the hon. member's own riding in particular. He has always been a great advocate of rural Canada and his own riding in particular. What does this budget do? What did the previous budget do and what will the upcoming budget and the budget consultations do for his own riding of Bruce—Grey—Owen Sound in Ontario?

**Mr. Larry Miller:** Mr. Speaker, this budget will do a lot of good things for my riding of Bruce—Grey—Owen Sound, a very rural

riding. I have a large population of seniors because we are right on Lake Huron and Georgian Bay. Many seniors come to my riding as tourists and end up staying because they like it so much.

Infrastructure is an issue I touched on earlier. Some big projects in rural ridings may not seem so big in a place like Toronto.

The federal funding that will be going to Ontario this year as a per capita investment will mean \$996 for every person in Ontario and that will go up to \$1,079 next year.

**Ms. Denise Savoie (Victoria, NDP):** Mr. Speaker, I will be splitting my time with my colleague from New Westminster—Coquitlam—Burnaby.

For me, this year's prebudget consultation process included hosting a public town hall meeting in Victoria that was well attended, presentations and attending finance committee hearings in Victoria by the committee last December, reviewing hundreds of letters and emails from my constituents and having countless conversations with folks on the street.

Throughout this process, I heard two predominant messages from the residents of greater Victoria. First, invest with vision in a more socially, environmentally and economically sustainable future. Second, that investment in Victoria should begin with housing.

They asked the government to review the massive corporate tax cuts announced in the fall fiscal update in favour of targeted measures to restore balance in our communities and in our social and physical infrastructure and to tackle climate change.

I would like to highlight a few of the excellent presentations we heard in the Victoria meetings of the House of Commons finance committee. The non-profit group, Heritage B.C., spoke eloquently about the importance of conserving heritage buildings and rehabilitating them for modern use, especially affordable rental housing. Its very pragmatic proposal would strengthen the federal historic places initiative by restoring the commercial heritage properties incentive fund and creating a federal tax incentive to amplify the success of tax measures in Victoria and Vancouver that has allowed us to protect some properties but, unfortunately, has not been supported by the federal government.

We heard from the BC Sustainable Energy Association, which expertly warned not only of the environmental hazards of the government's non-response to climate change, but also the economic hazards of being left behind as the rest of the world shifts to clean, renewable energy while we stay wedded to an obsolescent fossil fuel economy of past centuries. We must put a price on carbon to turn this around. Left unchecked, global warming could cost B.C.'s economy in the billions of dollars.

*Government Orders*

The Canadian Parks and Wilderness Society identified six key actions that the federal government should take to protect healthy ecosystems in the face of climate change. I hope it considers those seriously.

The president of Results Canada made a compelling call to increase our foreign aid which he noted has actually dropped even further below our commitment of a 0.7% target from 0.34% of our gross national income in 2005 to 0.3% in 2006.

Before the finance committee came to town, I hosted a public town hall meeting to hear the priorities of my constituents that were not necessarily linked to the narrow focus of taxes. Overall, those in attendance expressed a strong desire to see the federal government re-establish its leadership role in the arena of social policy and to nurture the social contract we have together as Canadians.

However, overwhelmingly, the number one area of urgently needed investment in Victoria continues to be housing and homelessness. In October, the City of Victoria released its task force report on breaking the cycle of mental illness, addictions and homelessness after four months of work. The task force did an excellent job analyzing the problem and mapping a way forward, but many of its recommendations cannot be implemented without support from Ottawa. In fact, the report clearly identifies the past Liberal government's withdrawal from the social housing sphere in the early 1990s, along with cuts to federal transfer payments, as two of the contributing factors to our current crisis. Now the Conservative human resources minister does not even bother attending housing meetings with his provincial counterparts, pretending it is not his problem.

The chorus of voices pleading for federal help from the perspective of ethics and social justice has been joined by that of members of Victoria's business community who have come out as forcefully and unequivocally as they possibly could.

• (1700)

I would like to quote briefly from the testimony of the Victoria Chamber of Commerce. It stated:

...the Government of Canada needs to take a far more aggressive lead in solving the problems of chronic homelessness across our country.

So much for the absence of our federal human resources minister from the meeting with his provincial counterparts.

The Chamber of Commerce added:

In this time of record government surplus, it is absolutely necessary for the federal government to apply a focused effort to reducing homelessness across Canada, and in doing so improve the business environment for thousands of Canadian companies.

This sentiment from the Chamber of Commerce echoes what I have heard on the doorsteps in Victoria. Even in the more affluent areas, I frequently hear concern for affordable housing and homelessness mentioned on the doorsteps of homes that might cost \$700,000 in Victoria. These residents understand that even if this issue does not afflict them personally, it is relevant to them because they are members of the Victoria community.

It is that community spirit, the truly Canadian quality of caring for one's neighbour and choosing to contribute solutions to our common problems, that is alive in Victoria and in communities across Canada,

which the Conservatives do not seem to recognize in their obsession with tax cuts, especially corporate tax cuts that benefit the banks and large financial organizations. It shows that affordable housing is a fundamental issue that strikes the hearts of all Canadians and it shows that tax cuts are not universally popular if it means that some in our society go without.

That brings me to a couple of other areas that require targeted investment in the upcoming budget, according to my constituents.

First, it is time for the government to accept the majority will of Parliament and allow the NDP's early learning and child care act to pass. Bill C-303 has now passed two votes in the House and one in committee. Parents across Canada who desperately need affordable child care cannot wait any longer and parents who want to choose quality early learning over big box day care deserve that option.

• (1705)

[*Translation*]

Next, one million Canadians struggle to repay student loans, which have reached record levels, and they need help. The federal government expects to make \$497.9 million in interest on student loans in the coming year. Every dollar in interest is one more dollar that a low or middle income student pays for his education compared to other students whose parents pay for theirs.

It will not be easy to level this structural inequality in our post-secondary education system. However, a good starting point in this budget would be to reduce the interest rate paid by students, to establish a system of immediate grants based on financial need, to improve options for lightening the debt load and to establish a student loan ombudsman's office to help students navigate this inefficient system.

[*English*]

Finally, public research informs good public policy, but it would appear that the Conservatives are allergic to both. They have cut key funding for the Canadian Climate Impacts and Adaptation Research Network, eliminated the federal science advisor, overruled and fired Canada's nuclear safety regulator and continue to grossly underfund research in the social and human sciences.

Meanwhile, corporate influence on Canada's campuses and in university research continues to rise because the Liberal cuts from a decade ago have yet to be adequately restored. Our colleges and universities need stable, adequate core funding that corresponds with their economic growth in order to remain internationally competitive and provide the best possible education to our children.



*Government Orders*

We need increased funding for research in the public interest if we are to avoid letting profit become the guiding factor in public health, safety and environmental decisions. Budgets 2006-07 were colossal missed opportunities to invest in key strategic areas for more sustainable—

**The Acting Speaker (Mr. Andrew Scheer):** Questions and comments. The hon. member for Burnaby—New Westminster.

**Mr. Peter Julian (Burnaby—New Westminster, NDP):** Mr. Speaker, the speech that the member for Victoria just gave is certainly the best that I have heard this afternoon. She really hit the nail on the head in terms of the priorities that need to come from Parliament.

I would like to ask her about the missed priorities of the Conservative government. She mentioned a long list of fundamental needs and issues of fairness that are not being addressed. Yet she also mentioned, and other members talked about this, the massive corporate tax cuts of the Conservative government. It is just shovelling money off the back of a truck to the banks and big profitable oil and gas companies.

How does that sit with people in Victoria when they see the tax dollars just shovelled off the back of a truck? What do they think about this penny wise, pound foolish attempt by the Conservatives to waste taxpayers' money on the wealthy corporate sector when so many Canadians are in fundamental need?

**Ms. Denise Savoie:** Mr. Speaker, it is true that 25% of the population in Victoria is living under the poverty line. This is at a time of supposed great economic boom for the Canadian population. The government chooses to ignore this, or indicated that it was ignoring it in its fiscal update and preferred to give large corporate tax cuts to the banks and larger financial institutions and the same thing to the oil and gas sector which is making profit beyond a sustainable level.

People in my riding are confused as to the priorities of the government. Frankly, they feel that the Prime Minister is leading us toward a new country, a country that we will not recognize.

• (1710)

**Mr. Dennis Bevington (Western Arctic, NDP):** Mr. Speaker, I want to show my appreciation as well for my colleague who brought out many good issues in her speech.

I was interested in her comments about the oil companies. Imperial Oil posted a record profit last year of \$3.5 billion. If we actually examine the nature of the corporate tax cuts that have taken place only this year, we find that they give Imperial Oil an extra \$100 million in its pocket. That is what the Conservative government has put into the pocket of Imperial Oil this year, an extra \$100 million. In 2012 if the record profits continue, that would amount to about \$300 million.

When we examine those types of monies that are made from Canadian resources that represent a deficit in the resource base of the country being exploited by companies to make a profit, how does this match up with the effort made for the single mother with a child in this country?

**Ms. Denise Savoie:** Mr. Speaker, the member is right. The banks and resource sectors benefit the most from these cuts. The financial

sector will get one-third of Canadian corporate pre-tax profits. The oil and gas and mining sectors will get one-sixth of Canadian corporate pre-tax profits. Yet the single mom who is struggling to make ends meet and has no day care, was offered \$100 a month and yet in Victoria she has to pay about \$1,000 a month.

Not only does it affect parents and ordinary families, but these across the board cuts will do nothing to target the sectors that we want to stimulate, like the manufacturing sector or green industries.

These are just untargeted, across the board cuts that will have no impact on our productivity. As former cuts during the Liberals' term have shown, there were no improvements in productivity.

**Mr. Peter Julian (Burnaby—New Westminster, NDP):** Mr. Speaker, I am pleased to speak on what the priorities of the government should be and what they could be. I would like to thank the citizens of the cities of Burnaby and New Westminster. Many members of the community were emailing me, sending letters or making phone calls about what they believe the priorities should be for this country. I will come back to that in a moment.

Clearly, Canadians are seeing a disconnect between what the current Conservative government is doing, what the former Liberal government did, and what they actually see as major priorities that should be tackled by the federal government of this country.

I should start by talking a bit about the financial situation that Canadians find themselves in. This will be a wake-up call for Conservatives and Liberals who are continually clapping and patting each other on the back and talking about how economic good times have come.

It is an important wake-up call. Since 1989 when the Canada-U.S. Free Trade Agreement was put in place, and since this corporate tax cut agenda started with this inevitable drive to the bottom, most Canadians are poorer. It is unbelievable, but Statistics Canada tells us that two-thirds of Canadian families are earning less now than they were back in 1989.

What has happened? When the Conservatives and the Liberals talk about these good times, who are they actually referring to? StatsCan also tells us what has actually happened. The wealthiest 20%, the wealthy elites that the Liberals and the Conservatives represent, and they are the parties of the elites, those two parties, same old, same old, the wealthy elites have actually seen their share of national income go up to 50%. The wealthy elites in this country now take half of the entire national income pie.

**Mr. Daryl Kramp:** And you wonder why you'll never form a government.

**Mr. Peter Julian:** Mr. Speaker, if the Conservatives do not like hearing this, then it is about time that a little dose of Main Street came into the Bay Street party, the Conservative Party. The wealthy elites, that 20% of the corporate CEOs and corporate lawyers now have 75% of all the wealth in the country.

*Government Orders*

What is wrong with this picture? We have a Canadian income pie and half of it goes to the wealthy and we have the wealth pie of Canada and three-quarters of it goes to the wealthy. What has happened to the rest of Canadians?

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

**Mr. Peter Julian:** Mr. Speaker, the Conservatives really do not like a dose of reality. They are waking up. They are becoming upset. My goodness, somebody is talking about reality here, the NDP member for Victoria and now the NDP member for Burnaby—New Westminster are talking about what is really happening out there and the Conservatives cannot handle it. They will have to go back to another corporate lobbyist party to get those pats on the back that they love so much for their massive corporate tax cuts.

What has happened to the middle class? The average middle class family over that same period has lost a week's income each and every year since 1989. They are working 52-week years, but they are being paid now for 51 weeks. They are trying to make do with less.

People in the lower middle class, the next income sector, have actually lost two weeks of income. Working class families, hard-working Canadian families have lost two weeks of income for each and every year since 1989.

What about the poorest? The member for Victoria referenced that earlier. They have lost a month and a half of income over this same period. They are working 12-month years, but they are only being paid for 10 and a half months now. There is no secret why we are now seeing hundreds of thousands of Canadians sleeping out on the streets and in the parks of our cities. What we have seen for the poorest of Canadians is that their income has basically fallen through the floor.

That is the economic reality the Liberals and the Conservatives have completely ignored over the last 20 years while they have been putting in place their massive corporate tax cut agenda. The only priority of the former Liberal government and the only priority of the current Conservative government is to cut corporate taxes. They have done that massively. I will come back to that in a moment.

We are now in this prebudget debate. We have now had two years of Conservatives acting like Liberals, as the Liberals acted like Conservatives. Most Canadians cannot tell the difference because they have the same priorities, except at election time when both parties try to sound like New Democrats. What we are seeing in this prebudget debate are calls for more corporate tax cuts.

• (1715)

We hear the Prime Minister say that the corporate tax rate has to be driven even lower. Then the Leader of the Opposition says that the Liberals will go even lower, that their corporate tax cuts will be even faster than the Conservatives' corporate tax cuts. Then the Conservatives say, "No, we will be faster. We will slash those corporate tax cuts. We will give the banks, big oil and big gas more money than they can imagine". And the Liberals say, "No, we will do more". This competition back and forth of who has the biggest corporate tax cut is clearly not in the interest of Canada.

What about our health care system that is deteriorating? Many seniors and other people who have health difficulties can tell us

about the longer and longer wait times because there has not been sufficient investment in our health care system.

What about the homeless? The only money that has gone into housing in the past 15 years was from the NDP budget amendment that we forced on the Liberals. The Conservatives have tried to take credit for it. The Liberals have tried to take credit for it. The only injection in housing, and it was only a start, has come from the NDP budget.

What about the environment? What about the transportation deficit? The transportation and infrastructure deficit is estimated by the Federation of Canadian Municipalities to be over \$100 billion. What about that?

What about the poor state of housing for our military personnel? There is substandard housing on military bases across the country. Our military personnel are being treated with contempt by the Conservative government.

What about returning veterans? They have come back from often traumatic situations in Afghanistan, and they have not been provided with mental health counselling or addiction support. It is absolutely appalling how the Conservatives will talk a good line about the military, but when push comes to shove, they prefer giving huge tax cuts to their corporate buddies rather than supporting adequate housing on military bases and adequate programs for returning veterans.

What about our police officers? What about our justice system? They were chronically underfunded under the Liberals. It has reached the point where they simply cannot prosecute and they simply cannot investigate to the same extent as if they were fully funded.

What about citizenship and immigration concerns, a system that has completely broken down? What about women's shelters? What about the record levels of student debt?

These are the priorities that the government should be tackling. The Conservatives said they would be different from the Liberal government and they are exactly the same. They are concerned about one thing and one thing only: an appalling obsession with corporate tax cuts.

What has the result been after two years of the Conservatives doing the same thing as the Liberals? The cumulative fiscal impact is about \$190 billion, with the most recent corporate tax cuts going to banks, big oil and big gas companies. The cumulative effect of the fall economic statement is about \$12 billion a year. Over six years we are talking about over \$70 billion. We are talking about huge amounts of money being shovelled off the back of a truck to the corporate sector, when all of these crying and important needs are simply being ignored.

*Government Orders*

Coming back to Burnaby—New Westminster, what about some of the issues that people have raised, such as the issues of housing, and the issues of underfunding and health care that we see at the Royal Columbian Hospital and at Burnaby Hospital? What about funding for the World Police and Fire Games that was given to Quebec City and has been systematically refused by the Conservative government, even though it honours our police and fire personnel? What about funding for the renewal of Burnaby Lake? Again it was refused by the Liberals and refused by the Conservatives, even though they found money for Wascana Lake in Saskatchewan.

What about our citizenship and immigration centre that Burnaby city council has offered up essentially to the federal government for funding? What about addiction programs and supporting our police officers, the city of New Westminster Police and the Burnaby RCMP? What about those priorities? What about women's shelters? What about supporting the students that are going deeper and deeper in debt as the Conservatives shovel more and more money at their corporate CEO buddies?

The most appalling thing is that the government does not prioritize these when it knows that the average corporate CEO earns more in the first seven hours of the year than the average Canadian worker earns in the entire year, even though hours of work have increased.

Those are the priorities that the government should consider.

• (1720)

**Mr. Colin Carrie (Parliamentary Secretary to the Minister of Industry, CPC):** Mr. Speaker, I was pleased to hear the NDP show what the NDP policy really is toward hard-working Canadians.

I come from Oshawa. As we know, Oshawa is a centre for manufacturing. Manufacturing across the world is being challenged right now. The NDP member does not realize that we are not only competing against each other; we are competing against other countries in the world. We are competing for that investment, to keep it in Canada, to maintain an auto industry that is unparalleled.

The hon. member states the NDP policy on finances and the economy. In other words, let us tax corporations to death. When we have taxed them to death, we will regulate them to death. When they fail, we will give them corporate subsidies as they roll out toward bankruptcy.

We came up last year with an unanimous report in the industry committee. It talked about corporate tax cuts. It talked about our research tax credits, the SR and ED tax credits. It talked about the capital cost allowance and how it should be decreased. The hon. member's own NDP colleague in the committee voted for it. It was a unanimous report that would help manufacturers in the country to stay competitive.

Why did he stand in the House and vote against our budget, vote against all those good things for manufacturers and vote against hard-working people to help them keep their jobs? He needs to answer that for Canadians.

**Mr. Peter Julian:** I am very pleased to answer that question, Mr. Speaker. This comes from a government that with the softwood lumber sellout, cost 10,000 jobs in the softwood sector and gave away \$1 billion, absolutely the most appalling lack of financial

acumen possible. The Americans took the government to the cleaners and it did nothing to support the softwood sector.

In the manufacturing industries, we now know, thanks to the Conservatives, we are losing 200 jobs each and every day because of the government's complete inability to handle good, effective management of the economy. There is no balanced approach on the economy. All the Conservatives have is one note, and that is more corporate tax cuts to the banking sector and the oil and gas industry. Therefore, 200 Canadian families lose a breadwinner every day because the government is so appallingly incompetent.

I would like to answer his other question, which he did not ask but which he should have. It is the whole question of competitive rates in corporate taxation.

We already have lower corporate tax rates than the United States as the member well knows. The Liberals say that we should go even lower as do the Conservatives. The member might want to inform himself and read some of the studies, KPMG, PricewaterhouseCoopers, accounting firms that have studied the rate of corporate taxation. They say that the best level of competitiveness comes from the fact that Canada has a public health care system. That is a major competitive advantage vis-a-vis the U.S.

In the United States a company has to pay those health charges through HMOs. In Canada they get a subsidy because our health care is covered through our taxation.

By having a lower corporate tax rate and by not funding our public health care, the Conservatives are making our companies less competitive. This is what they do not understand because they are economic Flintstones. They simply have no concept of important and smart financial management. That is why, when the finance ministry analysed political parties, which one better manages finances of governments, both provincial and federal, the Conservatives were next to last. The only ones worse were the Liberals. The best financial managers were the New Democratic parties. Most of the time our governments balance the budget and we provide a balanced economy.

The Conservatives are economic Flintstones. They have no concept of how to manage federal government funding, and it shows, oh does it shows.

• (1725)

**Ms. Yasmin Ratansi (Don Valley East, Lib.):** Mr. Speaker, I will be splitting my time with the member for Saint Boniface.

I am pleased to rise to speak today with regard to prebudget consultations, and I will regress—

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

**The Acting Speaker (Mr. Royal Galipeau):** Order, please. I have recognized the hon. member for Don Valley East. She is the one I would like to hear.

**Ms. Yasmin Ratansi:** Mr. Speaker, I am so glad you are telling those boys to be quiet.

*Private Members' Business*

I am pleased to rise and speak today with regard to the prebudget consultation. I will begin by taking a look at the past two budgets delivered by the Conservatives since they assumed office.

The first budget delivered in 2006, entitled "Turning a New Leaf", would have represented a grand opportunity for any government. The Conservatives inherited a \$17 billion surplus from the previous Liberal government as well as optimal economic conditions that included the lowest unemployment rate in 30 years.

However, to outside observers, many of whom admired Canada for being a progressive democracy, budget 2006 turned out to be a complete dud, mostly because it concentrated on ideology and a curious attempt by the Conservative Party to somehow reshape government in its own image.

First, the Conservatives reversed the Liberal tax cuts, which cuts were for the lowest income Canadians. They increased the tax cut from 15% to 15.5% and then they tried to deceive Canadians by claiming somehow that it was a tax reduction. Talk about being duplicitous.

The second thing the government did in its 2006 budget was eliminate the national child care program. What did it replace it by? It replaced it with a baby bonus of \$100 per month. What an insult. Not a single child care space was created and \$10 billion went down the drain.

Therefore, we quickly learned that turning a new leaf was a precursor to more drastic cuts in social programs.

Within six months of assuming office, the Conservative Party announced that it was somehow necessary to slash a further \$1 billion worth of spending. Some of these cuts included \$18 million from illiteracy skills programs, \$55 million from youth employment initiatives and \$11 million from the first nations and Inuit tobacco control strategy.

• (1730)

**The Acting Speaker (Mr. Royal Galipeau):** It being 5:30 p.m., the House will now proceed to the consideration of private members' business as listed on today's order paper.

When the House returns to the study of Government Business Motion No. 2, there will be 17 minutes left for the hon. member for Don Valley East.

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## PRIVATE MEMBERS' BUSINESS

[English]

### STATUS OF WOMEN

**Hon. Sue Barnes (London West, Lib.)** moved:

That the House call on the government to reinstate women's equality as the goal of the Women's Program at Status of Women Canada.

She said: Mr. Speaker, I am honoured to bring this motion forward, but I am also saddened by the reality that in this day and age I still have to stand up and fight for equality for women in our country.

A few months ago, on October 18, the country celebrated Person's Day, a day recognizing the historic victory women won in Canada when they were declared persons under Canadian law. That was 1929. Almost 80 years later, women are still striving to achieve true equality with their male counterparts in society, in the workplace, in the household and even in Parliament.

Equality is not a word to use lightly. Fundamentally for most Canadians, the word "equality" describes a set of values, more important, a vision that Canadians have fought hard for. A vision alone will not create equality. Hard work through research and advocacy is necessary and this is not yet changed. We may have de jure equality rights, but we need substantive equality in Canada. After all, using the word "equality" without adding any substance to the terms and conditions of the women's program is frankly a very deceptive and dangerous road to take.

The history of the politics behind the women's program is a very interesting one.

In 2006 the Conservative government chose to ignore its own officials and removed the word "equality" from the terms and conditions of the women's program at Status of Women Canada.

After two years of concerns expressed by many across the country, including members of the Standing Committee on Status of Women and my caucus, I tabled this motion in November 2007 to bring the goal of equality back into the women's program.

Recently, without any fanfare, or notification or any press release or no notification to the committee, which originally highlighted this issue, the minister revised the wording of the home page of Status of Women Canada's website to include the word "equality". The minister did not mention any change to the mandate in her opening remarks to the committee this past Tuesday. In fact, it was soon discovered that this change was meaningless as the funding guidelines for the women's program did not reflect this so-called changed position.

Today, after two media releases which highlighted this error, our office has just observed the magical changing of the mandate on the website of the women's program. We must be one effective opposition and that must be one desperate government. Nevertheless, women's groups and organizations are still being ignored because nothing has really changed.

The Conservative government ignored the valuable work that was being done by countless women's groups and organizations, which relied upon funding from Status of Women Canada to do research and advocacy. The government ignored the fact that the tireless work of these groups and organizations had an impact on women's rights in many ways.

For example, it was women's advocacy groups that helped bring about change, including the introduction of maternity benefits in the Unemployment Insurance Act in the seventies, family law legislation which would ensure economic justice for wives and improvements in child support guidelines and amendments to federal and provincial human rights and justice legislation to prohibit and prosecute acts of sexual harassment.

*Private Members' Business*

When the government removed the word and the concept of equality from the funding guidelines of the women's program, it turned back the clock. Without any changes to the funding eligibility requirements, the word "equality" has little meaning for the groups and organizations.

Instead of maintaining the original mandate for the women's program and continuing the work that needs to be done to advance women's equality, the government closed 12 of 16 regional Status of Women offices across Canada. It totally eliminated the policy research fund, which supports policy research on gender equality issues, and it changed the rules of eligibility for funding. This is what matters most.

Today, while not for profit organizations across Canada have either closed or downsized because of the punitive measures taken by the Conservative government, these changes have paved the way for Canadian tax dollars to go right into the coffers of for profit organizations.

Recently, several of my colleagues on this side of the House revealed the incredible disparities that existed with pay equity and economic security for Canadian women. The disparities do not stop here.

A federally commissioned report entitled "Equality for Women: Beyond the Illusion", released in July 2006, reveals the following facts: girls are the victims of more than four out of five cases of sexual assault on minors; four out of five one parent families are headed by women; the employment income gap between male and female university graduates has widened; and women still only earn 71¢ for every \$1 a man makes. The list goes on. We know the House has only one in five female members of Parliament.

A lot of work does need to be done, and despite what the Conservative government would want us to think, we cannot do it alone. We need the knowledge, the dedication, the passion and the results that advocacy and research organizations provide. We need the grassroots.

• (1735)

Now that these organizations are no longer eligible for the funding that they used to get for research and advocacy activities because of this unilateral change two years ago, how can these organizations contribute in the ways that they have in the past? How can we achieve the full participation of women in the economic, social, they said cultural, and political life of Canada without the work of these groups that research and advocate for equality? Equality is important.

I will now spend a few minutes focusing on what I believe are three critical areas where we need to achieve gender equality: economic, social and political. All three aspects are heavily intertwined. Economically, independent women are able to secure social rights for themselves and their children. Furthermore, those who fall behind economically and socially will not be able to find the time to be involved politically. Of course, as we see here, with a lack of political leadership, it will be that much harder to fight for economic and social rights for women.

On all three fronts, the Conservative government failed to address the incredible challenges that Canadian women face. For example, at

every level of education women in Canada earn less than men. In 2003, women who were high school graduates earned 71% of what male high school graduates earned at full time work. Similarly, women with post-secondary degrees earned 68.9% of what their male counterparts earned.

In female dominated professions such as teaching, nursing and clerical work, men still earned more on average and the majority of minimum wage workers in Canada are women. These statistics are even worse for women of a visible minority or of aboriginal descent.

Today, women are finding it harder to keep up as the primary caregivers because of the rising costs of raising their children and finding the care for them that they need. Removing the word equality from the mandate of the women's program is one thing, but the government has also turned its back on Canadian women in other ways.

In 2006, the government ignored the recommendations of the Standing Committee on the Status of Women which endorsed the changes to pay equity legislation as stated by the federal task force on pay equity. To top it off, the government chose to deliver child care through the mailbox and Canadian women are still waiting for the government to fulfill its promise of creating thousands more desperately needed child care spaces.

There is no choice when there is no space and no spaces in Canada are being added by the government.

There are real issues of violence against women. In 2006, Canada had 553 shelters for women. These shelters admitted more than 100,000 women and dependent children than in previous years. Statistics Canada shows that three-quarters of these women were victims of abuse, 66% were feeling psychological abuse, 55% physical abuse, 41% threats, 37% financial abuse, 28% harassment, and 23% of these women were victims of sexual abuse.

There were close to 5,000 solved homicides between 1994 and 2003, of which 38% were family related. Spousal homicides accounted for about 18% of all solved homicides and almost half of all family homicides. The point here is that women are much more likely than men to be killed by their spouse. The spousal homicide rate against females is five times higher than the rate for males. Too often women stay in physically and/or sexually abusive relationships. Those who do get out of these relationships have difficulty finding affordable housing.

In 2003, 42% of renter families headed by single mothers had difficulty finding affordable housing. The government may say that it funds service programs, but in reality it is not really funding real change through the research of the advocacy that formally was fostered by the women's program.

In reality, removing the word equality is only the tip of the iceberg when it comes to this government's lack of action and disregard for Canadian women who need support the most. But it is indicative of its thought pattern.

*Private Members' Business*

In 2006, the government cut the budget for the Canada Mortgage and Housing Corporation by \$45 million. In the same year it also announced a \$200 million reduction in federal contributions over the previous year toward creating new affordable housing through signed agreements with the provinces and territories.

Aboriginal women in Canada are also confronted by a number of challenges. The life expectancy of an aboriginal woman is 76.8 years versus 82 years for a non-aboriginal woman. Aboriginal women are more than three times more likely to report being victims of spousal violence than non-aboriginal women.

● (1740)

In 2004, 24% of aboriginal women reported that they had been victims of spousal violence in the previous five years. Outside of the home in 2001, 17% of aboriginal women in the labour force were unemployed. For non-aboriginal women this was 7%. According to Statistics Canada in 2000, the median income of an aboriginal woman was \$12,300, about \$5,000 less than a non-aboriginal woman. And these women are also more likely than aboriginal men to be working low-paying jobs.

In light of these statistics representing real people, the government refused to implement the Kelowna accord, an agreement with the first nations, Métis and Inuit communities across the country to improve their quality of life. These women are looking for leadership, yet when they look at the current Conservative government, they see very few women being put in leadership roles to enable them to play key roles in shaping our country.

In 2006, the Conservative Party fielded the fewest women candidates, a meagre 10%. Out of the 26 current cabinet positions, only five of them are filled by women. Today, while women make up more than 50% of the nation's population, women only comprise 20% of the seats in this House. The United Nations has ranked us 30th in the world in terms of representation of women in Parliament, behind countries like Norway, Trinidad and Tobago and others.

The Liberal Party, under the leadership of Stéphane Dion, is committed to ensuring that more women hold positions in the House of Commons.

**The Acting Speaker (Mr. Royal Galipeau):** It is with regret that I interrupt the hon. member.

**Hon. Sue Barnes:** I should not have named our Liberal leader, my correction. Thank you, Mr. Speaker.

That is why we are working to have one-third of Liberal candidates in the next federal election be women. I would like to ask all Canadian women to look closely at the front benches of the government and ask themselves if this is the kind of leadership they want to fight for their rights.

The minister earlier this week repeatedly read her approved lines when asked at least five or six times by three opposition parties about the mandate of equality and the funding for the women's program. Despite words about equality, women are realizing, as I and my colleagues have, that the government is not serious about achieving real equality but rather using the word equality as a smokescreen for its inaction. What does the future hold for Canadian women as they continue to fight for equality with little help from this current government that does not believe in advocacy for equality?

Today, I am rising in this House to call upon the government to bring the goal of equality back into the terms and conditions of the women's program at Status of Women Canada. Of course, this would only be a starting point.

Canadians are asking the government to stop turning back the clock and start taking action. Canadians, especially Canadian women, want the government to listen, to understand and to act. That includes funding for advocacy and research.

Recently, my colleague, the hon. member for Beaches—East York, and I hosted a round table discussion in my riding of London West on issues that affect Canadian women. We listened to their ideas, their concerns, their struggles and their stories. They need affordable child care, it is that simple. The national child care and early learning program brought in by the previous Liberal government was the first step toward creating a comprehensive strategy that would leave no child behind. A 1984 Royal Commission on Equality and Employment stated that “child care is the ramp that provides equal access to the workforce for mothers.”

Canadian women deserve proactive pay equity legislation. Employers need to take action and ensure that all employees receive equal pay for work of equal value. But more recently, members of the Liberal Party women's caucus proposed several changes to current programs and legislation to deal with violence against women and housing affordability, among other issues.

Our women's caucus supports providing increased federal funds dedicated to civil aid under Canada's social transfer to ensure that women have much needed access to legal representation in family law matters. Our women's caucus also recommends that the federal government develop a national public awareness campaign to highlight the problem of violence against women and what can be done to eliminate it.

We have a national housing strategy that is inclusive of women developed by our women's caucus. Access to safe and affordable housing is a foundation upon which other economic and social outcomes depend. Low income women need affordable housing. It is for their well-being and the well-being of their dependant children.

I call upon the government to follow our example, take the ideas, fight for the equality of women, put real equality back into the mandate of the women's program, its funding guidelines, and provide these women with the opportunity to stand on equal footing with male counterparts, economically, socially, politically.

I understand the Conservatives will continue to say that they have addressed women's equality issues. I guess changing a website on the day of my motion does it for them, but women know the difference in the mandate and funding guidelines of the women's program, how it used to be and how it can be.

I ask members to support this motion for real, meaningful equality, not just words.

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## ROYAL ASSENT

● (1745)

[English]

**The Acting Speaker (Mr. Royal Galipeau):** Order, please. I have the honour to inform the House that a communication has been received which is as follows:

Rideau Hall  
Ottawa

February 7, 2008

Mr. Speaker:

I have the honour to inform you that the Right Honourable Michaëlle Jean, Governor General of Canada, signified royal assent by written declaration to the bill listed in the Schedule to this letter on the 7th day of February, 2008, at 4:41 p.m.

Yours sincerely,

Sheila-Marie Cook

The Secretary to the Governor General and Herald Chancellor

The schedule indicates the bill assented to was Bill C-41, An Act respecting payments to a trust established to provide provinces and territories with funding for community development—Chapter 1.

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## PRIVATE MEMBERS' BUSINESS

[English]

### STATUS OF WOMEN

The House resumed consideration of the motion.

**Mr. Bruce Stanton (Simcoe North, CPC):** Mr. Speaker, I thank my hon. colleague for London West for her comments today and her presentation. Clearly, she is an advocate and standing up well for the rights of women in Canada.

These are important questions, questions I must say that the government takes very seriously.

In the minister's presentation just last week to the standing committee, she was very clear about the fact that equality continued to be the objective of Status of Women Canada, in particular the women's program.

I would like to ask the hon. member, why does she still believe that this is something that needs to change? Her motion supports doing something that in fact has already happened.

When she is giving her response, I wonder if she could explain why it is that the advocacy component that she talked about is somehow equitable with equality.

### Private Members' Business

Equality is there as the objective. Advocacy, as I see it, might be one of the tools, but the member will know that these programs go out to groups and none of the groups that she mentioned, groups that might have done advocacy in the past, are not restricted from applying for program funding under the women's program.

I wonder if the member could respond.

● (1750)

**Hon. Sue Barnes:** Mr. Speaker, I obviously know at this point in time that the member has not read the guidelines clearly because they do not allow for advocacy any more. They used to. We can produce services to individuals and we can help them with the problems that exist, some problem that currently exists.

However, we cannot get over the hurdle. We cannot change the equality by just coping with the problem. We have to have some understanding of what is really happening, the ability of those organizations to do the research.

There is still some allowance for small amounts of research, but they cannot use it to advocate for change. It is sort of like the court challenges program. We cannot challenge and we cannot make it better. We are not talking about keeping status quo or helping someone out. Those are all programs that can be done through HRDC or Immigration Canada.

The real focus of this program was under past governments, but not the member's government. All the members on that side have watched and were silent since 2006 when this changed.

I came into my office this morning. I checked the website. It was the same with just a couple of words on the front pages, similar to what the minister had said the other day. She never referred to anything in her opening statement to the committee when she came to make her presentation on Tuesday. Members had to draw it out of her.

Do we do everything in secret? There have been real changes over the last two years. We cannot deny that the offices have closed, but it is the work of organizations that had to be more creative in trying to get funding. However, they are not allowed to advocate for equality.

I am sorry but status quo is not acceptable. If we do not have champions, if we do not move for change, it does not happen. I am sorry, the government is failing in that regard.

**Ms. Yasmin Ratansi (Don Valley East, Lib.):** Mr. Speaker, I would like to commend the member for her excellent presentation and applaud her for her perseverance in fighting for equality. As we noted, equality was achieved through advocacy and it is the famous five who were able to get us women the voting right.

I have a very brief question of the member. In her opinion, why does she think the current Conservative government is so afraid to give equality to women and why are the r the women on the other side so complicit in not fighting for equality rights?

**Hon. Sue Barnes:** Mr. Speaker, there is a lack of understanding of the core issues. I know one has to fight to equality. It is not just about helping individuals. It is about changing the whole system and the dynamic.

*Private Members' Business*

Quite frankly, the government just does not get it. It has not gotten it for two years, even when organizations from all across Canada went before the Status of Women committee and complained about how the changes affected them. Organizations had to close their doors in this country.

When the minister responded to the Status of Women's request on this particular point, she did not address it. It was put out clearly as a recommendation and it did not address it. If—

**The Acting Speaker (Mr. Royal Galipeau):** Resuming debate, the hon. Parliamentary Secretary to the Prime Minister and for Status of Women.

[*Translation*]

**Mrs. Sylvie Boucher (Parliamentary Secretary to the Prime Minister and for Status of Women, CPC):** Mr. Speaker, I must be honest and say that it is a shame we are taking time this evening to debate this motion, when our time would be better spent studying other important issues. Why? Because the motion of the hon. member for London West serves no purpose.

The Minister of Canadian Heritage, Status of Women and Official Languages has already indicated that the mandate of the women's program now reads, "to advance the equality of women across Canada through the improvement of their economic and social conditions and their participation in democratic life".

The women's program fulfills its mandate by providing financial and professional assistance to organizations to carry out projects at the local, regional and national levels, in key areas such as women's economic status and violence against women and girls, within a framework of transparency and accountability.

On Tuesday this week, the hon. member for Beaches—East York issued a press release stating that the minister was misleading Canadians. Nothing could be further from the truth. It is the hon. member who has her facts wrong.

In committee, the hon. member asked the following question of the Minister of Canadian Heritage, Status of Women and Official Languages, "Are you saying that you've now changed the policy and you've put the word "equality" back in the mandate? That's what I understood you to say". And the minister responded, "Exactly".

I believe it is the hon. member who is misleading Parliament, women's groups and all Canadians, since the hon. member believes that "equality" means "lobby groups". The hon. member should ask clear questions if she wants clear answers.

I believe that these hon. members are simply confused. It is important to remember that for many people—especially for women—the word "equality" has a lot of meaning.

The terms and conditions of the women's program have changed to reflect the new mandate. We have updated the priorities and we have informed the public about it. Nonetheless, it is insulting for the hon. members opposite to harm organizations that are working very hard across the country.

"Equality" is defined as "the condition of being equal in quantity, magnitude, value, intensity"; it is "the condition of having equal rank with others".

Clearly, the term "lobby group" does not appear anywhere in the definition.

Our government supports practical projects that make a clear difference in the lives of women and that promote equality for everyone.

As for lobby groups calling for funding to lobby on behalf of a certain category of women and certain ideas, we continue to believe that it is not up to the government to fund or support one opinion more than another. Our government has always cared about equality for all its citizens.

It is important to recall that the women's program was created in 1973 as a result of a recommendation regarding equality presented by the Royal Commission on the Status of Women. In its report released in 1970, the royal commission recommended implementing a federal mechanism that would support the efforts being made to improve the status of women in Canada.

In his message to Canadians on December 6, 2007, on the occasion of the National Day of Remembrance and Action on Violence Against Women, the Prime Minister said: "We believe fundamentally in the equality of men and women". The words of our Prime Minister are a source of inspiration. They convey this government's sincere commitment to two profoundly Canadian values: equality and justice for all—values that are firmly entrenched in our history.

Including the word "equality" in the mandate of the women's program of Status of Women Canada is a reflection of our remarkable achievements in this area. Our government increased the women's program budget to \$20 million, an increase of 76%, which is the most significant increase it has ever received. Current funding for the women's program is the highest it has ever been.

• (1755)

Moreover, our government is committed to improving the status of women, their families and their communities across the country. The work we have done to improve the women's program reflects that commitment.

We are also partnering with federal departments and agencies, civil society and other levels of government to eliminate the systemic barriers to women's participation in the economic, social and democratic life of Canada.

In October, the Minister of Canadian Heritage, Status of Women and Official Languages announced \$8 million in funding for 60 projects that will be carried out across Canada under the women's program of Status of Women Canada. These projects were submitted in response to the first call for proposals issued in June.

More than 260,000 women and girls will benefit from these projects, which are aimed at eliminating the barriers they face, providing them with information about preventing violence, helping them improve their financial knowledge and encouraging them to create peer support networks.



A second call for proposals was issued by the Women's Community Fund in November 2007. By the December 21 closing date, the fund had received 342 applications, a 30% increase over the first call.

All these proposals are for projects intended to promote women's economic security and prosperity and their health and personal safety and to put an end to all forms of discrimination and violence against women. All the projects are expected to help improve the status of women in Canada.

In recent months, the government has made a number of changes to the women's program to make it run more efficiently. For example, this year, for the first time, applications can be submitted online, and numerous sessions have been held across Canada to train potential applicants. In addition, teleconferences have been used to reach rural and isolated communities. Questions and answers have been posted online, as well as application and proposal forms.

By including the word "equality" in the mandate of the women's program of Status of Women Canada, the Government of Canada is demonstrating its commitment to full equality for all Canadians, which is not yet a reality, despite the tremendous progress we have made. Including the word "equality" in the mandate of the women's program can only be good news for Canada as a whole and for Canadians in all their diversity.

• (1800)

**Ms. Nicole Demers (Laval, BQ):** Mr. Speaker, I must say that I found the parliamentary secretary's speech rather amusing, even though I am very fond of her. I am surprised that they can claim to not agree with providing support for defending rights and claim to want to achieve equality for women. How can we achieve equality for women, men, children or human beings if we are not open to discussions and debates on our ideas and opinions? How can we achieve equality under those circumstances? It is not possible because equality comes only after long discussions on ideas and opinions. I found it quite amusing that she said the government does not provide support for defending rights.

It should not come as a surprise, from a party that firmly believes in equality among nations, from a party that firmly believes in the emancipation of peoples, from a party that firmly believes in democracy, that the Bloc Québécois will support the motion we are debating this evening.

No matter what the Conservatives say, there is not equality among men and women. We just need to look at this House, which is under-represented by women, and at what little consideration the members of the minority government have for more than 50% of the population, to understand how much further we have to go.

At present, this government does a disservice to women. It hurts the cause of equality and it is imperative that we limit its actions as much as possible so that it does no further damage, hence the pertinence of this motion.

I said that it does a disservice to women and I said that the Conservatives are hurting the cause of equality and these are not insults or rants made lightly. You can rest assured that much stronger words come to mind when I think of what they have done to the status of women.

### *Private Members' Business*

In September 2006 this government eliminated the court challenges program. At the time, the Canadian Feminist Alliance for International Action was concerned that eliminating the program would slow down women's progress towards true equality. It said, "This program has provided Canadian women with their only access to the use of their constitutional equality rights."

At the time, this government's fallacious argument was that it made good laws and it would not pay lawyers to challenge them. The decision to abolish the court challenges program did a disservice to women.

Subsequently, the Conservatives slashed the women's program to prevent human rights groups from gaining access to it. They muzzled women not just once but twice.

The World March of Women is an international feminist movement that brings together groups and organizations working to eliminate the causes of poverty and violence against women. They fight all forms of inequality and discrimination affecting women. Their actions are based on 21 demands falling under four broad themes.

The first is establishing programs to eliminate poverty and violence against women.

We are talking about violence against women. This law and order government boasts backwards and forwards that it has improved the security of women. If we tell them that they have done nothing for women, they reply, "security".

Is that how women want violence against women to be eliminated. More tasers for the police, perhaps? We shall see.

They are demanding a comprehensive 10-year education and awareness campaign, managed by feminist groups and funded by the government, to eliminate violence against women; immediate and free access, for all women victims of violence, to resources providing assistance as well as to prevention, awareness and advocacy services; better financial support for women's shelters for victims of violence in aboriginal communities; access to operational funds for women's groups from cultural communities and visible minorities, enabling them to meet their needs and participate in Quebec society; better access to education for all women, particularly single mothers and women with no personal income; universal access to French courses, along with adequate allowances and access to childcare, without any exclusion based on immigrant status or years of residency in Quebec; a major social housing initiative, with 8,000 units of low-income, cooperative and non-profit housing per year.

*Private Members' Business*

●(1805)

This is not at all like the Conservatives' reactionary thinking. This is about awareness and education. This is about minimizing isolation and poverty and improving quality of life for women.

When it comes to the second theme, redistribution of wealth in order to improve the living conditions of women, things are not good. The Conservatives do not care about redistribution of wealth, and they do not care about the demands of the World March of Women. Women want progressive taxation of businesses and individuals based on the principles of justice, equity and redistribution of wealth. We do not have that. They also want a universal family allowance program with a supplementary allowance for poor families based on children's real needs. We do not have that either. One thousand dollars a year is not much help to many people. The Conservative government is not interested in these demands, particularly not if rich oil companies think they are a bad idea.

Unfortunately, I do not have time to elaborate on the other two themes—elimination of discrimination against all women and legislation to ensure the respect of women's rights. However, it is clear that the government is not particularly concerned about these demands.

To help achieve the goals of the International March of Women—and I assure the House that I trimmed the list in order to bring to light those that pertain exclusively to the provinces and Quebec—it is vital to have the support of women's rights and lobby groups, such as the Fédération des femmes du Québec, the National Association of Women and the Law, the Canadian Feminist Alliance and other feminist lobby groups that have watched this government's support disappear.

This government is in fact harmful to women and is making it very difficult to achieve equality between men and women.

Last December several major unions, disgusted with this government, took a preemptive strike by providing financial support to women's organizations “that have been punished under the Conservative government's anti-equality agenda”. The announcement made by the unions coincided with the 26th anniversary of Canada's ratification of the UN Convention on the Elimination of All Forms of Discrimination Against Women. Furthermore, John Gordon, president of the Public Service Alliance of Canada, stated:

This government's decision to stop funding research and advocacy by women's organizations was short sighted, and our unions will continue to push for its reversal.

We know where this government stands, and it is not in defence of women's rights, that is for sure.

This motion calls on the government to restore equality for women, by setting that as an objective of the women's program of Status of Women Canada. The motion also should have called on it to restore the eligibility criteria for women's rights groups and lobby groups, but we all know that, for those who care about equality, the only way to advance the cause of women is to send this government back to the opposition benches, where its yearning to fight wars, restrict the right to abortion and bring back the death penalty will no longer be a danger to us all.

●(1810)

*[English]*

**Hon. Maria Minna (Beaches—East York, Lib.):** Mr. Speaker, I am completely shocked that the member representing the government would even suggest that this time could be used for other important issues and that this is wasting time. It indicates very clearly the attitude and the mentality—

**The Acting Speaker (Mr. Royal Galipeau):** Excuse me. I would ask the hon. member for Beaches—East York to forgive me. I should have recognized the hon. member for London—Fanshawe and I do so now.

**Mrs. Irene Mathysen (London—Fanshawe, NDP):** Mr. Speaker, I thank the member for London West for giving this House the opportunity to debate such an important issue. While I absolutely agree with the motion, it needs to be more specific, because like everything else with the Conservative government, Canadians, and certainly women, cannot trust the Conservatives. They manipulate things. They turn and twist things. We need to be very careful as we respond.

As has been stated, Status of Women Canada has carefully and very recently reinserted the word “equality” on the website. However, it is only a word. The work, the *raison d'être*, of the mandate should encompass more than just a word. It must include the essential work: the research, lobbying and advocacy done by women's organizations across the country. That, of course, is what is really at stake.

The government is systematically dismantling the gender equality mechanisms that women in Canada fought hard to establish. The government cannot be trusted. It is failing ordinary women in Canada and it is stalling women's equality.

The government has already de-funded and disastrously altered Status of Women Canada. It has cancelled the court challenges program. It has refused to sign onto international agreements that would advance women's equality in Canada. As well, it has failed to implement recommendations from the pay equity task force and the expert panel on accountability mechanisms for gender equality.

After hearing from hundreds of witnesses, the House of Commons Standing Committee on the Status of Women conducted a study on the impact of recent funding changes to the programs at Status of Women Canada. That committee made five key recommendations.

The first recommendation is that Status of Women Canada reverse its decision to close the 12 regional offices of Status of Women Canada. The second is that the department maintain its policy research fund to fund independent policy research. The third is that Status of Women reinstate the goal of equality in the mandate of the women's program. The fourth is that Status of Women must also remove limitations on funding for research and advocacy activities in the revised terms and conditions of the women's program. The fifth is that SWC provide funding through the women's program and that it be made available to non-profit organizations as well as for profit organizations.

*Private Members' Business*

While the word equality is bandied about by the government, real equality has been removed from the core of the women's program. By changing the requirements for funding under Status of Women, groups that do research and advocate changes to public policy to promote women's equality will no longer be eligible for federal funding. The objective of women's organizations is to advocate on behalf of women, and this restriction will silence the heart of the women's movement. One has to wonder if that has not been the goal: to silence the women of this country.

I am also very concerned that for-profit organizations are now eligible for funding from the women's program. Generating funding proposals is very difficult. It is very time consuming, especially for not-for-profit organizations, which have very tight budgets and very few people to do the important work. It is even more difficult with the now defunct regional offices, with 12 of 16 gone. For-profit groups have the means to hire experts in preparing funding applications, while the non-profit groups struggle just to stay open, just to stay alive.

The Conservative cuts to the operating budget of Status of Women Canada and the closure of those 12 of 16 offices across the country is a major setback for women's equality. The government eliminated nearly half of the Status of Women's staff responsible for the advancement of women's rights and 40% of the operating budget for SWC.

Along with the closure of the offices at Status of Women Canada, the government also cancelled the research policy fund, which supported independent, nationally relevant, forward thinking policy research on gender equality issues. This fund supported research that identified policy gaps, trends and emerging issues.

• (1815)

I am afraid the department will not be able to produce the same calibre and diversity of research. What on earth will we do without all that input? How will we make good policy in this country?

In addition to these recommendations made by the committee on the Status of Women, New Democrats believe Canada needs an independent Status of Women department, with full funding and its own minister. An effective Status of Women department must be able to research, monitor and advocate for women's rights and support women's groups because they are promoting gender equality. We need them there.

While the government has cut women's equality at the program, policy and research level, it has also cut women's access to equality at the judicial level by cancelling the court challenges program. This small program provided the most vulnerable Canadians with the ability to access equality under our Charter of Rights and Freedoms.

It is clear that the cancellation of the program was an ideological decision, not a fiscal decision. It is part of the plan to systematically dismantle gender equality mechanisms in Canada.

Internationally, the government has failed to provide leadership on gender equality. Domestically, it has failed to provide leadership. When compared to other countries, Canada is underperforming. The 2007 global gender gap report by the World Economic Forum places Canada 18th, behind Sri Lanka, the Philippines and most European countries.

The government has failed aboriginal women in Canada by refusing to sign on to the UN Declaration on the Rights of Indigenous People.

The president of the Native Women's Association, Beverley Jacobs, states:

While the adoption of the Declaration brings me great joy, Canada's unprincipled decision to vote against the Declaration demonstrates a lack of commitment not only to Indigenous Peoples but to human rights more generally.

The government has also failed to live up to its commitments under the convention on the elimination of all forms of discrimination against women by not implementing any of the 23 recommendations from the CEDAW committee.

At a national level, the government has also failed to provide leadership on gender equality by refusing to implement the recommendations from the 2004 pay equity task force and the 2005 expert panel on accountability mechanisms.

Clearly, the government has and will continue to systematically dismantle gender equality mechanisms unless we are prepared to fight back, and I can assure the House that the women of this country are prepared to fight back.

• (1820)

**Hon. Maria Minna (Beaches—East York, Lib.):** Mr. Speaker, I find it appalling that the member who spoke for the government said that this time could be used for other important issues, as if this is not important. The other comment she made was that the Conservatives would not fund one opinion over another. The last time I looked, I thought that women's rights were human rights and not subject to opinion. They are not a matter of opinion; they are a matter of fact.

I will present a scenario. Two years ago, the Conservative government removed equality from the Status of Women program and shut down 12 of 16 offices.

After two years of aggressive lobbying from all opposition parties in the House of Commons, all provincial Status of Women ministers across this country, all women's organizations in the country and after advocacy organizations, like Women and the Law, were forced to shut their doors, and after they shut down the women's rights and then the voices of women in this country, the Conservatives came out with the word again and put it somewhere. Why? Because we are coming to an election soon, after all, and the Conservatives want to be perceived as moderate. They are trying to fool women.

*Private Members' Business*

Yesterday they put the word "equality" in the cover page and not actually in the program mandate. Because my colleague and I issued a press release and were pretty aggressive on that, today we have a different version. The Conservatives have now put "equality" in the program mandate but the criteria for the funding with respect to research and advocacy on behalf of women is still not there. They are still not eligible for funding and regional offices are still shut down.

This shows real contempt for Canadian women on the part of the Conservative government in my view. The Conservatives are playing a shell game with the women of this country, because at the core of the Conservatives they really do not believe in women's equality. I do not believe so after what I have seen.

All the projects funded may help the individual woman who is lucky enough to access some of those programs the Conservatives are funding that deal with their specific problem individually, whether it be access to training or something else, but it will not change the conditions, the policies and the environmental culture that caused that problem in the first place. It will most certainly not help the thousands of Canadian women who are affected by the systemic barriers to services or the law.

For example, women in this country cannot access civil law because legal aid funds do not cover that and yet their spouse, who may have assaulted them, can access legal aid assistance under the Criminal Code, while the woman cannot access it because it is civil. That is pretty sad.

Those are the kinds of injustices for which those organizations work and fight. It is the research on policies and laws that discriminate against women that was done by women's organizations and then their lobby that really gave women their voice, which then resulted in changes by government, things like changing the assault of women. Police never charged the person who assaulted when they went to a home. The woman had to charge the person. Now it is the police who must charge the person who assaults.

Parental leave, rape shield law, property rights at time of divorce, all of these things were done because women had voices through organizations that did research and then helped them to lobby for those things.

The Conservatives are playing, as I said, a disgusting shell game because of a possible election coming up. They do not truly believe in any of this. Otherwise this would not be happening at the eleventh hour and they would have done it properly and made the proper changes.

Another example is that the Conservatives initially took out the word "political". Now they have inserted another word that says "democratic". However, it means very little. It is attached to nothing. Women's organizations will still remain shut down. Advocacy on their behalf will remain shut down as well. Pay equity will still remain a dream for women. The United Nations recommendations to give women more equal rights will still not be a reality and will not mean anything.

• (1825)

I have been told that the government cannot fund women's organizations that lobby and yet it can give \$500,000 to the

Canadian Conference of Defence Associations, which is a lobby organization for defence contracts. We cannot give money to women's organizations to lobby for women's rights in this country. How sad is that?

The government has made women voiceless, just like it has done with its backbench members who cannot say anything. Women in Canada are not allowed to be advocates.

Does the government really think Canadian women are stupid? The minister should be ashamed of herself and either show respect for Canadian women or resign. It is quite obvious she has absolutely no influence over the Prime Minister in this area of policy.

On top of all this, the Conservatives have shut down the court challenges program, which allowed women to challenge government laws on policies that assisted women to attain their rights. This was a very valuable tool for women and it remains shut down. This again shows to me that this work means nothing, otherwise the government would have reinstated the court challenges program which gave women the strength and power to access their rights.

Unless people have money in this country, they cannot access their charter rights. The government has left it up to only those men or women who have money. No one else can access their charter rights.

Equality is not a word that should be thrown around lightly without substance behind it. Many people are struggling all over the world to fight for their equality and many are dying for it. We in this House have been talking about Afghanistan. Our soldiers have given their lives in Afghanistan to assist women, in part, to regain their rights in Afghanistan and yet the government turns around and plays charades in its shameful games with Canadian women's rights, human rights. I find that appalling and embarrassing as a Canadian. I cannot believe that the Conservatives would do that.

We are lucky to live in a country that prides itself on multiculturalism, compassion and goodwill toward one another but we are not perfect. We have a history of issues and problems in areas marked with violence. We are learning from that but we have a great deal more to learn. We should be condemned for the way we treat women and for the way we treat our aboriginal women in particular.

In a time when we should be moving forward and correcting these past wrongs, what does the government do? First, it cancels good programs and then, because it thinks it will go to the electorate and the polls indicate that women may not vote for the Conservatives, they put a word back in that means absolutely nothing.

By eliminating the early learning and child care agreements that we had established across this country, by eliminating the Kelowna accord, a real plan to help eradicate poverty among first nations communities and by closing 12 out of 16 Status of Women offices across this country, the government is telling women too bad, so sad. The Conservatives claim it is not their problem if women do not have child care and cannot go to work. They are saying that they should stay on welfare.

I met with rural women this summer and their major problem is that they do not have access to government services in their region. Many of them do not have access to computers, transportation and many other services. The government is telling these women to figure out a way to look after the problem themselves because it is not its problem.

This is a sad day in our country. Canada has shown the way around the world in many different ways through our international development agency, as I know from my time there. We have advocated for women's equality. We are ensuring that other governments in the world, like South Africa, have women's equality in its constitution. Africa actually has a champion for all women's

*Private Members' Business*

policies. We have been aggressive and strong around the world, and then we do not even do it in our own home. It is a disgrace.

● (1830)

[*Translation*]

**The Acting Speaker (Mr. Royal Galipeau):** The time provided for the consideration of private members' business has now expired, and the order is dropped to the bottom of the order of precedence on the order paper.

[*For continuation of proceedings see part B*]

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# House of Commons Debates

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OFFICIAL REPORT  
(HANSARD)

**Thursday, February 7, 2008**  
**(Part B)**

—

**Speaker: The Honourable Peter Milliken**

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# HOUSE OF COMMONS

Thursday, February 7, 2008

[Continuation of proceedings from part A]

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## EMERGENCY DEBATE

• (1830)

[English]

### HIV-AIDS AMONG ABORIGINAL PEOPLE

**The Acting Speaker (Mr. Royal Galipeau):** The House will now proceed to the consideration of a motion to adjourn the House for the purpose of discussing a specific and important matter requiring urgent consideration, namely the HIV infection rates in aboriginal people in the downtown east side of Vancouver.

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

That this House do now adjourn.

She said: Mr. Speaker, first I would like to thank the Speaker for agreeing to my request earlier today to have this emergency debate tonight. I think it is very important that we have members here tonight and that we focus on this most urgent issue, not only in my community in east Vancouver and specifically in the downtown eastside but I hope that it will illuminate and draw attention and visibility to the plight of aboriginal people across the country, those who are infected by HIV-AIDS, those who are living in poverty, those who are living in the cities but also those aboriginal people who are still on reserve.

This is a deeply concerning issue. It is something that I face and deal with in my community every single day. When I see the devastation of people and the housing that they live in or people who are homeless on the street, when I see the soaring rates of infection for HIV-AIDS, I have to ask myself, why in a country as wealthy as Canada, why in a country that has all of the human capacity, all of the resources at its disposal, do we have an infection rate that is parallel and in some places exceeds what we see in the developing world?

Why do we have such terrible poverty among aboriginal people? Why do we see people who face the grind of daily poverty, who face a lack of access to health care?

Mr. Speaker, I will be splitting my time with the member for Nanaimo—Cowichan.

I hope this emergency debate tonight will cause us to reflect and think, but most important, to propel the government to take action to resolve this crisis not only in my community but across the country.

There was new research done by Evan Wood, who is a research scientist at the B.C. Centre for Excellence in HIV/AIDS. He produced some alarming results based on a four year study. It shows that the HIV infection rate for aboriginal people in the downtown eastside is twice as high as that for non-aboriginal people. I would point out that already in this community that is so under stress, the HIV infection rate is much higher than in the general population.

The research is very disturbing, but it is not new. This particular report is new but there has been lots of research that has taken place. For example, the Canadian Aboriginal AIDS Network tells us in a release put out today that HIV-AIDS continues to be a serious health concern for all aboriginal communities, but the rise of HIV rates among aboriginal people is most apparent in Canada's inner cities where an increasing proportion of aboriginal people now live. We know from the recent statistics from Statistics Canada that there is a much greater emphasis now of aboriginal people in the urban environment.

Ken Clement, who is the president of CAAN, points out, "Many of our people do not have access to trauma care and treatment. We consider colonization, loss of land and territory, loss of language and the residential school system all social determinants of health impacting the epidemic amongst our people". That is something that I see every day.

The City of Vancouver website points out that the life expectancy for aboriginal people in our city is 9 to 13 years less than the average population. Daily, the Vancouver Native Health Clinic on East Hastings Street, a wonderful place, deals with a tidal wave of people who need support and help and it barely has the resources to keep going.

Dr. David Tu, the clinic coordinator, says, "once infected, aboriginal people are only half as likely as non-aboriginal people to start HIV treatment and are twice as likely to die of HIV compared to non-aboriginal HIV positive people in this same neighbourhood". Remember that this is a community where already the HIV rate is practically off the books. He says, "This speaks to the failure of the medical system to effectively engage urban aboriginal peoples in the system of care and prevention".

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•(1835)

He goes on to say that the history of racism, the history of discrimination toward aboriginal people in the health care system is something that we have to overcome and we have to do that in mainstream society. Again, the West Coast Aboriginal Harm Reduction Society, WAHRS, which is a great grassroots organization of people who are injection drug users and who are living with HIV-AIDS and hepatitis C, tells us that its street outreach HIV prevention program had its federal funding cut a year ago.

The same group also had the funding cut for hospital visits that helped people when they were finally in treatment and they were actually getting some help. This program was making sure that people were completing that treatment and yet that funding, peanuts, was cut for that program. The funding is so low that the group may not be able to continue after this year. That is another group that has been struggling to survive and it is coping with a very large demand.

I cannot talk about this issue without also relating it to the underlying issues. Those are issues of racism and colonization, but it is also about the growing gap between wealth and poverty in our society. It is about the issue of aboriginal people who are being left to die, aboriginal people who are being left without the support and care that they need.

For example, we know that according to a recent Pivot report, of all the people who self-identified as being homeless in their affidavits, 28% were aboriginal, even though aboriginal people only represent 1.8% of the general population in greater Vancouver.

The same report found that aboriginal people make up 30% of the total homeless population in Vancouver. It also found that of the 70% in the report who identified as aboriginal in the GVRD, they identified as street homeless. That means they had no physical shelter, that they sleep on the street or in doorways, parkades, underpasses and parks, compared to 57% of the non-aboriginal homeless population.

In Vancouver just in the last year, we have seen the loss of 560 low income housing units. Not all of them were in the downtown east side, but the vast majority of them were.

In the years between 2003 and 2005 we saw the loss of another 400 units. We know that a single employable person gets to live on \$600 a month, yet by the federal government's own market basket measure, it costs about \$1,300 a month to live in our expensive city. We can see the incredible disparity between people who are being left behind and people who have no resources and are very vulnerable and at great risk. We now have about 2,000 people in Vancouver who are homeless.

Even the United Nations has drawn attention to this great issue. In his report, the UN rapporteur calls on the federal government to bring in a comprehensive national housing strategy that focuses its attention on aboriginal people in particular.

The same rapporteur in his October 2007 report called on the federal government to commit funding and resources for a targeted national aboriginal housing strategy. Where is it? Where is the housing for the people who need it in my community and in other communities? The government cannot even get the statistics right.

The same UN rapporteur said that the government should work with other organizations to develop proper statistics and indicators for homelessness and housing insecurity. What an outrage that we do not even know what the full picture is.

I have to say that despite this alarming health crisis and despite the seriousness of the situation and the lives that have been lost and injection drug users who are now infected and living in poverty, still there is a great sense of community spirit.

For three years I have been trying to get support for the native youth centre in my riding. The federal government has not yet committed to the project.

Today I demand of the government that it get its priorities right and that it pay attention to the people who are most at risk in my community and other communities. We have billions of dollars in the federal surplus. Why is it not going to help these people?

•(1840)

[Translation]

**Mr. Marcel Proulx (Hull—Aylmer, Lib.):** Mr. Speaker, I have a simple question for my colleague. I have a great deal of sympathy for the cause she is defending and for the people who are afflicted by this situation.

However, I would like my colleague to tell us, since she seems so sincere, why she and her party helped scuttle the Kelowna accord when they agreed to defeat the previous government, and now she is crying foul. If she had not scuttled the accord, things would be different.

[English]

**Ms. Libby Davies:** Mr. Speaker, is that not really just too bad. I had hoped that the debate tonight would be one where the members of the House would put their best foot forward and do the right thing, but here we have a Liberal member who is just coming out with the Liberals' little message book. They want to attack the NDP.

Let the record be clear. The NDP supported the Kelowna accord. We have always supported resources, programs, funding and assistance to aboriginal people in this country. In fact, we have been the outspoken critics both of the current government and the former government that had an appalling track record.

Why did we have to wait for 13 years to get to the Kelowna accord? Maybe the member would like to tell us that. It was the people of Canada who defeated his government, not the NDP.

Let it be clear that the NDP supported the Kelowna accord as we have supported all programs for aboriginal people. Shame on those members who are already turning this into another partisan debate instead of standing here and focusing on what are we going to do today, now, to help people who are dying in my community and in other communities because Parliament has not had the will to act.

**Mr. Steven Fletcher (Parliamentary Secretary for Health, CPC):** Mr. Speaker, I would like to thank the member for raising this issue. It is obviously an issue that is very important for Canadians not only in Vancouver but throughout Canada.

I wonder if the member could reflect on how we have found ourselves in this situation after 13 years of Liberal mismanagement of the file.

The minister is going to speak later on. I will have an opportunity, as will the member for Yellowhead and others to give the government's perspective on this very important issue.

I wonder if the member could frame the things that the Liberal government failed to do when it had the opportunity to do so.

**Ms. Libby Davies:** Mr. Speaker, I am not going to just dwell on 13 years. If we want to back and look at the reasons, we are looking at a terrible history of colonization of aboriginal people. We are looking at a residential school system and even today redress and healing from that terrible chapter in Canadian history has not yet happened. We can look at the last two years of the Conservative government, we can look at the 13 years prior to that of the Liberal government, we can look at years before that. It is a failure. Let us acknowledge that and now say what action will be taken.

It is not rocket science. We are talking about the basic essentials of human dignity. We are talking about the need for safe, appropriate, adequate housing. We are talking about the need for access to minimal and basic health care right in local communities so that people do not get shut out of the system. We are talking about adequate income assistance. How can anyone live on \$500 or \$600 a month when 60% or 70% of their income is going to a cruddy 10x10 room and they are even lucky if they have that and they are not on the street.

Those are the issues that we should be addressing and I hope we will in this debate tonight.

• (1845)

**Ms. Jean Crowder (Nanaimo—Cowichan, NDP):** Mr. Speaker, I thank the member for Vancouver East for bringing forward this urgent and pressing issue. She has been a tireless advocate for her community. She has been vocal and outspoken on the very pressing issues that she sees. I have had the good fortune to visit Vancouver East and see some of the good work, but also see some of the despair.

What prompted this emergency debate was a report in the American Journal of Public Health. The member for Vancouver East talked about the incidence of HIV-AIDS infection in Vancouver East. There are a couple of points I want to read into the record from that report.

The report states:

However, Aboriginal persons have been shown to commonly have lower life expectancy as a result of higher rates of chronic diseases, such as heart disease and diabetes, and lower access to health care and prevention services. Access not only means physical access but also culturally appropriate and meaningful access to health services.

I urge people to read this report because it is a stark criticism of Canada's failure to address this very urgent and pressing issue.

It goes on to say:

Our findings demand a culturally appropriate and evidence-based response to the HIV epidemic among Aboriginal injection drug users. Canada's drug strategy has recently been the subject of significant criticism. This criticism stems from the fact that resources are overwhelmingly devoted to law enforcement-based interventions,

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which have been shown to have negative health consequences related to health service interruption and limited evidence of effectiveness...

The report goes on to talk about the shocking incidence of incarceration of aboriginal people in Canada. It says that more than 20% of the incarcerated population is aboriginal. Yet the aboriginal population is only 3% of the overall Canadian population as a whole.

Before I talk a bit more about the problems, I want to point out there are some very successful culturally appropriate interventions in Canada, and I will mention one. It is the Nine Circles in Winnipeg. This client centred approach to HIV-AIDS patients talks about the fact that it wants to improve quality of life for those living with and affected by HIV-AIDS. It goes on to talk about the culturally appropriate services, which include elder support, cultural ceremonies and continued connection spiritually, mentally, emotionally and physically.

Those culturally appropriate services are extremely important. As the member for Vancouver East rightly pointed out, part of the legacy that many first nations are facing is the legacy of residential schools, which has meant that the cultural underpinnings in many communities have been disrupted and fractured and many people end up in situations where they just simply do not have the resources in their cultural and community supports.

One of the things we know is true is that accessibility, particularly in rural and remote communities and certainly in inner cities, is difficult. A project called the Cedar Project looked at HIV-AIDS infections in aboriginal populations in both Prince George and Vancouver.

One of the elders, who was interviewed in that project, talked about the fact that what happened in many of the rural and remote communities, because of lack of economic opportunities, was the youth gravitated to major centres like Vancouver and ended up in the Vancouver East side or in Prince George. Because there are no cultural supports or services there for them, the youth end up in a lifestyle that sometimes has them contracting HIV-AIDS.

The sad comment is these young people go home in many cases to die. In the report from the Cedar Project, the elder said that it reminded her of how the salmon returned to their spawning beds to die. That is the harsh reality of what is happening in British Columbia and throughout Canada. Many of these young people return to their rural and remote communities. They are sick, sometimes they infect other people in their communities and sometimes they die. What a tragedy that is for the communities and family members.

I hope the House will move beyond partisan rhetoric to talk about what a loss it is for those communities, what a tragedy it is for the young men and women who simply do not get to live the life that most of us would expect.

Unfortunately, when we talk about HIV-AIDS it does not just stop there. The Lung Association of Canada has some statistics on this. It talks about the fact that worldwide the majority of AIDS patients die of tuberculosis.

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●(1850)

Unfortunately, when we talk about HIV-AIDS it does not just stop there. The Lung Association of Canada has some statistics on this. It talks about the fact that worldwide the majority of AIDS patients die of tuberculosis. What happens is the immune system is depressed and then people contract these other opportunistic infections. One of its statistics says that first nations, Inuit and Métis people have a tuberculosis rate 30 times higher than the rate of other people born in Canada.

In a story in the *Calgary Herald*, in November 2007, the headline is:

TB on reserves a national scandal, same old studies produce the same old answers

Another study, another invitation to inertia. The plague of tuberculosis in Canada's First Nations communities has been studied to death. Every study repeats the truth of the preceding one—that crowded, unsanitary housing conditions on reserves are a breeding ground for tuberculosis, which afflicts the aboriginal population at much greater rates than non-aboriginal Canadians.

There is much more in this report, but I want to give a couple of numbers. In its latest report the CTC noted that the TB rate in aboriginal communities was rising. In 2003 it was 22 per 100,000 and in 2005 it was 27 per 100,000. In 1999 these rates were four times the national average and about as much as 20 times the rates of non-aboriginals.

Further on in the report, it talked about the fact that a lot of the contributing factors to tuberculosis and HIV-AIDS infection was poverty. It is a stark reality that many first nations, Inuit and Métis people do not have access to adequate housing, to adequate drinking water, to education and they certainly do not have access, with that kind of background, to sufficient economic opportunities.

In the study that came out about Vancouver East, I will quote from a news release from the Friday, February 1 *Globe and Mail* by André Picard. He says:

However, Ms. Barney, a member of the Lillooet Titqet Nation, said the real explanation for the higher rates of HIV-AIDS infection goes beyond these daily interactions. It has its roots in poverty, unemployment, lack of housing and dislocation that plague many aboriginal communities and send young people to the streets of Vancouver seeking solace.

The article goes on to talk about the culturally appropriate services are required to aboriginal IV drug users including housing, rehabilitation facilities and health services.

This is not simply a Vancouver East problem. What we have seen again in report after report is that the rate of poverty in first nations, Métis and Inuit communities puts many of these communities in third world conditions. We also know there is something called the social determinants of health. The Lung Association of Canada, and I want to thank it for the good work on this, lists a number of social determinants of health which include the kinds of things we are talking about, housing, income, access to good jobs. All these factors affect the health of people.

The Assembly of First Nations has a campaign on eradicating first nations poverty. It talks about the utter poverty in many first nations communities. It talks about the fact that in applying the United Nations human development index, it would rank first nations communities 68th among 174 nations. Canada has dropped from

first to eighth place due in part to the housing and health conditions in first nations communities.

There are solutions and certainly part of it is money. The Canadian Aboriginal Aids Network has put together recommendations toward a good practices approach. It talks about community based approach. It talks about holistic care treatment and support. It talks about community awareness. It talks about high risk group counselling. It talks about adequate screening for people who have HIV-AIDS and other sexually transmitted diseases. It talks about a very important harm reduction strategy. It talks about healthy sexuality. It talks about sustainable funding resources and advocacy.

In this day and age it is a very sad comment that the member for Vancouver East had to request an emergency debate on this matter. It is a very sad comment that we have literally turned our backs, over generations, to the poverty in first nations, Métis and Inuit communities.

I am on the aboriginal affairs committee. We have had reports on education and housing. Currently we have a crisis in education for first nations, Métis and Inuit. We know education is one of the tools that can lift people out of poverty.

●(1855)

**Mr. Steven Fletcher (Parliamentary Secretary for Health, CPC):** Mr. Speaker, it seems the debate is moving from the specific motion, which deals with Vancouver, to the larger issue of aboriginal peoples across Canada. Would the member at least agree that the 13 years of inaction by the previous government has laid the foundation to a lot of the challenges that aboriginals face?

We should also be intellectually honest. The Conservative government has done some undisputed positive things, such as the \$1 billion settlement of the residential schools. Aboriginal peoples have applauded that from sea to sea to sea.

Would the member comment on the 13 years of Liberal neglect on this very important issue throughout the country?

**Ms. Jean Crowder:** Mr. Speaker, I will echo the comments of the member for Vancouver East on the need to move this beyond a partisan debate. It would be unfair to only target the previous Liberal government for the conditions of despair in many communities. Unfortunately, both Conservatives and Liberals over decades have neglected to do what anybody else would call doing the right thing in dealing with poverty and residential schools.

The member talked about residential schools. I point out the fact that the Conservatives were vicarious signatories to the agreement simply because that work started long before they were elected. Therefore, they can hardly take credit for that agreement coming into effect.



The other matter is that under the current Conservative government, we see educational institutions, for example, the First Nations Technical Institute, the school at Attawapiskat, which has been struggling for a number of years, either have their funding cut or to be completely disregarded. We can find instances of both Conservative and Liberal neglect. I would hope today we could actually talk about the fact that people are dying as we speak in the House.

**Ms. Libby Davies (Vancouver East, NDP):** Mr. Speaker, I thank the member for Nanaimo—Cowichan. She has done a lot of work as our aboriginal affairs critic, as well as bring these issues to the forefront in her community. I am glad that she is participating in the debate.

I just found a report called “Renewing our Response” to HIV-AIDS in aboriginal Communities in B.C. It discusses the issue of under-reporting. In fact, the Public Health Agency of Canada estimates that approximately one-third of aboriginal people infected are unaware of their HIV status. This means that many more aboriginal people may be infected with HIV, but either have never been tested or have not been tested recently and do not even know they have the infection.

One of the really serious aspects we are facing is we are not even reaching the people who are most at risk because of the way our health care system is set up. There are places in my community, like Vancouver Native Health, that are on the street and very grassroots, but overall our health care system has not been able to reach out.

Has the member had similar experiences in her community that create these kinds of issues?

● (1900)

**Ms. Jean Crowder:** Mr. Speaker, there is a huge challenge with appropriate data. Part of it is a lack of culturally appropriate services. Part of it is the fact that there are jurisdictional disputes between the federal and provincial governments about who gathers data, who has access to it and who should pay for it.

There are some enormous challenges of knowing how big the problem is and significant concerns that this is under-reported.

**Hon. Tony Clement (Minister of Health and Minister for the Federal Economic Development Initiative for Northern Ontario, CPC):** Mr. Speaker, I want to thank the hon. member for Vancouver East for this unscheduled opportunity to rise tonight in this House to discuss this very important issue.

First, I wish to express my prayers and sympathies to all those who suffer from HIV-AIDS throughout Canada and indeed around the world. As we know, this is a terrible disease that takes a heavy toll on those who live with it as well as those families who must watch a relative suffer its debilitating effects.

[Translation]

I share the concern of the hon. member for Vancouver East over this sad situation of the people at risk in the Downtown Eastside. One of the risk factors for HIV-AIDS, hepatitis and countless other communicable diseases, is injection drug use. That is why the government has adopted the new national drug strategy.

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[English]

When young people are offered drugs before they are mature enough to grasp the magnitude of the consequences of their actions, it can lead to utter disaster. It saddens me deeply to see people living, and indeed dying, with the results of these actions.

This is the reason why I believe it is so important that we speak honestly and urgently to our young people about the true costs of drug use and how drug use can put at risk their opportunity for a happy, healthy life with rewarding personal relationships.

Canada has not run a serious or significant anti-drug campaign for almost 20 years. The debate over whether to decriminalize marijuana has left an entire generation confused over whether or not pot is legal in Canada. It is not.

[Translation]

The UN Office of Drugs and Crime reports that Canada now has the highest proportion of marijuana users in the industrialized world, reaching 16.8% for those between 15 and 64 years of age.

● (1905)

[English]

Drugs are often presented in this society as recreational and they are not. They are illegal and they are illegal for a reason. Indeed, they can take a terrible toll on human health.

This is why in budget 2007 we invested \$63.8 million above the existing funding for the next two years toward a national anti-drug strategy in order to: prevent illicit drug use, with \$10 million for that; treat illicit drug dependency, with \$32 million for that; and combat illicit drug production and distribution, with \$22 million for that.

Two-thirds of the budget 2007 money will be directed toward prevention and treatment. Together, these three action plans will form a focused and balanced approach to reducing the supply of and demand for illicit drugs, as well as addressing the crime associated with them.

I can tell members that our government is very concerned about the damage and pain drugs cause families. We take this issue very seriously. That is why our national anti-drug strategy will place particular emphasis on educating, especially youth and their parents, about the negative effects of illicit drugs.

We will provide them with the plain truth on the harms of illicit drug use. There are no safe amounts. There are no safe drugs.

We will highlight the fact that for young people having impaired judgment is indeed a safety issue. We will encourage them to stay alert, stay engaged and take full advantage of every opportunity Canada has to offer them.

[Translation]

I can assure the House that in our fight against problems associated with illicit drug use, where the greatest risk is contracting HIV-AIDS, we are paying particular attention to vulnerable populations, and especially to treatment for injection drug users in the Downtown Eastside.

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[English]

I have spoken to the mayor of Vancouver on many occasions and my officials are actively engaged with both the province of British Columbia and the city of Vancouver to ensure that the national anti-drug strategy will improve the treatment services available and coordinate efforts for other services, such as counselling, housing and other public health initiatives.

I have asked my colleague, the Parliamentary Secretary for Health, to address the specific issues relating to HIV-AIDS and Canada's aboriginal population. However, before I yield the floor to my esteemed colleague, it is necessary to emphasize that this government has also been front and centre in the fight against HIV-AIDS, both here at home and internationally.

Indeed, from the time we took office, our government has been committed to a comprehensive long term approach to HIV-AIDS in Canada and indeed throughout the world.

The government believes that it is important to strike the right balance among the initiatives and approaches we support in the fight against HIV and AIDS. To this end, significant financial support is being provided to community programs, laboratory research to improve diagnosis and treatment, and public awareness campaigns.

We also strongly believe in the fundamental importance of vaccine research that will one day lead to preventing HIV infection for future generations.

Specifically, the Government of Canada will invest more than \$84 million toward HIV-AIDS in 2008-09, more than has ever been spent in our nation's history. These investments will support both the federal initiative to address HIV-AIDS in Canada and the Canadian HIV vaccine initiative, investments that will continue to grow over time.

Let me speak about the federal initiative to address HIV-AIDS in Canada. This initiative represents a comprehensive and integrated Government of Canada response to the HIV-AIDS epidemic here in Canada.

The goals of this federal initiative are to prevent the acquisition and transmission of new infections, to slow the progression of this disease and improve quality of life, to reduce the social and economic impact of HIV-AIDS, and to contribute to the global effort to reduce the spread of HIV and mitigate the impact of this disease.

Worldwide, an estimated 4.3 million people became newly infected with HIV in 2006. This provides further evidence, if further evidence is necessary, that HIV-AIDS is a disease that knows no boundaries: geographic, socio-economic, gender, age or otherwise. Although the epidemic is most entrenched among vulnerable populations, it also reaches into the most privileged groups in society.

• (1910)

[Translation]

Worldwide in 2006, those between 15 and 24 accounted for 40% of new infections. An unprecedented number of adult women are currently living with HIV. According to the World Health

Organization, AIDS is one of the main causes of death in children under five.

[English]

HIV-AIDS related stigma and discrimination still persist in Canada and continue to fuel the domestic epidemic. As is the case in other parts of the world, populations at risk of HIV infection in Canada include the most vulnerable groups in society.

Men who have sex with men are the group most affected by the epidemic, accounting for 51% of the estimated 58,000 individuals living with HIV infections in Canada at the end of 2005. People who use injecting drugs comprised a further 17% of the total, and women represented 20% of individuals living with HIV. Aboriginal persons account for a disproportionately high percentage of the individuals living with HIV infections in Canada. Similarly, people from countries where HIV is endemic also represent a disproportionate number of these infections.

This is why the Government of Canada has committed, through our federal initiative to address HIV-AIDS in Canada, to develop discrete approaches to addressing the HIV-AIDS epidemic for these target populations.

I dare say these population specific approaches result in evidence based, culturally appropriate responses that are better able to address the realities that contribute to infection and poor health outcomes for the target groups. Population specific approaches also allow people at risk of infection and those living with HIV and AIDS to directly shape policies and programs that affect them.

[Translation]

The government is confident that focusing on the most at-risk populations will be the best way to fight HIV-AIDS.

[English]

Another important initiative I mentioned at the outset is the Canadian HIV vaccine initiative. This is an agreement between the Government of Canada and the Bill & Melinda Gates Foundation. It represents an historic step forward—and I stress that word historic—in offering hope that one day we will have a safe, effective, affordable and accessible HIV vaccine for everyone who needs it.

The Canadian HIV vaccine initiative builds on the Government of Canada's long term commitment to a comprehensive approach to fight HIV-AIDS globally and domestically, including the development of new HIV prevention technologies.

This vaccine initiative represents a whole-of-government approach involving the Canadian International Development Agency, the Public Health Agency of Canada, Industry Canada, the Canadian Institutes of Health Research, and of course Health Canada. As this initiative unfolds, partnerships with researchers, non-profits, the private sector and other stakeholders will be sought both here in Canada and internationally.

I dare say this initiative is an inclusive, global collaboration involving developed and developing countries and public and private sectors, such as researchers, NGOs, private companies and governments, to accelerate the development of a safe, effective, affordable and globally accessible HIV vaccine.

The vaccine initiative is also strategically aligned to complement the existing international efforts to develop an HIV vaccine, such as the global HIV vaccine enterprise's strategic plan and the international AIDS vaccine initiative, to name just a couple.

Developing countries are of course most impacted by the burden of the HIV-AIDS pandemic. Therefore, ensuring that these countries' needs are met is at the core of this initiative.

[Translation]

The Canadian HIV Vaccine Initiative will receive \$111 million over five years from the Government of Canada and \$28 million from the Bill & Melinda Gates Foundation.

•(1915)

[English]

The funding is made up of new resources totalling \$85 million and a redirection of existing HIV-AIDS resources that amounts to \$26 million. The Gates foundation is contributing one dollar for every three new dollars the government puts toward the initiative. Specifically, this initiative will focus on six key areas.

The first area is discovery and social research. Through this component, support will be provided to HIV vaccine discovery and social research, while strengthening the capacity and promoting greater involvement and collaboration among researchers in Canada and low- and middle-income countries.

The second area is clinical trial capacity building and networks. Support will be given to researchers and research institutions, particularly in low- and middle-income countries, which will strengthen their capacity to conduct high quality clinical trials of HIV vaccines and other related prevention technologies.

The third area is pilot scale manufacturing capacity for clinical trial lots. The proposed manufacturing facility will increase the global capacity to produce HIV vaccine candidates for use in clinical trials. These trials will be conducted mostly in and for the benefit of low- and middle-income countries.

The fourth area is policy and regulatory issues. This component will improve the regulatory capacity in low- and middle-income countries, particularly those where clinical trials are planned or ongoing, and will address policy issues that will ultimately promote global access to HIV vaccines.

The fifth area is community and social dimensions. The vaccine initiative will support the development and strengthening of community, legal, ethical and human rights frameworks for HIV vaccines in Canada and in low- and middle-income countries.

Finally, the sixth area is planning, coordination and evaluation. The vaccine initiative will coordinate its activities with Canadian and international HIV vaccine research and development partners to ensure that the Canadian contribution to the global HIV vaccine enterprise is the most effective.

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[Translation]

The Government of Canada is proud of its partnership with the Bill & Melinda Gates Foundation on the Canadian HIV Vaccine Initiative, and is proud to further international work on developing an HIV vaccine and reducing the devastating effects of HIV-AIDS worldwide.

[English]

This initiative represents a collaborative Canadian contribution to the fight against HIV-AIDS. Our government believes that an HIV vaccine will ultimately be the vital prevention technology to reduce the impact of the HIV-AIDS pandemic. This is why we have invested so heavily in the Canadian HIV vaccine initiative.

I want to emphasize that the government values the relationships it has with all of its stakeholders. We must continue to work together in the fight against HIV-AIDS. The Government of Canada recognizes and acknowledges the critical role that front line organizations play in addressing HIV-AIDS. Without their tireless efforts the Canadian epidemic would be inflicting far greater damage than it currently is.

That is why I am proud the government is putting over \$20 million toward community-based projects that make a difference in the lives of people living with and affected by HIV-AIDS.

[Translation]

In conclusion, the government continues to play an important role in the international fight against HIV-AIDS. The government is proud of its achievements and of the leadership it has shown in Canada and throughout the world.

[English]

The Government of Canada cares deeply about those who suffer from HIV-AIDS and I believe has taken a balanced, forward-looking approach to this issue. We believe strongly that vaccine research is imperative if we are able to reduce the damage caused by this terrible disease.

**Hon. Hedy Fry (Vancouver Centre, Lib.):** Mr. Speaker, that was a wonderful speech the minister made, if I may say so myself. It was beautiful in its rhetoric, intent, warmth and caring. But I want to focus on one thing the minister said because he brought this into the discussion in his speech and that is with regard to the Gates foundation and to the work being done on the vaccine.

I recollect that the Gates foundation had suggested that countries that participated should not remove funds from their national and local communities in order to participate. There have been many communities in Canada which have been shortchanged until now to the tune of \$60 million taken out and not spent from the national AIDS strategy that has been put into the Gates foundation.

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While we talk about extensive funding, I would like to ask the minister, looking at the debate tonight with a huge cohort of people in this country who in increasing numbers of HIV infection and who are dying in large numbers, how does the minister feel in his conscience that he could take away from the Canadian effort to give to the Bill Gates effort and not just put new money, which is what he should have done in the first place?

• (1920)

**Hon. Tony Clement:** Mr. Speaker, the hon. member's question allows me to elaborate a little bit on our balanced approach when it comes to HIV-AIDS. Indeed, I can assure the House and the hon. member that this government has increased funding for services for HIV programs over the two years plus of our mandate thus far.

It would be safe to say that the Bill and Melinda Gates foundation initiative is one where we have various pots of funding, some of it from our current funding, but also some that is new dollars that were not allocated by previous governments on this file. So it is a combination effort.

I believe in my heart of hearts perhaps that we need a balanced approach. We need to ensure that services are increased for those who are suffering from HIV-AIDS in our country, but we also need to invest in the best way to deal with this tragedy long term, which is to develop, test and implement a vaccine. So this puts Canada at the forefront.

We have been touted around the world as a leader in the vaccine initiative. We are used as an example. When Bill and Melinda Gates go to Australia, when they go to Denmark, when they go to France and Japan, they say please follow Canada's lead because it is investing in the right way to deal with this terrible pandemic ultimately, which is to protect Canadians and citizens worldwide from the disease.

**Ms. Libby Davies (Vancouver East, NDP):** Mr. Speaker, first, I would like to thank the Minister of Health for being in the House tonight for this emergency debate. It is very important that we hear from the Government of Canada as to what it is doing and what his perspective is.

I certainly agree that we need to have new discoveries and an AIDS vaccine. It is very important. There are certainly issues about where the funds are coming from and whether or not we are actually taking money away from existing programs and services, as the member for Vancouver Centre just outlined.

I want to take this opportunity to talk to the minister about the so-called anti-drug strategy which he began his debate with. I can tell him that in my community most people think that the Conservative government's anti-drug strategy is a joke.

They do not see it as something that is going to work. In fact, the government dropped one of the pillars, which was harm reduction, and people are very skeptical about the supposed focus on education and treatment. It is only \$64 million over two years.

I want to ask the Minister of Health about Insite. This is a program that has saved lives. It has support from the mayor of Vancouver, who I know the minister has met. It has support from the business community. It has support from 73% of residents in Vancouver. It

has very broad support and yet the minister keeps saying that he will only give a temporary renewal.

I know he is going to say it needs more study, but the fact is there have been 25 independent studies on Insite. When is he going to accept the scientific evidence that Insite is a successful program and is part of a comprehensive strategy, and when is he going to tell the community that it will continue?

I would like him to honestly respond to this question and not just give the usual sort of Conservative line on it. It has had enough study. Will he allow Insite to continue after June 30, past its temporary extension?

• (1925)

**Hon. Tony Clement:** Mr. Speaker, there are three issues that the hon. member raised.

First, it is very important that I state this for the record and I do not want this opportunity to slide by. In terms of the so-called cuts to AIDS services, there were no cuts to AIDS services that were initiated by this government's policy.

There were some cuts that we have been trying to manage with the AIDS communities that were a result of the final Liberal budget of 2005 that were mandated by Parliament and, therefore, my ability to deal with them is somewhat constrained. However, in terms of our government, we have not done so.

Let me deal with the harm reduction issue because it is important, too. I want to say to the hon. member that harm reduction is part and parcel of our policy. Treatment is harm reduction. Prevention is harm reduction.

Enforcing and toughening our laws to get the pushers and the gangs off our streets is part of harm reduction. I would dispute the hon. member's characterization of our national anti-drug strategy. In fact, I can say that the commentary on our anti-drug strategy from police chiefs, community leaders and, most importantly, parents I have spoken to who have children taken away from them by the scourge of illicit drugs support our anti-drug strategy has been positive.

The issue of Insite is perhaps for another time.

**Mr. Steven Fletcher (Parliamentary Secretary for Health, CPC):** Mr. Speaker, I would also like to thank the Minister of Health for attending this evening. I know his schedule is extraordinarily busy. It is always great to have the minister make time for us.

I would like to raise an issue with the minister. I am taken aback a bit when the member for Vancouver Centre seemed to criticize the government for partnering up with the Bill and Melinda Gates foundation. I actually thought that partnership was an extraordinary one, very unique, and something this government had pioneered.

I wonder if the Minister of Health could expand on the benefits of the program, but also maybe frame some of the challenges this government has inherited on this very important issue.

**Hon. Tony Clement:** Mr. Speaker, indeed, I wish to confirm, as I mentioned earlier, that this partnership with the Bill and Melinda Gates foundation is the first of its kind in the world. Really, we have become an exemplary model for other countries as the Bill and Melinda Gates foundation goes and does its work worldwide on so many issues. The foundation is now saying to look to Canada.

We have, as part of this initiative, an understanding that there will be in this country a manufacturing facility that will in fact manufacture vaccine components that in turn, after appropriate testing and safety considerations, will be able to be tested in the wider marketplace. I believe that this is the ultimate way that we can get in front of this scourge and protect people, particularly in low and middle income countries, where this disease is so endemic.

So, I can certainly back up the words that I have already spoken on this issue. I think that when I look back at my time as health minister, as we occasionally do as our lives take other twists and turns, I will see that initiative and the Prime Minister's announcement with Bill and Melinda Gates as, certainly, a highlight.

In terms of what we inherited—

**The Acting Speaker (Mr. Andrew Scheer):** Resuming debate. The hon. member for Vancouver Centre.

**Hon. Hedy Fry (Vancouver Centre, Lib.):** Mr. Speaker, I pay tribute to the member for Vancouver East for bringing this issue to the fore. I know that of all the communities and ridings in this country, her riding has been the most devastated by this particular issue. She has some of the poorest in her riding. She has the highest rate of substance abusers and she has a large number of urban aboriginal communities, as do we in the four western provinces, but hers by far is the largest.

I am pleased to stand and support her statement and to say that we know this is a national disgrace. We know that the studies have shown that 2:1 aboriginal people have new infections of HIV-AIDS. Much of it we know is directly attributed and related to illicit drug use but a whole lot of it is attributed to poverty or lack of housing and all of the other social indicators that have led to the use of substances over the years.

I want to quote from a very well known and respected physician in Vancouver who said, “addicts are made, not born”. The most common precursors are early childhood deprivation, neglect and abuse. For several generations Canada's native children have been far more likely to suffer grinding poverty, abuse and childhood substance addictions than non-natives.

This is not something that we can talk about in the abstract. This is not something that we can stand here and speak in glowing and fine words about how we have strategies and we intend to do this and that. As a physician, I can say that the effectiveness of anything that we do must be shown in the outcomes. I for one have seen many outcomes that have led to very important new ways of dealing with this issue and they have been rejected by the government.

I have to say that when the minister says that HIV-AIDS knows no boundaries and it affects vulnerable people as well as privileged people, while I recognize this, I must say that tonight we are speaking about the most vulnerable people in this country. There-

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fore, the minister must deal, if he is going to have an effective strategy, with these issues that affect this group of people.

For instance, we know that addiction is primarily a health issue with social correlated factors. I will put this in plain language and I will quote from the result of the report that the hon. member for Vancouver East took her question from today. The report states:

Our findings demand a culturally appropriate and evidence-based response to the HIV epidemic among Aboriginal injection drug users. Canada's drug strategy has recently been the subject of significant criticism. This criticism stems from the fact that resources are overwhelmingly devoted to law enforcement-based interventions, which have been shown to have negative health consequences related to health service interruption and limited evidence of effectiveness as evidenced by increased illicit drug supply and decreasing drug prices.

The minister spoke very beautifully about evidence based but here is evidence that says that the way that his government is going toward a national drug strategy is actually not based on evidence at all, but is based mostly on ideology.

When we speak to this issue, I want to quote from this report because I think this report has been the diving board from which the member launched her plea today. The report also states that we need “to acknowledge the harms of seeking to address addiction through a strategy that” is not culturally appropriate.

An evidence based response to HIV epidemic amongst aboriginal drug users has told us that there must be other cohorts that we must look at.

I want to talk about that today and put it in plain language. There is no place here if we are to resolve this problem. I think we can stand in this House for the next 25 years and each one of us can bleed and speak glowingly and speak with great emotion about the plight that the member brought forward today: the plight of the aboriginal people, of HIV-AIDS, hepatitis C, grinding poverty, lack of housing, an enormous amount of social dislocation because of aboriginal residential school issues, abuse, and urban aboriginal issues that have not even been dealt with by the government and do not even figure in the language about which it speaks.

● (1930)

I want to talk about what we can do. Therefore, there is no place here for ideology or moralistic biases. The way to deal with the complex issues of substance abuse and related diseases, such as HIV-AIDS, hepatitis C and an increasing incidence of tuberculosis in this country among aboriginal people, is to employ a multifaceted strategy that has been proven to be effective.

That is what we mean when we talk about certain strategies which have yet to be proven to be effective. We know this is why clinical research, community and social research is absolutely important if we are to deal with the first part of any public health strategy.

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We know there are some basic, public health 101 principles to a public health strategy, and the first one is research and epidemiology. This is what we were talking about today, research and epidemiology that is telling us who the susceptible populations are, where they live and what things make them susceptible.

Many people believe that we can prevent addiction by telling people nice stories and telling them preventive things when they are young, which means that they think addiction is something we learn to do, something we can stop doing at any time we want and that it is purely a behavioural thing. However, medicine has told us that addiction is certainly not a behavioural issue alone, but that is one small part of addiction.

Research and epidemiology are telling us that among urban aboriginal communities and other aboriginal communities the issues are very clear. There are issues of poverty. We heard people speak of the poverty of aboriginal peoples, especially aboriginal women who are among the poorest in our society. We have heard of the lack of housing and the lack of access to health care, especially for urban aboriginal populations.

If we are to address prevention in this instance, we must deal with those things that cause people to become substance abusers. We need to deal with the residential school issues because we know that those have left aboriginal people with exactly what Dr. Maté talked about when he talked about the fact that there had been abuse, early childhood deprivation and neglect. Being deprived of parents for a long time have led to generations of aboriginal people being denied the right to grow up as most of us have.

We must deal with these issues if we are to talk about the first thing that the minister mentioned in his national drug strategy, which was prevention. Prevention is not about making nice speeches and going into a school and telling people they must not take drugs. It is about dealing with these very basic issues that epidemiology has told us contribute to this particular problem in aboriginal peoples and, indeed, in all people.

We also know that there is a link, not only between housing, but between discrimination and social dislocation. The hon. member for Vancouver East spoke very movingly about that.

Nowhere in the government's national drug strategy has it talked about housing. The minister spoke about it but I have not seen a housing strategy by the government. I have not heard it discussed in its Speech from the Throne. It was never in any of its budgets. It has never been discussed. In fact, I understand there was a housing meeting in Vancouver today and the minister responsible for housing did not bother to turn up.

We talk the talk and there are lots of wonderful words coming from the minister but there is no substance to them. There is no action on it and so nothing has been done.

What is even worse is that the Kelowna accord, which was brought forward by our government to deal, in a culturally sensitive manner, with issues, such as housing, education and health, was cancelled by the government. It was one of its first acts. The Kelowna accord would have worked in a totally new way. It would have worked with aboriginal people who would have been part of the solution, part of that public policy development and public policy

implementation. That is what is meant by those nice words that the minister used, "culturally sensitive". The phrase "culturally sensitive" is actually a strategy and an implementation based on that kind of thing.

• (1935)

When I hear about a national drug strategy that talks about prevention and that talks about enforcement, I do not hear other words. Public health strategies deal with good research in, first, epidemiology; second, prevention; third, something called harm reduction; fourth, treatment; and fifth, rehabilitation and being able to get oneself back into some sort of mode of life again after one has been ill or has had a disease.

In the case of substance abuse, enforcement must be a sixth factor in a very clear public health strategy, public health 101. This is not ideological. This was drawn up in my head. This is public health strategies.

If the government is going to talk about a reasonable or a believable national health strategy, it must talk about it. I have just talked about prevention, epidemiology and the things that link them that has not been talked about and is not being done by the government.

Let me talk about harm reduction. I listened to the minister saying that he had no evidence that the Insite program actually achieved any results. That was extremely interesting because Insite is one of the most progressive forms of harm reduction on the North American continent. He was quoted as saying that during the time that he had decided that he would not support fully the Insite for a short period of time and temporarily he would let it go on. So this wonderful program is in limbo.

The second thing is that I heard his leader, the Prime Minister, say that he did not believe in harm reduction, as if harm reduction were the Easter Bunny or Santa Claus or something that one had to believe as an article of faith. Harm reduction is a clinically proven set of strategies that came about from people having done the work done in those strategies, implemented them and looked at how the results occurred.

Harm reduction is a fundamental piece not only of public health but of medical care. Harm reduction is saying that if we people or children are dying of gastroenteritis that we will look at giving them different water to drink while we fix the water system. Harm reduction is about helping people to survive and have as little illness as they can while we are trying to find a solution for them in the long run. Harm reduction is reducing the harm to the person or the community until such solutions can be found to solve the problem.

When the minister speaks about a vaccine as if it were the silver bullet, I must say that this is the end objective, but what about now? What about the people who are currently suffering or have died? What about harm reduction?

Harm reduction in the government's eyes is a moral issue. As I said before, if we look upon this as a clear public health issue, then we should not talk about morals. We realize that needle exchange does not help people to use more drugs. Needle exchange helps to prevent people who are using intravenous drugs from getting HIV-AIDS, hepatitis C and other diseases. If they have hope of living they may want to go into detoxification or into treatment. They may make good choices for themselves and eventually find a new rehabilitative way of life. That is what harm reduction does for them.

I am very proud of the Insite program because I was the federal minister responsible for the Vancouver agreement at the time when we brought in Insite. With the City of Vancouver, the province and the community all agreeing to do this, we got the money to set up this particular facility. Within six months, the facility was directed at doing two things. One was that it was directed at saving lives because overdose deaths were happening in that community in large amounts. Within six months of Insite being set up, overdose deaths had gone to zero.

This was a clinical study done by St. Paul's Hospital and UBC HIV-AIDS clinical trials network. This was not done by a bunch of people sitting around a corner thinking they wanted to prove something. This was done by real researchers applying absolutely appropriate methodology to do this. That was the first thing. It had actually achieved its objective in six months.

● (1940)

The most surprising thing that came out of this was an indirect effect that they did not expect. The people who came to Insite were the people who actually did not go to doctors or nurses, did not go to institutions, and were not interested in getting care. These were the really marginalized people in society. Thirty per cent of them within a year were seeking detoxification. That was a remarkable side effect. No one could believe the percentage. One-third of the people who were going to Insite were seeking detoxification. Once they had been detoxified, many of them moved on to counselling. They also moved on to getting treatment, whether it was methadone or opioid use or other ways of getting themselves back into living ordinary lives and not getting HIV-AIDS, hepatitis C and other diseases.

As I said before and as I will say again, ideology should have no place in public policy, especially not in public health policy, and especially not from a government that has the ability to save lives by doing the right thing, and the proven right thing in this case.

I want to talk about treatment. I am very proud of this because I was responsible for assisting the UBC researchers in a program called NAOMI. It is a three year project. They are looking at new methods of treatment that would work on narcotic or opium addicts or heroin addicts who were resistant to methadone treatment. The project involved giving them either a synthetic opioid or heroin and seeing how it worked. Those results are not out, but from what I hear from some of the researchers, there are going to be remarkable results in the use of opioids.

This is going on in Europe. These projects have been shown to be successful in Switzerland. Belgium is starting a new opioid study. We have people who are ready to do these studies on treatment, and yet the government is not even speaking to them. I am meeting with them tomorrow with our leader, Mr. Dion. We are going to speak

with these people who have been begging for a meeting with the minister—

● (1945)

**The Acting Speaker (Mr. Andrew Scheer):** Order. I hate to interrupt the hon. member, but I do have to remind her that we do not refer to our colleagues, even when they are in our own party, by their proper names.

**Hon. Hedy Fry:** I am sorry, Mr. Speaker, I got carried away.

We are going to have a meeting. The researchers at UBC and St. Paul's Hospital have not been able to get a meeting with anyone in the Conservative government, not a B.C. minister and not the Minister of Health. They are desperate. We are meeting with the researchers tomorrow to talk about some of these new treatment modalities that they are going to work on to see if they can assist people with treatment.

This is a sad day. We are dealing here not only with substance abuse, for which the government has no answer other than an ideological position that the Conservatives call a national health strategy, but we are also dealing with aboriginal people who are the most affected by this. The tools which were put together to deal with this problem and to get the kind of preventative measures that are needed for aboriginal peoples were not put into place. In fact, they were cancelled. We hear of small amounts of money being handed out.

When the Liberals were in government, we set up an urban aboriginal strategy that was going to assist urban aboriginal people to deal with health issues, to deal with substance abuse issues. There was a young urban aboriginal strategy as well. These have disappeared. They are gone. The government is obviously not interested in this most vulnerable population. It has obviously moved them somewhere off the path.

This is why I think this debate is important. It is an emergency. The problems have increased since the Conservatives came into power and they do not want to seek the right answers. They have developed an ideological attitude to things.

This debate tonight can shed light on some of the absolutely appalling public policy around these issues. Maybe Canadians will listen and decide that it is time that we stopped talking about aboriginal communities and did something about them. Maybe Canadians will decide that it is time we stopped talking about substance abuse and did something about it. We had started. We know that if we form government, we will continue to build on those very good strategies.

**Mr. Steven Fletcher (Parliamentary Secretary for Health, CPC):** Mr. Speaker, that was quite the speech. There are so many inaccuracies and misleading statements in the member's speech it is hard to know where to begin. Let me just point out a few things.

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On the residential school agreement, we, the Conservative Party, signed that agreement. There is \$1 billion to help mitigate some of the harm that was done.

On housing, the member says that there has not been a single housing announcement. In fact, the government is investing hundreds of millions of dollars in housing. Just a few months ago in Winnipeg, I announced \$2.1 million for a three storey, fully furnished, 20 unit apartment building at 415 Logan Avenue. I encourage the member to check it out, the Anishinabe Place of Hope. That was designed for first nations people.

The member talked about hepatitis C. Now, that is something else. For a Liberal member of Parliament to talk about hepatitis C after the Liberals denied compensation to the tainted blood victims, including aboriginal peoples, is just scandalous. It was a deliberate public policy decision by the Liberal government to deny compensation, one of the greatest scandals in Canadian history.

The member talks about fundamentals, first principles. Surely, what is more fundamental than anything else is fundamental human rights. Most Canadians would be shocked to know that first nations people are not included under the Canadian Human Rights Act. The Liberals are preventing this government from including first nations in the act—

• (1950)

**The Acting Speaker (Mr. Andrew Scheer):** Order. The hon. member for Vancouver Centre.

**Hon. Hedy Fry:** Mr. Speaker, I am glad the member brought up the residential school agreement that the Conservatives signed. It is one that we are proud to have negotiated.

The member speaks about putting millions of dollars into housing. We had over \$5 billion in the Kelowna accord that was set to deal with many of these issues.

Our party is not ashamed to say that we started the homelessness strategy that in fact had reached about \$2 billion by the time the member's party assumed office.

I do not think I need a lecture from the member about housing and who signed what and when. The issue I am talking about is what the member does not seem to be able to understand. If we are going to deal with the fundamental issues of a disease that is caused by substance abuse and intravenous drug use, we need to deal with them in a manner that is consistent with public health principles. These are not my principles. They are not Liberal Party principles. They are proven public health principles. Any country in the world would have known what they are. And I am asking the government to actually observe them.

**Ms. Libby Davies (Vancouver East, NDP):** Mr. Speaker, I would like to thank the member for Vancouver Centre for participating in this important debate tonight and also for her very good understanding of this issue. In fact, the member and I were both part of the special parliamentary committee on the non-medical use of drugs. It included all parties. Randy White, a former member of Parliament, was on the committee as well. We had some interesting times.

One of the things we learned was that so much of the policy in Canada has been driven by the U.S. agenda. Certainly when she speaks about Insite, it was very much modelled on what we learned and understood to be working in the European context, where a safe injection facility is just part of a comprehensive strategy. I think at some points we almost had the Conservative member convinced, but then he had to keep moving back to his party's position.

There is a new bill before the House, Bill C-26, regarding minimum mandatory sentences for drug crimes. One of the things I am very concerned about is that we are moving in the direction of increased enforcement, of criminalization of drug users. That is very alarming. It is very much the U.S. style of the war on drugs. It is what George Bush has adopted. Certainly the Prime Minister and the Conservative government seem to be moving in this direction very rapidly.

I am very concerned about Insite being shut down and what that would mean in terms of more overdoses in our community. I am very concerned about this so-called anti-drug strategy, which really is a U.S.-style approach .

I just wonder if the member would comment on that.

**Hon. Hedy Fry:** Mr. Speaker, I am very pleased that the member asked this question. I know how she feels about the issue. I know how many of us felt, those of us who actually travelled and saw the details and facts. We looked at what worked in Europe and came back filled with hope and recommendations on what we must do here.

The member asked me to comment on Insite. If Insite closes down, given that Insite had brought the overdose death rate of that particular group of people who attended Insite down to zero, should one of them die when Insite is closed, that would increase the death rate as a result of a direct act of this government. I cannot put it more verbally than that.

With regard to an anti-drug U.S.-style approach, it is not only Europe that has been doing this. We can talk about Spain or Belgium. We can talk about the work that is being done in Germany. The European Parliament has decided that this is the way it is going to go because based on evidence, it is working. The results are extraordinary.

Australia started a project like Insite and now it is all over Australia. Every place in Australia has similar clinics. They are no longer projects. They have been adopted as a strategy.

All I can say to the member is that if we do not base our strategies on what is known to work, and what is evidence based, on what research has shown us, then we will have made a great mistake, and the government will have to accept the results of that mistake on its shoulders.

• (1955)

[Translation]

**Mr. Luc Malo (Verchères—Les Patriotes, BQ):** Mr. Speaker, before I begin my speech, I would like to inform you that I will be sharing my time with the member for Laval.



## S.O. 52

The first thing that surprises me about tonight's debate, Mr. Speaker, is that when you received the motion from the member for Vancouver East requesting an emergency debate, you granted it, so you must have thought that, given your knowledge of the facts, the motion put forward by the member for Vancouver East was a matter of some urgency.

However, judging by the governing party's speeches, particularly the one delivered by the Minister of Health, and the way he sees the current situation in Vancouver, I do not sense much urgency. In fact, nowhere in his speech did he come up with innovative ideas or a specific plan to do something about what people in that part of Canada are going through.

However, in his reply, the Minister of Health spouted a lot of preconceived and ideological notions about how to make things better for drug users in Canada. It seems to me that since it was decided that this issue should be the subject of an emergency debate, we should be using the debate to look for a solution to this particular problem affecting people in that part of Canada.

Nowhere in his speech did the Minister of Health talk about the health of aboriginal peoples. I am a member of the Standing Committee on Health. We often urge the committee to consider the health of aboriginal peoples. Usually, committee members would rather talk about issues that fall under provincial jurisdiction, but I think it is time the Standing Committee on Health took a closer look at issues that concern it directly and that call for federal government action in an area that does fall under its jurisdiction: the health of aboriginal peoples. Statistics about the health of aboriginal peoples are frightening.

To return to the matter at hand, I would like to inform the House that we are aware of research published by the *American Journal of Public Health* confirming that aboriginals are more likely to have HIV than other Canadians. The study shows that aboriginal drug users in Vancouver's Downtown Eastside are twice as likely to contract HIV-AIDS as non-aboriginals.

Research data shows that, during the four years of the study, 18.5% of aboriginal men and women who use injection drugs such as cocaine and heroin became HIV positive, compared to 9.5% of non-aboriginals. This disparity is rather significant and, in my opinion, should be the subject of a thorough study or at least serious awareness on the part of the government.

The epidemic, which continues to spread throughout the world and from which practically no country is immune, can spread several ways. According to the report "AIDS Epidemic Update" produced in 2006 by UNAIDS and the WHO, approximately 39.5 million people are HIV positive, and the pandemic continues to target vulnerable communities.

• (2000)

In recent years, the number of people living with HIV has increased in all areas of the world. In 2006, 4.3 million people were newly infected with HIV and 2.9 million people died of AIDS related illnesses. In Canada, the number of people living with HIV-AIDS grew from 50,000 in 2002 to 58,000 at the end of 2005. Up to 25% do not know they are HIV positive.

In Canada, aboriginals represent the most vulnerable populations and are most often the victims of this pandemic. They are nearly three times more likely to be infected by HIV than any other Canadians. This statistic alone, I think, should be enough to make the government realize the importance of this critical situation.

The findings of the study on aboriginals in Vancouver confirm the existing data gathered throughout the country. Previously, in 2003, a study of aboriginals in Vancouver concluded that aboriginal intravenous drug users become infected by HIV at twice the rate of non-aboriginals. The Public Health Agency of Canada also released a report on these statistics in November 2007. If I may, I would like to share some of the findings, which are extremely alarming.

Aboriginals continue to be overrepresented in the epidemic of HIV infection in Canada. They represent 3.3% of the Canadian population, but account for an estimated 7.5% of all existing HIV infections. In addition, 9% of new HIV infections reported in 2005 occurred in aboriginals, 53% as a result of intravenous drug use, compared to 14% for the general population. The overall infection rate among aboriginals is therefore roughly 2.8 times the rate among non-aboriginals. One final statistic that shows how serious the problem is concerns aboriginal women, who account for 48.1% of positive HIV tests reported among aboriginal peoples, compared to 20.7% among non-aboriginal peoples.

These findings point to the need for specific measures to address the unique features of the epidemic of HIV infection in the aboriginal population. According to the Vancouver study, intravenous drug use poses the greatest risk of infecting the aboriginal population not only in Vancouver, but across the country.

Members of our first nations are not more likely to use drugs because of their culture or biology; drug use is rooted in a malaise caused by serious social problems.

Speaking of social problems, I would like to talk about the poverty in aboriginal communities across Canada. Canada is responsible for the aboriginal peoples, but the poverty among our first nations is one of the most serious social injustices in this country. Canada has more than 750,000 first nations people. The latest census indicated that the aboriginal population had exceeded one million. Of that number, 750,000 live on reserves, in urban areas and in Canada's northern territories.

If we compare the situation of the first nations with that of the rest of Canada's population, a number of facts emerge. First, one in four first nations children lives in poverty, compared to one in six in the rest of the population. The life expectancy of first nations men and women is 7.4 and 5.2 years shorter, respectively. First nations dwellings are nearly twice as overcrowded as other Canadian homes.

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● (2005)

Half of first nations homes are contaminated with mould. The socio-economic conditions of first nations are comparable to those of developing nations, as people's health status is well below the national average.

I understand that my time is up. Thank you for allowing me to finish.

**The Acting Speaker (Mr. Royal Galipeau):** Your time expired a while ago.

The hon. Parliamentary Secretary for Health.

[English]

**Mr. Steven Fletcher (Parliamentary Secretary for Health, CPC):** Mr. Speaker, the member and I work on the health committee, and the member does a very good job. I always appreciate his interventions.

There is an irony here though. We have a Bloc member, whose goal is to presumably separate, commenting on the situation in Vancouver. However, this is one of the ironies in which we find ourselves.

Given the member's separatist tendencies, has he had an opportunity to reflect on what would happen to first nations people in Quebec if there were ever an issue of sovereignty? It seems that they would be in a very serious situation. As the member has indicated, the federal government supports first nations people in the order of billions and billions of dollars.

Would the member agree with the government's strategy, with the Bill & Melinda Gates Foundation, in working toward a cure, or at least a vaccine for HIV-AIDS and does he accept that is a good role for the federal government to play?

[Translation]

**Mr. Luc Malo:** Mr. Speaker, if the Parliamentary Secretary for Health has doubts as to my constitutional option for Quebec, then I will reassure him right now. I support Quebec's independence and I have made it my personal cause. I became involved in politics on that account.

Having said that, I am surprised that he is asking why we are taking part in the debate today because the Bloc Québécois—and my hon. colleague opposite is certainly aware of this—speaks for the most disadvantaged, for those who suffer. And that comes through in everything we say.

In my opinion, the current situation of Vancouver's aboriginal people must be raised in this House because, as I was saying in my speech, it is a reflection of what is happening in many aboriginal communities. We must be aware of this.

Therefore, I urge the Parliamentary Secretary for Health to put forward policies that will make the health of aboriginal people a central part of this government's actions because it is a worrisome situation. I see that he is nodding and I gather that he agrees with this comment.

What will happen to aboriginal peoples under a sovereign Quebec? That is an excellent question.

The National Assembly of Quebec was one of the first legislatures to acknowledge the very existence of the first nations. It recognizes aboriginal people as a nation within Quebec and already has a nation-to-nation dialogue with them. I believe that it is clear that, when Quebec is sovereign, this dialogue will continue and Quebec will assume its full range of responsibilities, including the well-being of aboriginal people in partnership with native governments.

Mr. Speaker, thank you for allowing me to finish my reply.

● (2010)

**Ms. Nicole Demers (Laval, BQ):** Mr. Speaker, while I wish to make a point of speaking to the motion tabled by our colleague for Vancouver East, I have doubts and I wonder whether it is worthwhile debating the issue. Since the debate began, I have not heard any real concern from the government. I have heard many partisan comments, much pettiness and many things that have nothing to do with the problems of aboriginal people suffering from HIV-AIDS.

I find it unfortunate, in this illustrious place with 308 elected members, that elected individuals, with specific positions such as that of the parliamentary secretary, use the debate to engage in petty politics. I find it most unfortunate that this is being done at the expense of individuals suffering from a fatal disease and the disadvantaged, who can ask nothing else of life except to wonder when will the government realize the impact of their illness. I find that very sad.

Nonetheless, in her motion, the hon. member made a realistic and factual plea. I find it unfortunate that the Minister of Health did not come up with anything else either. Instead of decrying the situation and providing evidence of concrete solutions to the problem, he talks about the fight against drugs. We are not just talking about the fight against drugs. I know there are drugs in Canada and in Quebec and I know it is a problem. We are talking about people who are dying every day from a disease they did not ask for, regardless of which part of the population they come from and regardless of whether "Men who have sex with men are the group most affected by the epidemic, accounting for 51%", as the Minister of Health pointed out. What a statement. When we hear that we wonder whether in his view the government would be better off letting people die instead of taking concrete action to help them overcome this problem. I find it unfortunate to hear things like that.

I am ashamed to be here in the House this evening with people who take part in the debate and say such things. This is no laughing matter and it is no time for getting sidetracked and bantering about Quebec's separation. We are talking about people dying and people getting infected every day. Every two hours of every day someone gets infected with the HIV-AIDS virus. And it is not the gays, the lesbians and the aboriginals who are getting infected; people are getting infected. Let us not forget that.

Instead of trying to lay blame, I would like everyone to remember that we are talking about a disease. This disease appeared 25 years ago and since then we have been trying to find a reason, some medication, a vaccine. Twenty-five years later and some are still looking for reasons. The primary reason is poverty. The primary reason is indifference toward aboriginal people who have been put on so-called reserves. Reserves are for animals. When you travel to Africa you go on a safari on a reserve. We are talking about aboriginal communities.

It is really very petty to not care any more than that about their well-being, to pass the buck back and forth as though it were a political game instead of a social issue. What has become of us that our politicians can do nothing but pass the buck without taking responsibility for their actions?

● (2015)

This party has been in power for two years now, and it can stop blaming the previous government and start thinking about what it has not done and what it should have done. If we want to talk about others' actions or lack thereof, I have a lot to say about the Conservative government.

This disease affects not only adult women, but also the young. There are children being orphaned. There is poverty in all aboriginal communities. It is not in one aboriginal community, it is not just in aboriginal communities in the west or in the north, it is in all aboriginal communities across Canada. There are people who are crammed into houses. There are people without access to clean water or medications. These are the terrible situations we see every day.

That is what we should be thinking about this evening. We should take this opportunity to focus on what we can do together—not against each other, but together—in order to eradicate this disease and give everyone a fair chance.

[English]

**Mr. Steven Fletcher (Parliamentary Secretary for Health, CPC):** Mr. Speaker, it is important for the member to know that the government takes the issue of HIV-AIDS very seriously from coast to coast to coast, in Quebec, East Vancouver, and throughout the entire country. In fact, the government recognizes that HIV-AIDS occurs in increased percentages in the Vancouver downtown east end and we are taking action through a variety of initiatives.

The member is right in that the government has a role to play. The Conservative Party is playing a role and it is part of the solution. That is a role that the Bloc will never have because it will never be government. It will never have that ability.

The fact is that this government has done a lot on prevention, education, dealing with people who already have HIV-AIDS. We are also looking to the future for a vaccine. We are working with the Bill and Melinda Gates foundation and, through CIHR, investing moneys in research.

Would the member agree that it is important to invest in research to find a vaccine? Does the member agree with the government's approach at least on HIV-AIDS research?

S.O. 52

● (2020)

[Translation]

**Ms. Nicole Demers:** Mr. Speaker, as long as members of this government and this Parliament fail to grasp the importance of the role of the Bloc Québécois in this House, there is very little chance of them making any further progress.

They have a unique opportunity. We are a unique party among all the world's democracies, a party that has no financial connections to anyone. Our only goal, our only objective, is to defend the rights and interests of the people we represent. We did not endorse placing COLD-fX on the shelves the day after Don Cherry visited the House.

No lobbyist can buy our support and we will never be in power. I would like them to understand why the Bloc Québécois has a role to play in this House. Although the government may not understand it, Quebeckers certainly understand. That is why they have been giving us their support and putting their trust in us for the past 15 years.

[English]

**Ms. Libby Davies (Vancouver East, NDP):** Mr. Speaker, it is unfortunate the parliamentary secretary is being so partisan in his comments tonight. I would certainly like to thank both the member for Laval and her colleague from the Bloc who are participating in this debate tonight and bringing forward genuine information, sentiment, feeling and passion about this important issue.

I certainly want to thank the member for Laval for bringing us back to the point that this is about human rights. It is about people's dignity. It is about providing the basic essentials, so that people can meet their own potential whether or not they have HIV or AIDS.

I would like to ask the member if she could maybe talk a bit about harm reduction programs in Quebec? We often look to Quebec as a place where progressive things are done in many areas, whether it is child care or housing. I would like her to maybe say a little bit about what harm reduction programs do exist in Quebec—

**The Acting Speaker (Mr. Andrew Scheer):** I will have to stop the hon. member there.

The hon. member for Laval.

[Translation]

**Ms. Nicole Demers:** Mr. Speaker, it is true that we have a lot of programs to help people struggling with drug problems, whether injection drugs or others are involved. Those programs are important.

We know that HIV transmission is often linked to injection drug use. People may not have enough money to buy new syringes every day or even every hour, or they may simply be unable to get the devices they need to administer drugs correctly.

S.O. 52

Organizations like CACTUS are very active in syringe distribution programs. Other programs, such as those offered by community health centres, provide information, support and help. Drug users have rights too. Drug addiction is an illness and it can be treated. However, to treat the illness, people need access to comprehensive programs that treat not only their bodies, but also their souls. This is not just a physical illness; it is a spiritual one as well.

We have developed a number of programs in Quebec. I know that in Vancouver, too, there is a place that is very useful to people—

**The Acting Speaker (Mr. Andrew Scheer):** Order, please. I apologize for interrupting the hon. member for Laval, but the time for questions and comments has expired.

Resuming debate. The hon. member for Yellowhead.

• (2025)

[English]

**Mr. Rob Merrifield (Yellowhead, CPC):** Mr. Speaker, it is a privilege to stand and contribute this evening to what is deemed an emergency debate on the tragedy of what is happening in the lives of some individuals in the Vancouver area.

I know that the emergency debate is more about the aboriginal side of this. I believe that aboriginals make up the largest part of the HIV-AIDS infected individuals in that area, but I would like to broaden the debate somewhat because I think HIV-AIDS is a problem right across the country and certainly in places around the world. The advance of this disease is much more severe than we see in Canada, although when one sees an area that is around 30% infected, it is very significant. Most Canadians would be appalled at the idea that we have an area of population in this country where 30% to 40% of the population is infected with HIV-AIDS.

HIV-AIDS is a disease that is 100% preventable. We know how to prevent this disease. It is not like what we know of the luck of the draw as to whether we get cancer, heart problems or other diseases that afflict our population. This is one that we know how to fix. We know that we can prevent it. We know of the absolute tragedy when an individual becomes infected with this terrible disease.

The problem in our debate this evening is how to use the dollars that we allocate in Canada in the most effective, efficient way in dealing with this problem. As parliamentarians, we come here tonight to be able to dialogue with each other, to be able to put our heads together, hopefully, in as non-partisan a way as possible, to deal with this issue.

I would like to speak to this issue. I have the privilege of chairing the finance committee and some people might ask what I am doing talking about health care. However, I did have the opportunity and the privilege to chair the health committee when it did a study on this exact issue just a few short years ago. In the study, we looked at the dollars that were going into HIV-AIDS in Canada and at whether we were getting any proper or appropriate results.

Individuals testified before the committee. We certainly looked at the aboriginals and tried to discern whether the appropriate measures were being taken or whether there was more we could do with regard to the aboriginal communities and HIV-AIDS.

I want to go back to our report, because we tabled that report in the House, and that is really what we do with reports from committees. In committee, we are not making a report to a specific ministry or minister. It is a report to this Parliament and to and for the people of Canada. We try to lower the political temperature in those committees so that we can do that to the best ability of the hon. members in the House.

With that, I would like to say that we do acknowledge the severe problem that is afflicting our populations with this disease. What are we going to do about it?

I have had the opportunity to visit Africa a couple of times, where HIV-AIDS has impacted the population much more severely than it has in Canada or any place in the world. When looking at the problems in Africa, as Canadian parliamentarians we all feel for that continent. We have tried to help by sending a significant amount of money. In fact, we passed bills in the House to try in a compassionate way to get anti-viral drugs to those populations, to get them there in ways that they can afford and that would actually help ease the suffering and the curse of this disease.

In Africa, I talked to some of the leaders. We were able to sit down and dialogue. I remember one HIV-AIDS conference that I was at in Senegal, on the west side of Africa. Ten different countries in Africa came together. These were countries that had severe problems. There were two countries with examples of how they were infected much less severely than the rest of Africa. One was the country of Senegal and the other was Uganda. They approached the HIV-AIDS virus in a much different way.

• (2030)

One country immediately allowed for free testing and free drugs to be able to deal with it, and the other one said no, that it was going to do everything it could to make sure that its populations did everything they could not to become infected. Those two approaches were aggressive and effective.

Still, the prevalence of the HIV-AIDS epidemic in Africa is so significant that it is devastating to see when one visits there. On the way home, I was thinking about what we in the western world could do in regard to HIV-AIDS that would help in our country and internationally.

One thing that struck me immediately was that maybe we should stop stealing their doctors, because they need them much more than we do. By that, I mean the medical practitioners. We have a rich country, one of the wealthiest in the world, and I would suggest that it is the best country in the world. It is not the richest in the world, but it is very rich. We can train our own physicians. We should try to do that as much as possible.

Second, if we really are going to help Africans on this disease, we have to focus on something that will last a long time and actually address the problem. If we cannot change their culture and if we cannot change the reason they get HIV-AIDS, which is a very difficult thing to do, then we need to make sure that we do everything we can to get a vaccine in place to protect people from this virus.

*S.O. 52*

Interestingly, at the Senegal conference I remember that for two days all the parliamentarians could talk about was how poor they were. Their number one problem was poverty, they said. It was poverty, poverty, poverty, they said, and I listened to that for two days. Finally I said that I did not think their problem was poverty. I said that I thought it was corrupt governance. The room went absolutely quiet, but the next day they came to me and said that I had a point, that they knew their parliaments and their governance were somewhat corrupt.

They actually came up with a solution at the end of this conference as to how they would deal with corrupt governance in order to be able to take the money from the World Bank and the global funds to address the HIV-AIDS epidemic in an appropriate way. They said, "Why don't we set up an arm's length agency of government that would have the mandate to deliver this HIV-AIDS money directly to the patients and not go through the mechanism of government?"

Why am I relaying that story to members? Because it relates directly to what we are talking about. In Canada, we dedicate \$9 billion to \$12 billion for first nations people in this country, yet we have some of the worst conditions, third world conditions, on some of the reserves. Why is that the case? It is not really a lack of money. It is because the money is not going where it should in order to address the problems.

We are here tonight on an emergency debate about HIV-AIDS. I could easily make the same case for aboriginals and say that we need an emergency debate on fetal alcohol spectrum disorder, which is particularly prevalent on first nations reserves, and in epidemic proportions. By the way, every one of those cases is 100% preventable.

I could make a case for aboriginals that we should have an emergency debate on diabetes on first nations reserves, because the diabetes epidemic on reserves and within the first nations population is very significant.

I could make a case for aboriginals that we should have an emergency debate on the obesity rate for children on aboriginal reserves. The health committee just finished a report on that subject last March. It showed that 55% of children on aboriginal reserves are obese or overweight. It is in epidemic proportions in the general population at 26%, but for aboriginals on reserve it is 55%, and off reserve it is over 40%.

All of these cases could be made and would be very valid. The problem is deeper than just dealing with HIV-AIDS and the money that we put toward it. I am not trying to downplay it or say that as parliamentarians we should reduce funds or change funds. What we should do is make sure that we do everything we possibly can to deal with the root problems on our reserves and with first nations peoples.

• (2035)

That is our focus, number one, but part of this is the way that we govern and treat aboriginal people. We do not give them matrimonial rights. We do not allow them to own their own homes. We do not allow the structure and give them the respect they deserve with regard to the way we treat them, so they have low self-esteem. That is all part of the root problems of why they get into major drug

problems and have a culture that allows them to become infected by the disease of HIV-AIDS.

I am not saying that I have the answers here, and I do not think anyone in this House has all the answers, but I know that the problem of HIV-AIDS on reserves and off reserve, and particularly in this area of Vancouver, is significant. I know that we should do everything we possibly can to help these individuals and to prevent them from transmitting that disease to more Canadians.

To get back to the report that the health committee did, we listened to the witnesses about this disease and the first thing we said was that the moneys had not moved since the early 1990s. This was in 2005. Since the early 1990s, \$42 million a year was all the money that the Canadian government put into HIV-AIDS. We said that was not enough.

We asked the government what was being done with the money and we were told this and that. I am not going to drag it out, but the real gist of the testimony was that we could do much more. There was a tremendous case made for that. Every dollar that we put into it was going to save the taxpayers a tremendous number of dollars in the long run because it would prevent a number of infections.

Therefore, I was convinced that we needed to add funds to our HIV-AIDS funds in Canada. I recommended and the committee recommended unanimously that we increase the amount. In fact, our minority report suggested that we would double the amount of money to \$85 million. That is what the Liberal government of the day did. The amount was increased to \$85 million. Our government has followed through on that.

However, there was another part of our report that is very significant. It is important for the House to understand this if we are going to put more money into HIV-AIDS in Canada. At that time, there were 4,000 new infections per year. With that money, the goal was to reduce the number of infections. If we were just going to put money into the problem, then we were not going to really address the situation.

We needed to have a goal to say that we were actually going to do something with the money we wanted put into it, even though when we did that we knew the numbers did not really make a lot of sense. We looked at what was happening in other countries around the world. The United States was putting in \$12 per capita for its spending on HIV-AIDS. Canada was putting in \$1.40 per capita. Australia was putting in \$1.25.

The interesting part about this is that even though the United States put in 94% more money, the prevalence rate there was massively higher than what it was per capita in Canada. Canada was contributing much less than the United States and our prevalence rate was much lower. Australia was putting in only \$1.25 per capita and its infection rate in the population was much lower than Canada's and that of the United States. It had nothing to do with the correlation that when more money is put in, the prevalence of HIV-AIDS is reduced.

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Part of our recommendation concerning the money was that the government was to put in \$85 million, but \$5 million of that would be going directly to first nations and Inuit people and another \$5 million to inmates. I do not know the exact percentage of inmates in our institutions who are aboriginal, but it is a significant number, so we could say that much of the \$10 million allocated would go to aboriginals.

Since then, we have heard the minister explain to the House that we have a national drug strategy and that two-thirds of that amount goes to prevention and to treatment of individuals affected by drug problems.

● (2040)

I believe that is an appropriate response. It is the right way to go. I believe also other countries should model the number of dollars Canada put into the vaccine and research. The Gates foundation is an example and model of what we are trying to do.

We can leverage the money in other countries and leverage the money that we put into the federal government to come up with some results that hopefully will get a vaccine to deal with not only HIV-AIDS in Africa but in Canada, Asia and other places around the world where this disease is out of control.

The problem on the east side of Vancouver is significant. I am not trying to downplay it any way. I am saying that as a government we are dealing with it in a multifaceted way, and I am pleased to see what is happening.

Can we do more? Absolutely. How can we say we do not want to do more? We want to do more, but we want to be effective with the resources we have as a government. There are limited resources. More money is not necessarily the answer. We have to have a multi-pronged approach, and that goes right back to the way we govern our first nations people, the way we give them the self-respect they deserve, the way we deal with the obesity problems, FASD, the alcohol problems, the way we deal with the health problems on reserves and all the other things I have explained.

I believe we can do better. We always can do better and it is important that we strive to do better.

This emergency debate is not necessarily an emergency debate, although I guess if one has HIV-AIDS on a first nation, one would see this as an emergency. I do not downplay that at all. However, it has gone on for a considerable amount of time. We are here today to discuss it and debate it as parliamentarians. Hopefully, we can do that in a constructive way.

As a government, we have placed a considerable amount of resources in this area. We will continue to do that, I am sure. However, my biggest hope is we will get a vaccine to deal with this virus. The money we have put into the vaccine approach to this is the way toward a solution.

There is one last thing, and I want to close with this. I said I was in Africa twice, once to the HIV-AIDS conference in Senegal. The other was a trip to Tanzania and to Ethiopia. I talked to the health minister of Tanzania. She said to me that whatever we did in the western world, not to give Tanzania more drugs. She said that if we gave it more drugs, the people would think they had the disease

fixed. She said that they were so close to changing their cultural habits that allowed the infection to be passed on from one to another, and that was through multiple different ways. She was astute enough to know that the cultural habits had to change, if the people were going to slow the advancement of HIV-AIDS in their country.

I was thinking about that. The compassionate part of me was saying I wanted to give the people the drugs. We want to be compassionate and to ease the suffering. This individual was saying that if we were really compassionate, we should educate their youth, their females so they would understand how this virus was passed on, and prevent the next generation from becoming infected. That is what a really compassionate world would do to help Africa.

The vaccine is one way that we can certainly assist those people. The faster we can get a solution with regard to a vaccine, the better off they will be, the better off we will be and the better off the people of the east side of Vancouver will be.

We have a terrible situation in Canada and around the world. There is not one Canadian who would not want to help if he or she possibly could. However, helping is multifaceted. We have to discern that here tonight and recognize that it will not happen with just one focused approach. We have to be comprehensive in the plan. It is no different than our approach with FASD, or obesity or some of these other significant problems in our society.

● (2045)

**Hon. Hedy Fry (Vancouver Centre, Lib.):** Mr. Speaker, I am absolutely intrigued with the hon. member's presentation. I do not understand whether he is drawing a correlation between how much money someone puts into a problem or whether he is looking at the issue of evidence based facts, effective things that we do.

Therefore, I want to go back. The United States spends 90% more money per capita and its results are absolutely appalling. It has the same ideologically based approach that the Conservative government seems to have, which is enforcement and nothing about harm reduction. The war on drugs, et cetera has not worked in spite of the fact that there is so much money.

Then the hon. member points to Australia, which spends about 10¢ less than Canada and gets better results, and he wonders why. Australia believes in a real comprehensive national strategy, which is research, epidemiology, prevention, harm reduction, treatment, et cetera. We know Australia has many Insite clinics.

Does it occur to the member that perhaps it is not how much money we put in, but what is done with the money, how it is spent, what other strategies are used and that using evidence based strategies is the only answer?

The member mentioned a particular person in Africa who told him not to give them money for drugs, that they had to change their culture first. Is the member suggesting that it is the aboriginal culture creating this increase in HIV-AIDS, by any chance? Is there something aboriginal people do culturally wrong that gives them this problem? Therefore, let us blame the victim. It seems to me that is what the member has said.

Would the member explain those remarks because they are really confusing? I have no idea what the member means by them.

**Mr. Rob Merrifield:** Mr. Speaker, I thank the member for the opportunity to explain them because maybe they did not come through clear enough.

I will read the statistics, which are in our report. It says that the prevalence of HIV-AIDS in Australia is 60% lower than in Canada, yet it is paying \$1.25 per capita for HIV-AIDS prevention. In Canada, it is \$1.40. In the United States, it is \$12. It is a significant amount more per capita, yet it does not address the problem. In fact, it is 94% higher in infection rates and other problems. There is no correlation for the amount of money that goes in compared to the outcomes. That is my concern.

If I had a disappointment with the health committee's decision, and I am reading from our minority report on that study, it would be that we should have targeted some outcomes. What will we try to do with this money? We say that over a five year period, let us try to reduce the number of infections. When we know the disease is 100% preventable, how can we stop more people from becoming infected? We had that goal with our report.

Unfortunately, we have put more money into that area and we have seen an escalation of HIV-AIDS infections in Canada. Therefore, we have not been very successful in this.

When it comes to the health minister in Tanzania, what she was saying was if we gave them more money for drugs, they would think they had a cure and they would not have to worry about protecting themselves from their social habits to deal with it. Unfortunately, I have had the HIV-AIDS people in Canada saying the same thing. They think they have a cure already. They have antiviral, so they do not have to worry about whether their social habits will allow them to become infected by it or not. Unfortunately, that is a dead-end street. There is no cure for HIV-AIDS.

**Mr. Bill Siksay (Burnaby—Douglas, NDP):** Mr. Speaker, I want to ask the member about one of the important aspects to deal with drug addiction, and that is the whole question of harm reduction.

In Vancouver we have the Insite safe injection site, which has been proven to reduce deaths surrounding the issues related to drug addiction and injection drug use. Yet that important facility, which is a clean facility, which has the presence of health care professionals and which is responsible for referrals to other agencies and other kinds of health care, gets a very short leash from the federal government.

We keep hearing the federal government say that more studies are needed. We know there have been 25 independent studies of Insite showing that it does exactly what it claims to do.

We also heard earlier from the member for Vancouver East that the Western Aboriginal Harm Reduction Society had its funding cut by the federal government. Therefore, it cannot do its important harm reduction work on the downtown east side among the aboriginal community. Even a program of hospital visits to support people who seek treatment for their addictions is likely to fail because of this funding cut.

Could the member address the importance of harm reduction and how that should figure in what the government does to address these important issues?

*S.O. 52*

• (2050)

**Mr. Rob Merrifield:** Mr. Speaker, when the minister spoke earlier this evening, he addressed that exact same question.

Two-thirds of the government's national drug strategy is prevention and treatment, which addresses harm reduction. It may not do it in exactly the same way as the injection sites. I believe we were looking for the completion of some studies before making a discernment of what to do with those. We will wait for that to happen. When it comes to this problem, it is multifaceted and one is not the whole solution.

I personally question sometimes whether it is compassionate to have individuals come in and inject them, although it is safer. I do not deny that at all. However, it is also giving up on them by allowing them to continue a bad habit. If it moves them from there into treatment and we can prove that we can get them off these bad habits, then it is compassionate and we can really help them. However, if it only promotes bad habits that will ultimately kill them, I am not sure that is as compassionate as some of the people in this room might think it is.

**Mr. Steven Fletcher (Parliamentary Secretary for Health, CPC):** Mr. Speaker, the member for Yellowhead is in a unique position, as former chair of the health committee and former chair of the finance committee, to comment on the investments the government has made on some of the precursors or determinants that may lead to the difficult living conditions on the east side of Vancouver.

Could the member for Yellowhead talk a bit about the investments the government has made in housing, low income family situations, harm reduction and so on. It seems it has not registered as much as it should with some of the other members in the House.

**Mr. Rob Merrifield:** Mr. Speaker, I do not have the actual numbers. We just finished a massive study, a prebudget consultation in which we had 400 different presenters. We listened to 200 of them, but we had submissions from 400 on the prebudget consultation. I cannot recall the actual numbers.

We are doing some significant work. We have to do more work on poverty reduction and see what we can do to try to keep people off the streets and look after their needs. It is not only a problem for the federal government. The provincial and municipal governments all have to put their heads together to try to come up with something that will work, that will be effective and that can be funded.

I do not have those exact numbers for the hon. member. I do know we are investing millions of dollars, not only the \$84.4 million that we are putting into HIV-AIDS in our country. The provinces are also investing money. We are investing a significant amount of dollars in a national drug strategy. Two-thirds of that is prevention and treatment. This is going along the lines of what we are trying to do with some of the cases in our cities where we are trying to help people who are having a difficult time making it on their own.

**Hon. Anita Neville (Winnipeg South Centre, Lib.):** Mr. Speaker, I am pleased to have the opportunity to participate in this evening's debate. I want to thank my colleague from Vancouver East for raising this issue tonight, the matter of aboriginal people living in the downtown eastside and their battle with HIV-AIDS.

## S.O. 52

When I speak to the issue in the downtown eastside, and I have been there many times, I guess what I am struck with is the passing reference to aboriginal people or what I hear is dismissive references to aboriginal people coming from colleagues opposite.

I think the emergency goes beyond aboriginal people and HIV-AIDS. I think there is an emergency in this country as it relates to aboriginal people and the lack of support that the government is providing for them.

The downtown eastside in Vancouver has become symbolic for all of the ills of the urban aboriginal. It is notorious. It is known for despair. It is known for the poverty. It is known for substance abuse. It is known for the sexual exploitation in the downtown eastside. All of which could be transferred to many other communities across the country, not necessarily with the same intensity but certainly prevalent and certainly there.

I have had the opportunity to visit the downtown eastside in the last months a number of times. Very recently, I had a tour with the liaison officer from the local police department. I toured the area. I visited the women's centre. I visited the aboriginal mother centre. I met with groups of women. I certainly know their challenges and indeed have seen their despair.

I guess what I am struck with, as I go into the downtown eastside and look at them, is, and we have heard this often, they are someone's mother, they are someone's sister, they are someone's brother and they are no less human than any of us. They deserve the treatment, the care, the courtesy, and the respect that I think is not given to them appropriately.

I am not here to speak to the health challenges of AIDS. My two colleagues who are physicians can run circles around me on that. I want to speak to some of the issues as they relate to aboriginal people, some of the determinants of why we are here tonight, why we are talking about aboriginal people on the downtown eastside, and why they are experiencing such skyrocketing HIV infection rates.

I am here to speak about the causes and the realities in the lives of aboriginal people and why so many of them are living with AIDS. As we saw in some of the clippings that some of us received, Ms. Barney, a member of the Lillooet Titqet Nation, was recently quoted in the *Globe and Mail*. She said:

It has its roots in poverty, unemployment, lack of housing and dislocation that plague many aboriginal communities and send young people to the streets of Vancouver seeking solace.

They come from all over the country. I have met, as I know many in the House have met, with families whose sisters, mothers and daughters are missing, who have ended in the downtown eastside of Vancouver and disappeared, nowhere to be seen.

What we have seen from the government, and I do not want to be political, has in fact been a pattern of betrayal and disrespect for aboriginal people. We have seen dramatic cuts made to many of the programs that serve them, whether it is the aboriginal languages program or whether it was the \$11 million first nations and Inuit tobacco control strategy program, which was a preventative health initiative. What we also know is that the government has scrapped the Kelowna accord, a trade-off I fear.

●(2055)

We were criticized earlier in the evening for bringing up the Kelowna accord and politicizing the debate. The Kelowna accord provided real solutions for aboriginal people. The Kelowna accord offered hope to aboriginal people.

My colleague from Churchill could tell us stories of going into remote communities in northern Manitoba, speaking to elders with no knowledge of English but who knew Cree, Saulteaux, Dene, and Kelowna. Kelowna for them was a symbol of hope and a symbol of hope for their children that their lives would change.

Kelowna really touched on the issues affecting aboriginal people, such as housing, health care, economic development, education, all of which would close the poverty gap between aboriginals and non-aboriginals in this country.

We have heard much in recent weeks about the great success of the government's water strategy. I will acknowledge that some progress has been made, but it has been made at the cost of other programs. It has been made at the cost of education. I can run off a litany of educational programs in communities from coast to coast that have been cancelled, delayed, or put on ice literally and figuratively for years to come because there is an unwillingness to put new dollars into communities.

Kelowna was quite singular. It was an 18 month process that involved politicians at the federal and provincial level as well as aboriginal leadership from right across the country. It involved bureaucrats from various levels of government and bureaucrats from community organizations.

The strength of Kelowna was the fact that it was a holistic response to communities. It allowed communities to develop their own plans and set their goals and aspirations.

In the Kelowna agreement \$95 million was allocated for last year for the education of young people in this country and \$264 million for this current year. For housing, both on reserve and off reserve, there was \$500 million for last year and \$275 million for this year. Economic development opportunities would have equaled over \$40 million for this year and last. In terms of stabilizing the first nation and Inuit health system, about \$137 million for last year and \$218 million for this current year.

We know that the underpinnings of poverty, crowded houses, lack of education, lack of hope, and lack of opportunity, drives young people out of their communities to seek what they think might be a better life in the big city only to fall into the trap of dependency, addiction and frequently sexual exploitation.

We have heard much from members opposite about costs. This afternoon, in another debate, a member implied that Kelowna was really not that front and centre in the minds of Canadians. He said that when the government did its budget consultations nobody spoke to it about Kelowna.

●(2100)

I want to read something into the record that came from the former Liberal Prime Minister, the member for LaSalle—Émard. He said in a very recent newspaper article:



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This isn't only a question of money. To those who say we can't afford it, I say yes, we can. After all, why else as a country did we resolve in the 1990s to eliminate the deficit? It was not simply to please foreign bankers or leave room to cut a few pennies of GST off the cost of a new coffee maker. We eliminated the deficit to claim control over our future - to finance the kind of Canada we wanted to leave for our children, to fortify our social foundations and, above all, to help those who need it most.

Kelowna was a first and important step on that road to helping those who need it most. I listened with great interest to the member opposite talk about the needs of Africa. I do not want to minimize them in any way, but I cannot help wondering what an African person coming in and going to northern Manitoba, or going to Vancouver's eastside would say about Canada, and how we live and how we serve our population.

We know that the aboriginal leadership has questioned the government's view and role of aboriginal people. They have frequently commented and I will quote Mr. Fontaine, the National Chief of the AFN, who said, "We see this as discriminatory treatment. We ask ourselves if this government really cares about first nations".

We know, because it is on the record, that there is not a real care for the plight of aboriginal people by members opposite. We have, as many do, the derogatory comments made by members opposite, some at the highest levels of government and some in this department in the past and in the very recent past. So, it is no wonder that we are not seeing the attention given to the aboriginal file that we should have.

We have heard much about the residential schools concern and the residential schools legacy has caused much harm to aboriginal people. The Indian residential schools settlement was negotiated by the previous government, culminated on the signing of it with the passing of a peace pipe that we saw on the front pages of the *Globe and Mail*, and it was certainly a step in the right direction.

However, when I hear members opposite talking about the residential schools agreement, I cannot help wondering when is the apology coming? When are the Conservatives going to say, on behalf of the Government of Canada, to aboriginal people across this country "we are sorry"?

We have heard much about the survivors of residential schools and the loss of culture that they faced, the loss of heritage, the loss of language and the sad legacy of emotional, physical and sexual abuse. We have heard of the childhood wounds and the lifelong challenges that they faced to overcome them.

There was a study released today and I want to read from an article in a news release from the Canadian Aboriginal AIDS Network. It referred to two recent studies by the Canadian Aboriginal AIDS Network, one addressing homophobia in relation to HIV-AIDS in aboriginal communities and the Canadian aboriginal people living with HIV-AIDS in care, treatment and support issues. It showed, and this is startling, "that 16% of participants in each study had attended a residential school and an overwhelming majority, 90% plus, had a parent or a grandparent who had attended. These deep childhood wounds would not go away in four or five therapy sessions".

● (2105)

She further indicated that preliminary data for those who participated in it said that addictions are a major factor in living with HIV-AIDS. Intensified use of drugs and alcohol was an initial coping strategy when diagnosed, and addictions were dealt with soon after diagnosis in order to begin antiretroviral treatment, or getting cleaned up, and more important than dealing with HIV-AIDS.

The residential school survivors need this apology. We have seen the pain and suffering on the downtown eastside. It is important that the member for Vancouver East has brought this issue forward to highlight it. What she has also brought forward, and which governments, all parties, in fact all Canadians have to take ownership, particularly in light of the Statistics Canada report that came out not too many days ago, is the growing aboriginal population, the growing poverty and despair in the aboriginal population, the drug addiction that is so prevalent in that population because of the lack of hope and the lack of opportunity. We as legislators and parliamentarians have an obligation to speak out on it, to make sure that Canadians are aware and that Canadians participate in closing the gap for aboriginal people in this country.

I thank the member opposite for bringing this issue forward. She highlighted the issue of HIV-AIDS, but she highlighted the greater issue of aboriginal people and the despair which many of them feel.

● (2110)

**Mr. Rod Bruinooge (Parliamentary Secretary to the Minister of Indian Affairs and Northern Development and Federal Interlocutor for Métis and Non-Status Indians, CPC):** Mr. Speaker, I have been listening to the hon. member's speech for the last 20 minutes or so and I see it as something that actually diminishes the debate. She referred to the proposal of the former government as being a panacea that would have cured all the ills in the aboriginal communities. I see that as such a shameful statement.

When I look back at the proposals of the former government in its dying days in office, it brought forward a proposal that the Liberals felt was going to make a difference. I would like to ask that member, where was the systemic reform in that proposal? Kelowna was only a validation of the status quo. There is a broken system and the former Liberal government had 13 years to attempt to tackle it. It did not do anything. It waited until the last second and then it brought forward its validation of the status quo. I find that shameful.

I ask the member opposite, where was the systemic reform in her party's Kelowna proposal?

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**Hon. Anita Neville:** Mr. Speaker, that is one of the most astounding comments I have heard from the member, and I have heard many astounding ones. It is absolutely clear that the member has no idea about collaboration, consultation, sitting and working together to develop a plan. He does not understand that there is not a one size fits all. He does not understand that it is not about one party telling the other what to do. It is about working with the communities for 18 months to hear their needs, concerns and how to remedy them. No, that member of Parliament thinks that each and every time he knows best what is required for aboriginal people. He does not respect the need to listen. He does not respect the need to hear. He does not believe in collaboration.

He sat in a committee and listened to over 20 presentations from communities where they said, "Do not do this," and he said, "I know best". The lessons of Kelowna are lessons of collaboration. They are lessons of working together. They are lessons of giving and taking and developing plans and developing frameworks, coming to a mutual and common understanding of what the issues are region by region and community by community right across the country.

**Ms. Libby Davies (Vancouver East, NDP):** Mr. Speaker, I would like to thank the member for Winnipeg South Centre for her comments tonight. She is very knowledgeable on aboriginal issues and she recently visited the downtown eastside, as she mentioned.

The member used the words "despair" and "notorious". I have to say that sometimes I feel that the media spotlight on the downtown eastside portrays a stereotypical negative view of this community of about 10,000 people.

I know the member visited the Aboriginal Mother Centre Society, the Downtown Eastside Women's Centre and maybe other places. There are amazing organizations in this neighbourhood, such as the Knowledge Aboriginal Youth Alliance, KAYA, the Urban Native Youth Association, the Carnegie Centre, Downtown Eastside Residents Association, the First United Church, Vancouver Native Health Society, and Healing Our Spirit. There are incredible organizations that have a tremendous resiliency to what is going on.

There are groups like VANDU, the Vancouver Area Network of Drug Users, or WAHRS that I mentioned earlier. These are people who are fighting back. I am always very concerned about the characterization of the community. There is despair over how governments treat the community but the sense of community spirit, pulling together and uniting is unbelievable. I do not see it anywhere else to that extent.

I wanted to put that into the debate because we are left with these negative views about the community.

• (2115)

**Hon. Anita Neville:** Mr. Speaker, I thank my colleague opposite because her points are valid.

On my last visit about three or four weeks ago, I went on a tour with some of the liaison officers. I was struck by the vibrancy and the sense of community. Members of the community, whatever their living conditions, look out for each other. They know each other. They look out for each other. They know when others are there and not there. They know everybody's individual needs. Life is not easy for many of them, but there certainly is an energy, a vibrancy.

There are many community organizations, which the member knows far better than I do, that are working with them on the ground and beyond to create the kind of community, environment, health and education opportunities for the residents of the downtown eastside and beyond.

I thank the member very much for bringing that up. I had intended to acknowledge it and did not. It is an important aspect of that community.

**Mr. Steven Fletcher (Parliamentary Secretary for Health, CPC):** Mr. Speaker, I listened very carefully to the comments by the member for Winnipeg South Centre. It is really astounding what little respect she has for a member of the first nations community, the member for Winnipeg South, who is an expert in first nations both as a member of the community and as Parliamentary Secretary to the Minister of Indian Affairs and Northern Development.

I have two comments. First, the Kelowna accord was not an accord. It was a press release which was released in the dying days of a government that had been in existence for 13 years. That is the best the Liberals could do, a press release. There was no money set aside or anything. It was just a press release.

Second, the precursors for success fundamental to everyone are human rights. I would like to know why the Indian affairs critic for the opposition is preventing this government from allowing human rights and section 67 apply to first nations people as it applies to her and me. It is absolutely despicable that human rights for first nations peoples are being denied by the official opposition.

**Hon. Anita Neville:** Mr. Speaker, do I have a few minutes or only a comment?

**The Acting Speaker (Mr. Royal Galipeau):** The hon. member for Winnipeg South Centre has two minutes. She has the floor.

**Hon. Anita Neville:** Mr. Speaker, I would suggest to the parliamentary secretary that he stop reading the speaking notes that he is given and that he try and get at the truth.

Liberal members of Parliament support the repeal of section 67 of the Canadian Human Rights Act. They have supported it from the outset. What they have not supported is the lack of respect, the lack of process and the lack of consideration for the concerns of first nations communities when they came before the committee and said, "We want to know how this is going to impact on us. How is it going to affect our collective rights? Has an impact analysis been done? Is there some consideration for a non-derogation clause?"

I can give the member chapter and verse where we have said it over and over again that we support the repeal of section 67 of the Canadian Human Rights Act. We support it. We do not like it being rammed down people's throats. We want it done with respect, with courtesy and with some understanding and listening to and hearing the communities, not telling them "I know what is best for you".

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• (2120)

**Mr. Rod Bruinooge (Parliamentary Secretary to the Minister of Indian Affairs and Northern Development and Federal Interlocutor for Métis and Non-Status Indians, CPC):** Mr. Speaker, I will just correct my hon. colleague, the Parliamentary Secretary to the Minister of Health. I am in fact a member of the Métis nation, so I do have some ancestry that has their feet in first nations communities. I am in fact Métis, but I will not hold that against him.

Of course this is an important debate tonight and that is why I am very pleased to have had the opportunity to take part in it. There is no doubt that high HIV rates among aboriginal people is a matter of grave concern not only to this government but of course to myself.

HIV is a plague upon the modern world and, unfortunately, we do see very high rates of HIV among aboriginal people in this country. However, one of the factors that can lead to an increased rate of HIV is that of poverty. As such, I would like to take some time to speak to that important issue which does face many people from aboriginal communities.

Our government recognizes that the aboriginal people in this country face unique challenges in overcoming poverty. I have already spoken to how we, unfortunately, have a system that holds too many aboriginal people back, a system that needs reform.

Consequently, in collaboration with aboriginal peoples and our partners across the country and in the provinces and territories, we are looking forward to continuing to implement results based initiatives that will have a real and tangible impact on the lives of aboriginal people, such as extending individual human rights to first nations people, something that we had to fight hard to push within this Parliament, something that seems so common sense to people on this side, as the Parliamentary Secretary to the Minister of Health has already just mentioned, a common sense approach of extending individual human rights, something that everyone has, something that I as an aboriginal person has, but something that first nations people did not have.

It is something that we had to push, each and every day for the last year, just to try to get this important bill through our committee. Finally, after considerable public pressure, it looks like it may be beginning to move forward, but it has been a challenge, and that is something that we face with all of our interesting ideas that we have brought forward to improve this broken system that I have talked about.

Other areas in which we are making progress are in the areas of water, housing, family supports and, of course, economic development in order to create conditions for healthy, sustainable communities, which are really the best means to combat poverty.

Our approach in these areas will have benefits for all aboriginal people. We have made a lot of progress toward our goal of improving the quality of life for aboriginal people in ensuring that they enjoy a standard of living that is comparable to other Canadians.

For instance, one area in which we took a specific interest was the area of clean water. When we first came to office, we inherited a situation where we saw nearly 200 aboriginal communities that were

living under shameful water conditions. It was really a forgotten tragedy that the previous government paid no care to. We immediately put in a plan of action to address the drinking water on first nations communities and, since then, Indian and Northern Affairs Canada has been working in partnership with Health Canada, Environment Canada and first nations governments themselves to improve the situation.

We launched the plan of action, which was part of our commitment, to monitor the progress and to make information available to everyone to ensure that our focus remained on this important task and to have measurable improvements in the lives of first nations people. The Minister of Indian Affairs recently released the latest progress report and it shows that it has been consistent and has had very encouraging progress.

Our government is committed to ensuring that residents of first nations enjoy the same protection afforded other Canadians when it comes to drinking water. When we came to office, there were 193 high risk systems in first nations communities. That number has now been reduced to 85.

When the plan of action was launched, it identified 21 priority communities with high risk systems and which also had drinking water advisories. The latest progress report has only six communities in that category. We are very proud of that progress but we will continue to move ahead because there are still a number of communities outstanding and we hope to see that improvement in those communities happen quite quickly as well. That is one area of our concern in first nations health.

• (2125)

We are also providing aboriginal women, children and families with the supports they need to contribute to prosperous, stable communities. We have invested over \$55 million over five years in family violence and prevention programs on reserve. This sum includes funds for Indian and Northern Affairs Canada's family violence prevention programs, as well as money for the construction of new shelters through the Canada Mortgage and Housing Corporation's shelter enhancement program.

We all know that adequate housing is essential to healthy, prosperous communities. The government is committed to providing first nations living on reserve with the same housing opportunities as other Canadians. To that end, we are working with first nations to increase the availability of safe and affordable housing and help communities create new options that provide a means to build equity and generate wealth.

I know that hon. members are aware of the first nations market housing fund which was announced last year. This \$300 million fund, expected to be operational this spring, will help increase the housing supply on reserve and give first nations families and individuals a greater range of housing options, particularly home ownership and market rental units.

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Moreover, the government recognizes that one of the keys to improving quality of life and eradicating poverty is through skills development and by increasing aboriginal participation in Canada's economy, which really is the most essential part. When we can extend the benefits of the economy, giving people the hope and opportunity that a job and a career will provide them, this is the key to getting out of the shackles of poverty.

We see aboriginal peoples who are now enjoying unprecedented access to venture capital, business supports, training and educational programs. Mainstream businesses are eager to partner with aboriginal groups. Aboriginal people are well known for their entrepreneurial skills. I come from an entrepreneurial background myself and many in my family are also very entrepreneurial. We see this throughout aboriginal communities and across the country people are ready and more than willing to seize the opportunities that business can provide.

We are working with our partners to ensure that first nations, Inuit and Métis can take advantage of our current circumstances. We are also working to encourage aboriginal youth to pursue careers in business sciences and the skilled trades.

I would remind the hon. members that budget 2007 invested an extra \$105 million over the next five years to more than double the skills of the aboriginal skills and partnership initiative which funded skills training for thousands of aboriginal people.

Through the aboriginal workforce participation initiative, we are working with the private sector to open the doors of wealth and opportunity for aboriginal people. This initiative secures partnership agreements between some of Canada's leading companies and public agencies, along with industry and professional labour groups.

The aboriginal workforce participation initiative helps employers recruit, retrain and promote aboriginal services. This is an extraordinarily important initiative and one where we are seeing significant progress being made. Our goal is not simply to create jobs but to remove the obstacles that separate employers from employees.

To maintain economic growth, we must establish new beneficial partnerships. We must encourage aboriginal youth to pursue careers in business and science and in the skilled trades. We must continue to get the message out.

Doing business with aboriginal people benefits all Canadians. This is why we have signed partnership deals bringing together first nations with private sector firms like EnCana and Siemens. In relation to Siemens, I actually had the pleasure of signing a historic agreement with Siemens Canada just last year in 2007 in Saskatoon, an agreement that was going to bring into force a human resources initiative where Siemens was going to be hiring many aboriginal people across Canada. It is something that I had the pleasure of being part of.

It is initiatives like that which will bring about the historic change that we are hoping to see in the next few years.

We cannot forget about the urban aboriginal strategy which has been renovated and extended for another five years with a tighter focus on employment. The urban aboriginal strategy has been seen throughout the 12 test cities as being highly successful. It is

something that is in my home town of Thompson which has the highest percentage of aboriginal people in Canada in an urban centre. It is a program that delivers results.

• (2130)

I took part in an announcement last fall where the urban aboriginal strategy, in conjunction with the community, decided that there was a need for housing in that city for young mothers who were attempting to go to university so that they could get a career. That is an example of why we need to bring these resources to smaller centres so people can get the education they deserve.

In this fall's Speech from the Throne, we are committed to helping aboriginal people get the skills and training they need to take advantage of job prospects, especially in the mining and resource sectors where we are seeing an increase in employment opportunities.

However, there is no question that poverty cannot fully and finally be eradicated without robust economic opportunities. As the Minister of Indian Affairs and Northern Development has said, economic opportunities that generate not just wealth but purpose and a sense of progress toward a better future, is the path out of poverty.

Once again, our government is doing its part. Over the last year we have brought about Aboriginal Business Canada in a new form so that it is completely consolidated into one department so it can focus better on being able to extend the benefits of our economy to aboriginal people throughout the country.

We are building on the aboriginal business and economic growth that has already been achieved and we are looking at how to strengthen and deepen the positive results. For example, we are considering how to increase access to capital for small businesses and how to enhance opportunities in the marketplace for community based enterprises.

There is no question that these measures demonstrate a very strong federal commitment to economic opportunities for all aboriginal people, both on and off reserve and in urban and remote locations.

There are other positive signs all across the country. First nation leaders have been organizing and reaching out to governments and the private sector to build on our extensive economic agenda. Our government is committed to tapping into this enthusiasm and expertise. We have named an impressive group of aboriginal people to a National Aboriginal Economic Development Board. What is more, we have received useful guidance from the Senate committee on aboriginal peoples in this regard.

There is no question that aboriginal poverty is a serious and pernicious problem and there is no doubt that genuine progress is challenging. It requires clear thinking, diligent effort, patience and collaboration.

Our government will continue to work in concert with our aboriginal, provincial and territorial partners to achieve this progress. Together, we will create practical solutions, allocate appropriate funds; establish clear roles and responsibilities and set goals and achieve them.

We are committed to supporting initiatives that will alleviate the poverty that is endemic in too many aboriginal communities. By improving quality of life through addressing real issues, such as drinking water, housing, and supports for children and families, and by promoting economic opportunities and skills development initiatives, communities and individuals will be encouraged to grow and prosper and, ideally, no longer be shackled by the burden of poverty.

**Hon. Carolyn Bennett (St. Paul's, Lib.):** Mr. Speaker, the member's remarks did not seem to have much to do with the motion or AIDS or the real plight in Vancouver's downtown east side.

I would like to know if the member has ever been to the Vancouver downtown east side and, if he has, what he thought about what he found there.

• (2135)

**Mr. Rod Bruinooge:** Mr. Speaker, in relation to the comments I have made over the last 15 minutes or so, I did speak at length about how, in my opinion, the best route out of poverty is through increased economic opportunities. This is much of what we have brought forward as an agenda, which will deliver what we see as economic outcomes for aboriginal people throughout the country.

First nations people, both on reserve and in urban centres, are always looking to have that opportunity to get a job, have a career and begin to have the same economic benefits that we see throughout the country. Unfortunately, not enough aboriginal people are able to take part.

Of course this is something that is very important to me. I have had the opportunity to go to university and as an aboriginal person I note that this is something that unfortunately is not seen as often as we would like. It is something that we would like to continue to promote, because it is through education that we will see the benefits and outcomes that we are all aspiring to have within our first nations, Métis and Inuit communities.

It is actually our initiatives in education that are the most exciting, in British Columbia in particular, where we have had an historic agreement with the government of British Columbia. That is bringing about an important systemic reform to the education system in that province. It is actually going to begin bringing about a type of school board system that will allow for a degree of standards to improve the outcomes for first nations students. It is an exciting time in British Columbia. I am looking forward to seeing that exported to other parts of Canada.

**Hon. Hedy Fry (Vancouver Centre, Lib.):** Mr. Speaker, the hon. member's comments and speech were interesting. Like my colleague, I wondered really what it had to do with the issue of the downtown eastside and HIV-AIDS and its prevalence.

While I agree with the hon. member, and we all do because it is kind of like motherhood to say that the way out of poverty is to get a good education and to have economic opportunity, we are talking

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about a certain cohort of people in an area that has the highest poverty rate in Canada. We are talking about people who have multiple challenges: people with mental illness, people who have lived with abuse, and people who have to deal with the everyday fact that they know they are going to die from HIV-AIDS or hepatitis C or some disease.

They are people who are so challenged with regard even to getting up in the morning that to talk about economic opportunity is far out of their ken, and we need to be able to talk about those other things. We are talking here about poverty so deep and a hopelessness so great that we have to deal with those issues before we can even begin to talk about economic opportunities.

I have a question for the hon. member. That is all very well and good and I know he seems to care a lot about human rights, but if the hon. member and his government care so much about the human rights of aboriginal people, why did they not sign the United Nations convention on aboriginal rights?

**Mr. Rod Bruinooge:** Mr. Speaker, I appreciate that question in relation to the declaration on indigenous rights which the member referenced. It is true that our government was one nation that did not endorse or vote for that declaration, for a number of important reasons.

Canada has had a long and storied history with our first peoples. We have built a country that many in the world look to as one of the greatest. We have done this through a negotiated way with our first peoples. We have built a Constitution that has extended historic rights to first nations people. We have also had numerous settlements and treaties signed over the years.

Unfortunately, in regard to the declaration that the member would like to sign now, according to her and her leader, although the previous government had no intention of signing—

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

**Mr. Rod Bruinooge:** In fact, Mr. Speaker, this declaration would reset Canada to a pre-contact moment. That is what it contemplates. It has a philosophy that wants to bring Canada back to a pre-contact moment, set aside all the constitutional changes we have made to incorporate aboriginal people and set aside all the treaties we have signed. That would be very damaging to our country. That is why we have acted quite prudently.

• (2140)

**Ms. Libby Davies (Vancouver East, NDP):** Mr. Speaker, I listened to the comments from the parliamentary secretary and would certainly agree that economic opportunity needs to be there for all people, particularly people who have been disadvantaged by socio-economic status.

However, what drives me crazy is this lack of understanding or willingness to accept that before economic opportunity can exist people need to have basic necessities covered, whether it is shelter and housing, income security, food, or safety. If they do not have those, and if they think they will get kicked out at the end of the week or they do not have a roof over their heads, it is pretty hard to go to school or to take advantage of whatever economic opportunity there might be. If a person is living way below the poverty line, that economic opportunity does not exist.

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I would like to ask the member if he acknowledges that. What does he mean by economic opportunity? Does he include in that the recognition of meeting these very basic human needs that in my community are being completely unmet by his government? We have not seen any housing dollars from the federal government coming into our community to build the housing that is desperately needed. Will he acknowledge that this needs to be addressed?

**The Acting Speaker (Mr. Royal Galipeau):** I would appreciate a short response from the hon. parliamentary secretary because there is another questioner.

**Mr. Rod Bruinooge:** Mr. Speaker, I appreciate the question and acknowledge the member, who has brought about this important debate tonight.

I have already stated that as an aboriginal Canadian I do have a lot of concern for the degree of HIV rates among my people.

In relation to housing, I think we have seen that the government has chosen to take two important paths. We have taken important initiatives within aboriginal housing, but in terms of housing that is outside the purview of aboriginal people, we have brought about a historic improvement in the way that equalization is delivered.

Let us look at the Manitoba example. I know that it does not apply exactly to British Columbia, but I will use it as an example. We have seen an additional \$1 billion handed to Manitoba so that hopefully it can bring about the area of responsibility, which is housing, so that this province—and hopefully British Columbia as well—can begin to deliver housing in the way its responsibility allows it to do.

**Mr. Steven Fletcher (Parliamentary Secretary for Health, CPC):** Mr. Speaker, I have a short question. The previous questioner talked about basic needs. Let us go back to the basics. The instant we are born we have human rights, unless we are aboriginal in Canada. That is disgraceful.

Can the member explain again to the other parties in the House why it is so important that we allow all members of Canadian society to have human rights right now? Why are the Liberals stalling?

**Mr. Rod Bruinooge:** Mr. Speaker, having human rights on first nations reserves is of course something that I have been fighting for diligently over the last year. I am hopeful that we will still be able to see these rights extended to first nations people. It is a blight that was left on Canada some 30 years ago when the Canadian Human Rights Act first came about. Unfortunately, first nations people were left off the map.

I do not know why this had not been addressed before we got here, but thankfully we have been fighting hard. I will admit that it was challenging among the parties opposite wanting to stop us at every turn when trying to bring forward this historic legislation. I think we are getting closer to the end, but unfortunately we are not there yet. I hope we will have that opportunity to finally see individual human rights being available to first nations people on reserve.

• (2145)

**Mr. Bill Siksay (Burnaby—Douglas, NDP):** Mr. Speaker, I want to thank my colleague from Vancouver East for putting this motion forward for the emergency debate tonight. It is a very important consideration and I am glad that the House has taken the time to

reflect on what is happening on the downtown eastside of Vancouver.

I also want to pick up on a theme that the member for Vancouver East mentioned a few moments ago. It is about the sense of community that exists on the downtown eastside of Vancouver. I think that often people have the sense that this is just a place of despair, a skid row area that does not have a sense of itself as a community, where people do not care for each other and where neighbours do not pay attention to what is happening with other neighbours.

My experience of the downtown eastside is exactly the opposite of that. People there are very much a community. It is very much a neighbourhood. People there do express incredible values of support and care for each other.

It is also a place of activism, where people take an interest in what is happening in their neighbourhood and are willing to organize, to fight and to stand in solidarity with each other to seek change and a transformation of the life that they know in that area.

It is a place of very difficult problems but also of great hope. I hope we never lose track of that.

The debate tonight is about the recent study which showed that Vancouver's aboriginal drug users on the downtown eastside were twice as likely as non-aboriginal users to be infected with HIV. This is certainly an issue that is of very great concern to all of us who know that neighbourhood, who know people who live there and who have friends and relatives who live there, but who also want to see an appropriate social policy in Canada.

The study showed that 18.5% of aboriginal men and women who injected drugs such as cocaine and heroin became HIV positive, compared with 9.5% of non-aboriginal intravenous drug users. There obviously is a particular issue here in this neighbourhood that is affecting the aboriginal community disproportionately.

Over the course of the night, we have heard about many aspects, many reasons and many theories about why that might be, but one of the things in this debate that has disappointed me is the sort of underlying assumption that we have limited resources with which to address problems like this.

We talk about how we live in a wealthy and well-to-do society and about how we have many advantages in this society. We here also know that the government is running surpluses. I find it a little hard to talk about surplus, about government having more revenues than it is spending on programs, when we have needs like those that exist on the downtown eastside of Vancouver and when we have needs like those that exist in the aboriginal communities across Canada.

It is clearly a misnomer to say that there is a surplus in the government coffers when needs like those that exist among the aboriginal community in Vancouver, among intravenous drug users and among people who are living with AIDS and HIV go unaddressed. I think it is absolutely unjustified to pursue huge tax cuts for profitable corporations, for banks and oil companies, when these kinds of needs exist in our community. How can we possibly justify giving breaks to profitable corporations, to the wealthy, when these kinds of needs exist in our communities and go unaddressed?

How can we do it? There seems to be no rationale in cutting the fiscal capacity of our federal government to the tune of \$190 billion over six years when these kinds of needs exist in our community. Surely we should be considering the capacity of our government to assist citizens by dealing with the problems in our social infrastructure in Canada.

Many times tonight we have heard the Conservative members talk about the need to provide economic opportunity. I do not think anybody would disagree with the idea that it is an important facet, but are we to do that at the expense of addressing the important social needs of our communities?

Are we to do that and not recognize that it is hard to take advantage of an economic opportunity when people do not have a roof over their head, or when there is no food on their plate, or when they cannot dress decently to go for a job interview, or when their teeth are so bad that no one would hire them in the first place, or when they cannot get the treatment they need for mental illness, drug addiction, HIV-AIDS, tuberculosis or hepatitis? These are all things that I think beg the question slightly.

● (2150)

We should be providing these services. We should be looking at these programs. Throwing money at a problem does not always solve it either. But to say that we have limited resources in the circumstances in which we live here in Canada and in the circumstances that our government operates is absolutely wrong.

There are a couple of things that I wanted to talk about specifically tonight during this debate. One is the whole question of drug policy. I think it has been proven very clearly and definitively that the kinds of drug policies that we have that stress enforcement and criminal sanction against drug users is completely ineffective. It does not solve the problem or address the problem of drugs in our society.

I wish we had taken advantage of the history that we have with the alcohol prohibition movement and learned lessons from that.

Mr. Speaker, I am reminded that I am splitting my time with the member for Burnaby—New Westminster.

We should have learned something from alcohol prohibition. When it was in force in the United States, we saw exactly the same kinds of problems we see now with drug prohibition in Canada. We see the same kinds of addiction issues. We see the same kinds of gang related crime issues. We see the same kinds of family dislocation and community dislocation.

We even see the same kind of danger in neighbourhoods when stills exploded in people's garages and basements as we see with grow-ops and meth labs in our neighbourhoods now. I think we could have learned from that experience. I think it has been clear and definitive.

Another issue that I want to talk about that I think bears on what is happening on the downtown eastside in Vancouver is the whole approach to harm reduction. In Vancouver we have been championing the four pillar approach to dealing with drug addiction and drug issues in the city: prevention, treatment, enforcement and harm reduction.

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Harm reduction is always the pillar that seems to be the hardest fought and certainly with the current federal government. In Vancouver this approach is not controversial. I think, widely, people accept that this is the right way to deal with the crisis around drug addiction and drug use in Vancouver. We know that we need every aspect of that four pillar approach, but we particularly need harm reduction approaches.

Years ago when needle exchanges were first proposed, Vancouver was one of the first places to set up a needle exchange. That was controversial in the beginning. I think the appropriateness became very clear in Vancouver of ensuring that those people who were addicted to injection drugs had clean works to use, so that they were not spreading disease and were not harming themselves by that practice. The needle exchanges have proven very successful in saving lives and preventing the spread of disease in Vancouver.

We also have a very important project in Vancouver that should be a permanent feature of our approach to dealing with drug addiction in our community. That is in the Insite safe injection site. We know that Insite has been saving lives. We know that it has worked and it is effective in its goals.

We know that providing a clean and safe environment for people who are addicted to injection drugs and where there are medical staff to supervise and assist, and also provide referrals to treatment and other kind of health care has improved the circumstances of hundreds, if not thousands, of people in the city of Vancouver.

We also know that it has been studied by independent analysts. We have had over 25 studies of the Insite facility. The studies have shown that it is meeting its goals, that it is effective in reducing harm and saving lives, yet the federal government still looks for another study. It is looking for an excuse to not renew its licence permanently.

The short term licence renewals that we have are affecting the ability to deliver an appropriate service in our community. I think there is widespread support for the service and short term licence renewals should not continue. We need to make sure that the government reverses its policy there and gets its act together when it comes to dealing appropriately with Insite.

The whole issue of housing is one that I think is absolutely crucial in all of this. People who do not have a roof over their head, who are homeless and living on the streets also have severe health problems. They are not going to receive the assistance they need in dealing with their addiction issues. We know that the housing programs of this country are sorely lacking. There is no national housing program in Canada.

We had to fight tooth and nail to see the homelessness program renewed in the last couple of years. This program is coming up for renewal again in the next few months. All of these things will contribute to the health of the community in Vancouver. I appreciate having had the opportunity to speak on this issue tonight.

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• (2155)

**Mr. Steven Fletcher (Parliamentary Secretary for Health, CPC):** Mr. Speaker, even though there may be some philosophical differences, I think we all can agree that people suffering from HIV-AIDS, particularly in the Vancouver downtown eastside, face exceptional challenges.

We have talked a lot about that tonight. Could the member comment on research and the goal of finding a vaccine, not just for the people on the eastside of Vancouver but Canadians and people all over the world? The government is spending tens of millions of dollars each year in research initiatives and we are partnering with the Bill and Melinda Gates foundation.

Does the member support those types of research initiatives? If so, we thank him, and if not could he explain why not?

**Mr. Bill Siksay:** Mr. Speaker, of course, I support and we support further research into a vaccine. There is great hope in that for many people in our country and around the world. The vaccine is something that is in the future. We are talking about people who are dying right now, today, as we speak because of HIV-AIDS, infection and drug addiction.

We know that there are far too many cracks for them to fall through in the current system that we have. Just a few weeks ago the member for Burnaby—New Westminster and I met with the Burnaby New Westminster task force on sexual exploitation of children and youth. It raised the issues of the cracks that young people, who are seeking treatment for drug addiction, can fall through.

We know that when a young person decides, or any person decides, to seek treatment for drug addiction that the treatment needs to be available immediately. It was pointed out to us that in the Vancouver area it is often possible to get someone into detox right away, which is the first step in that process.

When these people finish detox, they come out and they need to be housed some place because they always have to wait for treatment because the waiting list for treatment is so long and the places are so few and far between. However, when they come out of detox before they go to treatment, there are no transitional housing places for them to go. We cannot send them back to where they were before. They cannot be put back on the street or couch surfing in the environment where they were using drugs before because that will only set back their determination and the possibilities of treatment.

Once they get into treatment and they are finished treatment, they come out and again, they need supportive housing operations so that what they learned and the treatment that they experienced can continue outside of the actual clinical or treatment facility setting. Yet, it is hard to find those kinds of housing options for people. Again, the transitional housing just is not there.

Then again, we need to find independent housing options for those young people, so that they can take up a life and apply what they have learned, the kinds of treatments they have gone through, the kind of ongoing commitment they have to staying clean and sober. If they have to go back on the street, if they go back to couch surfing because there is no home for them, all of that is lost.

Those cracks related to housing between the various points of the treatment process are very serious indeed and are not addressed by the kinds of housing policies that we have at the federal government level. We had the first housing conference this week of provincial housing ministers in two and a half years, and unfortunately the federal minister of housing refused to participate in that meeting. I think that is a shameful act on his part.

The federal minister should have been there to contribute, to show that the federal government was interested in pursuing and participating in the solution to the housing crisis in Canada. Yet, the federal government chose to be absent. That is not acceptable and it needs to be fixed.

• (2200)

**Mr. Peter Julian (Burnaby—New Westminster, NDP):** Mr. Speaker, I would like to thank the member for Vancouver East for her strong advocacy on behalf of her constituents, and for bringing forward this emergency debate this evening. This is a fundamental issue. These are the kinds of issues that we should be debating a lot more in the House of Commons.

What this does is take us away from some of the obsessions we have seen in Parliament, corporate tax cuts being one, and puts us front and square on the main streets of this nation. In this case, we are talking literally of Main Street and East Hastings, which is the epicentre of one of the poorest neighbourhoods in the country. It is the epicentre for what we can see as a result of this debate and what has been said this evening. It is also the epicentre of an epidemic of HIV-AIDS among Canadians of aboriginal origin at this time.

I would like to say at the outset that I do not believe this is a partisan issue at all, as the member for Vancouver East said initially when she was leading off the debate this evening. She said she hoped that all four corners of the House and members from all parties would come together to move forward, so that we could begin to deal with this crisis, this epidemic, and in some way begin to find solutions for what is out there.

She suggested a number of solutions this evening. The member for Burnaby—Douglas, who just spoke, has made a number of suggestions, as did the member for Nanaimo—Cowichan. I hope the Minister of Health is taking careful note of what has been said thus far in this emergency debate. I hope that he right now is working diligently with his assistants in the health ministry to put in place an action plan to deal with this crisis.

This is an emergency debate tonight because it is a crisis and I certainly hope that the government will be looking to respond in a very fulsome and effective way as soon as possible, within the next day or two.

I was a bit discouraged, to be honest, by his comments earlier this evening, and I may have misunderstood, when he appeared to blame the victims of this epidemic. I hope I misunderstood and the Minister of Health and the government can certainly prove that I had misunderstood by bringing forward an action plan as quickly as possible, hopefully by early next week, so that we can begin to deal with this issue.



*S.O. 52*

I would like to pick up where the member for Burnaby—Douglas left off. He was speaking about prohibition times almost a century ago and the lessons that we as Canadians should have learned from that time. It was an interesting series of comments he made in his excellent speech, particularly because the economic conditions that existed around the time of prohibition exist again today.

This is the sad shame and tragedy of what has happened over the last 20 years economically in this country. Essentially, we are recreating the same conditions that we had around the time of prohibition and, later, the Great Depression. This is not just limited to Canada. In the United States, we see similar levels of income inequality, as we well know.

The United States now, according to many economic indicators, has the same level of income inequality that existed in 1928. We have turned the clock back economically in the United States to a time prior to Franklin Delano Roosevelt's new deal, prior to the array of social programs that were put into place.

In Canada, we are seeing a similar situation. Through the actions of the previous government and the present government, we are now looking at levels of inequality that existed in the period of the Great Depression.

The poorest of the poor in Canada, the poorest 20% of Canadians, have actually seen a collapse of their incomes. They are now essentially living on the same income that they used to earn in 10.5 months in 1989. Today, they are earning essentially a month and a half less of income even though they may be working full time or through employment insurance, if they can access it, or welfare, which is increasingly difficult to access. They are living on far fewer resources.

• (2205)

This is extremely important, because as the member for Vancouver East said, and the members for Nanaimo—Cowichan and Burnaby—Douglas echoed, these are economic, social and health policy issues that fundamentally need to be addressed. At the same time there has been this catastrophic fall in the incomes of the poorest of Canadians. We know that aboriginal Canadians are among the poorest of the poor and share the sad title with Canadians with disabilities, with the poorest level of income in this country, levels of income that provoke the kinds of social situations that, as the member for Vancouver East said so eloquently, mirror third world conditions here at home. Because of that, we are seeing the tragedy of the downtown eastside of Vancouver where individuals who are able to access welfare are trying to live on \$600 a month when the minimum cost to keep a roof over their heads is \$1,300 a month. It simply does not add up.

They are simply living on less than half of the income that is required for any sort of sustainable living. As the member for Burnaby—Douglas said, we are talking about individuals who do not have access to housing, do not have access to dental care, do not have access to a simple telephone. They do not have access to the job market because of all those barriers, putting aside the immense tragedy of the residential schools and the racism that aboriginal Canadians have faced in society.

After the legacy of residential schools and of racism these individuals now find themselves in the downtown eastside living on incomes far below any incomes that are sustainable. It is not surprising that as a result of that we see higher levels of HIV-AIDS because of the misery and the hopelessness of the legacy of where they have come from and what is actually being provided to them in social supports.

This is not something that any of us can feel is alien to our experience. There is not a single person in the House who is immune from addiction, who is immune from the kinds of tragedies that we are seeing now in the downtown eastside. Any member here, as the result of the loss of a loved one, as the result of a personal tragedy, the loss of a job, the loss of income could find himself or herself in a situation where he or she becomes addicted.

We are not talking about Canadians who have a different set of circumstances from one that might cause any of us to become addicted. We are talking about human beings who, through immense adversity, find themselves in appalling conditions and are seeking our help. As a result of that we should be looking to provide programs that are culturally appropriate and programs that actually give the kind of solace and the lifting up that is required, but we do not see this from the government.

As the member for Vancouver East said, we are talking about hundreds of low income housing units in the area of Vancouver that have been closed over the past decade and a half. We are talking about federal funding cuts to outreach workers and to health care funding. Essentially we are talking about the federal government's lack of intervention, lack of supports contributing to, and in a very real sense worsening, the problem.

I will conclude by reading a few paragraphs from the study that was done by Dr. . Evan Wood about the incidence of HIV infection among aboriginal injection drug users. He said:

Aboriginal persons currently represent approximately 3% of the Canadian population but more than 20% of the incarcerated population, and many of these cases relate to illicit drug offences.

Our findings suggest the need for immediate action on the part of health policymakers. A plan of action will require policymakers to recognize that addiction is primarily a health and social issue and to acknowledge the harms of seeking to address addiction through a strategy that largely relies on law enforcement as an isolated intervention. These harms disproportionately affect the most vulnerable injection drug users.

Our cry tonight is for the government to take action and to be effective. We certainly hope the Minister of Health has heard our cry.

**Mr. Steven Fletcher (Parliamentary Secretary for Health, CPC):** Mr. Speaker, I listened with interest to the member's comments. I can assure the member that this government is indeed very compassionate. He needs only to look at our actions.

We signed the residential schools settlement for \$1 billion. We compensated the forgotten victims of hepatitis C to the tune of \$1 billion. The previous Liberal government had refused to make any kind of compensation for those forgotten victims. The NDP members did support us on that and I thank them for that.

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I also would like to bring to the member's attention the \$270 million in our new homelessness partnership strategy to prevent and reduce homelessness. There is \$300 million dedicated to the development of a first nation market housing fund to support market housing approaches for first nation communities.

I hope the member now is satisfied that the track record of the government shows compassion and demonstrates understanding. We are doing a lot to try to mitigate what is a very serious problem in Vancouver and throughout the country.

• (2210)

**Mr. Peter Julian:** Mr. Speaker, this is a non-partisan evening so I will compliment the government on the issue of hepatitis C. There is no doubt that that compensation was sorely long overdue. That tragedy is something that needed to be responded to many years before, so I certainly will say that the government acted appropriately there.

However, on the issue of housing, I am sorry but I simply cannot agree with the Parliamentary Secretary for the Minister of Health. I simply cannot agree.

The funding that was put forward by the government came out of the NDP budget from three years ago. Even at the time, when we forced the former Liberal government to provide some funding for housing, we knew that was only a first step in what was required in long term investments to re-establish social housing and a national housing program in this country. Some of that money has been taken by the current Conservative government and set aside.

It is very slowly flowing, but the reality is that it is far from what is required across this country to address a national tragedy, which is the growing homelessness in the streets of our city. There are hundreds of thousands of Canadians sleeping out tonight. We are not just talking about aboriginal victims of HIV-AIDS. We are talking about individuals in all corners of the country.

My grandmother used to tell me about the Great Depression. I could not imagine a country where there were thousands of people sleeping out in the streets. She used to tell me about the dirty thirties, and I thought, my goodness, it is wonderful that I am living in a country where we have resolved that problem. Yet now in 2008, it is right back to the same kind of horrible social conditions that people saw back in the 1930s.

I simply do not believe that the government is taking this issue seriously and making the massive investments that are required to provide social housing right across this country.

**The Acting Speaker (Mr. Royal Galipeau):** The hon. member for Vancouver East will want to know that there is a minute for both the question and the answer. By 30 seconds, she will be cut off.

**Ms. Libby Davies (Vancouver East, NDP):** Mr. Speaker, I will speak very quickly.

The member commented on the impact of drug prohibition itself. One of the serious issues here is that the criminalization of drug users is actually accelerating the HIV infection rate as people are basically operating outside of the mainstream of society.

I just wonder if he would comment on that as a contributing factor to the crisis we face.

**Mr. Peter Julian:** Mr. Speaker, it is very clear that we have substantial difficulties in using enforcement as a tool for dealing with drug addictions when we know that that is not the solution.

The member for Vancouver East, the member for Burnaby—Douglas and the member for Nanaimo—Cowichan have offered up a whole array of solutions, including harm reduction. Very clearly, we have to change our approach to addiction.

• (2215)

**Mr. Harold Albrecht (Kitchener—Conestoga, CPC):** Mr. Speaker, I rise this evening to address the proactive action that is being taken to address HIV-AIDS in this country and around the world.

As our Minister of Health indicated, this government is committed to addressing HIV-AIDS issues in Canada, and specifically within first nations, Inuit and Métis communities.

The issue of HIV-AIDS is one that has probably touched virtually every community that is represented here in the House of Commons. In my dental practice I treated those infected with HIV and I saw first hand the devastation that this disease can cause.

I have travelled to many developing countries and I have witnessed the destructive effects of this disease, not just on those infected, but also on the families and the communities left to deal with the aftermath.

This past December in Kitchener, I had the privilege of walking through the One Life Experience, a 2,000 square foot interactive exhibit created by World Vision, which allows people to walk in the shoes of one of four children who have been affected by AIDS. This powerful display gave me a renewed sense of what it must be like to deal with the bad news that the blood tests have been returned and have confirmed a positive HIV diagnosis. How does one deal with that shattering news? My prayers go out to those who have been infected with HIV and to the families and communities that are left scrambling to cope.

Approximately 58,000 Canadians were estimated to be living with HIV infection in 2005. This unfortunately represents a 16% increase from 2002.

While new infections will unfortunately continue to occur, survival rates will improve due to treatments for HIV. As a result, requirements for treatment and care will also continue to increase in the future. An estimated 2,300 to 4,500 new HIV infections occurred in Canada in 2005, slightly higher than what was estimated for 2002. That is troubling to say the least.

We all have a collective responsibility to ensure that concerted action is taken. This government has taken concrete steps to address this disease, and hopefully one day, we will find a vaccine that will alleviate this worldwide epidemic.

In terms of who is most at risk in Canada, we can identify three groups. The main risk group for HIV in Canada is men who have sex with men. This group comprises 45% of new infections. Persons exposed to HIV through heterosexual contact comprise approximately 36% of new infections. Of the groups that are most at risk in Canada, persons who inject drugs make up 16% of new infections.

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This last statistic is of particular importance to the aboriginal community as the proportion of new HIV infections among aboriginal Canadians due to injection drug use is much higher than among all Canadians. This highlights the uniqueness of the HIV epidemic among aboriginal persons and it underscores the complexity of Canada's HIV epidemic.

Aboriginal persons continue to be over-represented in the HIV epidemic in Canada. They represent 3.3% of the Canadian population, and yet in 2005 it was estimated that aboriginal persons accounted for 7.5% of all those living with HIV in Canada. That is an estimated 3,600 to 5,100 aboriginal persons living with HIV. Equally troubling is the fact that aboriginal persons also comprised 9% of the new HIV infections in 2005. These numbers give us an overall HIV infection rate among aboriginal persons about 2.8 times higher than among non-aboriginal persons.

Canada is in the middle of the range of developed countries with respect to rates of HIV infection. Our per capita rate of persons living with HIV infection is lower than that in the U.S.A., Italy and France, but it is higher than that in the U.K and Australia.

The rate of newly reported cases of HIV infection in B.C. is slightly higher than in Canada as a whole. In 2006, 8.4 new cases per 100,000 were reported in British Columbia. This compared to 7.8 cases per 100,000 across Canada. Again we see a disparity in the percentages. Overall, 20.3% of Canada's cumulative reported HIV cases are from B.C., whereas B.C. represents about 13% of Canada's population.

• (2220)

In 2005 and 2006 the proportion of reported HIV cases attributed to an injection drug use exposure in British Columbia was 25% as compared to 19.3% in the rest of Canada. Of the 4.3 million plus people living in British Columbia, 4.5% were estimated to be of aboriginal identity, this according to the latest 2006 census.

Among the HIV reports in B.C. with ethnicity information, aboriginal persons accounted for 15.1% of cases reported in 2005 and 15.8% of cases reported in 2006. The rate of new HIV infections among aboriginal injection drug users compared to non-aboriginal users has been observed for a number of years in Vancouver. While this in itself is not a new finding, it continues to be an issue of concern and is related to the overall higher rates of HIV infection in aboriginals in Canada in general.

Building on what the hon. minister said, I will provide some concrete examples of what is being done by this government to address HIV-AIDS in aboriginal communities across Canada. This of course includes what is being done in Vancouver's downtown east side.

The government knows that many factors have increased the vulnerability of aboriginal Canadians to HIV. HIV-AIDS has a particularly significant impact on aboriginal women. Females represent nearly half of all positive HIV test reports among aboriginal peoples, approximately 47% as opposed to 20% of reports among non-aboriginal people. Aboriginal people are also infected with HIV at a younger age than their non-aboriginal counterparts.

As stated before, injection drug use is the main risk for HIV-AIDS among aboriginal people in Canada. Over half of the new HIV infections estimated among aboriginal people for 2005 were attributed to injection drug use compared with only 14% among all Canadians.

As noted by our hon. Minister of Health, the government is serious about addressing the issue of drug use among Canadians. The national anti-drug strategy offers a two track approach which is tough on crime and compassionate for victims, and provides \$63.8 million over two years to tackle the drug trade. It includes three action plans: one, preventing illicit drug use among young Canadians; two, treating people with illicit drug dependencies; and three, combatting the production and distribution of illicit drugs.

Drug use is devastating to Canadians. It destroys individuals, tears families apart and carries life altering consequences, and the government is taking action.

Under the federal initiative to address HIV-AIDS in Canada, the Public Health Agency of Canada, in partnership with Health Canada, supports the work of the National Aboriginal Council on HIV-AIDS. This council acts as an advisory mechanism. It provides policy advice to Health Canada and the Public Health Agency of Canada and other relevant stakeholders about HIV-AIDS and related issues among all aboriginal peoples in Canada.

The council is a mechanism for the development and coordination of shared actions between the federal initiative to address HIV-AIDS in Canada and aboriginal communities working on HIV-AIDS issues. Its aim is to ensure that Health Canada and the Public Health Agency of Canada and its representatives have effective and efficient access to policy advice regarding aboriginal HIV-AIDS and related issues.

The Public Health Agency of Canada supports community based organizations as well as national NGOs to achieve a number of goals. These goals include: supporting a national voluntary sector response that plays a coordinating and leadership role in the response to HIV-AIDS; helping engage in direct meaningful involvement with people living with or at risk of HIV-AIDS; encouraging collaboration and partnership to address risk factors of the disease and achieve an integrated approach to disease prevention across sectors; enhancing the capacity of individuals, organizations and communities to respond to this epidemic; gathering and encouraging the exchange of HIV-AIDS information and knowledge; enabling the development of respective informed and innovative policies and program interventions that are relevant across Canada; and finally, enhancing a broader response to the HIV-AIDS epidemic and its underlying causes.

• (2225)

For example, the Public Health Agency supports specific projects in the Vancouver downtown east side: the Vancouver Native Health Society for a project that aims to reduce disparities in HIV treatment and care through community based initiatives; and the Western Aboriginal Harm Reduction Society to advance regional capacity building initiatives for non-reserve community based programming through workshops, training, outreach, community forums and discussions.

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Also, the Positive Women Network is supported to increase access to integrated culturally relevant services by young HIV positive aboriginal women and other women in collaboration with other stakeholders. This will create a peer-driven, safe and supportive environment for young HIV positive women, particularly in the Vancouver downtown east side, and focus on a meaningful participation of these women in the direction of their own care, support and prevention initiatives.

The network is also supported in the development of innovative programing and resources for women, their families and service providers. It develops culturally appropriate services for aboriginal women who face multiple barriers to care, treatment and support.

The Persons with AIDS Society of British Columbia is being supported to assist its members on matters such as income security, will and estates, landlord and tenancy issues and human rights infringement. Staff and volunteers help clients prepare forms, understand procedures and, at times, accompany clients at tribunal hearings or appeals.

The Public Health Agency of Canada also supports five national projects, specifically targeting aboriginal communities and HIV-AIDS.

The first is the Canadian Aboriginal AIDS Network's culturally appropriate harm reduction program development. The project objective is to develop national and regional capacity building initiatives from non-reserve aboriginal community based programing. This will be achieved by developing a harm reduction model targeting vulnerable populations, including at risk women and youth, inmates and two-spirited men developing training on using the model in creating a national aboriginal task force on injection drug use.

The second is the Red Road HIV/AIDS Network Society's bloodlines project. This project objective is to provide an accurate, culturally relevant publication that includes meaningful educational information for aboriginal people living with HIV-AIDS and their family and friends, front line workers, health providers, program planners and policy-makers. The project objective will be achieved through launching *Bloodlines Magazine* nationally, which represents the voice of marginalized populations.

The third is the Canadian Aboriginal AIDS Network's Fostering Community Leadership to End HIV-AIDS Stigma and Discrimination Social Marketing campaign. The project objective is to increase levels of awareness and knowledge about HIV-AIDS among aboriginal leadership by at least 10% through social marketing principles.

The project intends to end stigma and discrimination and create community environments that may become more responsive and conducive to establishing needed education, prevention, testing, diagnostic care, treatment and support programs. The project objective will be achieved through an initial social marketing campaign that is intended to speak to the basic principles of human rights.

The fourth is the Pauktuutit Inuit Women of Canada's project titled, "Addressing the HIV Needs of Inuit in Urban Centres". This project's objective is to improve the quality of life of Inuit infected

with or affected by HIV by improving access to Inuit-centred prevention, diagnosis, care, treatment and support provided by AIDS service organizations, aboriginal and non-aboriginal-specific organizations, as well as other health, medical or social service providers.

The project objective will be achieved through the formation of an advisory committee, a literature review of HIV prevention, testing and diagnosis, care and support services currently available, interviews with Inuit men and women and through the identification of gaps and strategies to develop a best practice document and/or audiovisual teaching tool.

• (2230)

The fifth is a further Canadian Aboriginal AIDS Network project. Its objective is to develop national and regional capacity building initiatives for a non-reserve aboriginal community based program. This will be achieved by developing a harm reduction model targeting vulnerable populations, developing training on using the model and creating a national aboriginal task force on injection drug use.

As we can see, the government is working closely with aboriginal communities to support efforts that are and will continue to make a difference.

**Ms. Libby Davies (Vancouver East, NDP):** Mr. Speaker, I listened with interest to the member's comments. Obviously he is reading from a long list of projects that have had some funding or will get some funding. I do not think anyone is disputing the fact that funding exists. Part of the debate we have had tonight is the fact that there is completely inadequate funding. Over the years, cuts have been made to the HIV-AIDS programs. Our organizations are struggling, whether it is within the aboriginal community, and I named some in my riding of Vancouver East, or elsewhere across the country. It also includes national organizations.

The member tries to give us the illusion that his government is taking the right action and is providing the necessary supports and resources, and it is an illusion. If it were something that was having the right kind of impact, we would not be seeing the kinds of reports that have sparked this emergency debate. We would not see the four year study that Evan Wood did for the B.C. Centre for Excellence in HIV/AIDS in British Columbia. We would not see other studies come forward, showing an alarming increase in the rate of HIV-AIDS among injection drug users.

I ask the member to think about that and share with us whether the government has the commitment to realistically address those needs, whether it is through the health care system or through the provision of housing.

To come back to the question of Insite, the safe injection facility is a program that has worked. It has saved lives and helped people gain access to treatment. Yet it is operating with a great sense of insecurity about its future. It only has a temporary exemption from the Controlled Drugs and Substances Act to operate until the end of June.

The very reason there is an emergency is because public policy has failed. It has failed on many different levels. Therefore, I find the member's comments tonight to be very far from where we are in terms of reality.

**Mr. Harold Albrecht:** Mr. Speaker, the fact that we are here addressing this issue indicates the urgency with which we all see this issue. We certainly want to take action on it.

I trust that during the comments I made my colleagues picked up on the number of times that I referred to community based. What is key is that we look to aboriginal groups, working in cooperation and collaboration with government, to provide programs that are culturally relevant and that have been recommended by aboriginal groups for aboriginal groups and then we will have a much greater chance of success.

To say that we have not had success in dealing with these issues and putting it on this government is somewhat unreasonable. We have been working at this for the last two years but this problem has not been with us for only two years. With the examples I have given, we are certainly taking it seriously and, as I said, working in collaboration.

The other point I would like to address is on the question that was raised about the Insite model. A number of my colleagues in the NDP have referred to this and have implied that there is unanimous support for this model. I do not take anything away from the democratic right of my colleagues in the NDP to recommend this as an effective model, that is what democracy is about, but it is very important that Canadians understand that there is not unanimous support for this type of treatment. In fact, I recall very vividly last year when a number of people from the Canadian Police Association visited my office and shared with me a number of concerns they had regarding the justice system in our country. One of the issues that is of concern to the Canadian Police Association is this very practice.

I want to read word for word from Canadian Police Association's journal so it is on the record. It states:

While Canada's existing laws have been successful in limiting the harm caused by illicit drug use, there needs to be a sustained effort to educate Canadians, particularly vulnerable young people, about the adverse effects of illicit drug use. Young people are receiving conflicting and often confusing messages about the harms associated with marijuana use.

It goes on to state:

The CPA [Canadian Police Association] is concerned that the permissive approach to drug use has failed Canadians. At our Annual General Meeting in August 2006, CPA delegates voted unanimously to urge the government to cease all financing of the supervised injection site program and invest in a national drug strategy to combat drug addiction which, in addition to enforcement, includes education, prevention and treatment.

It further states:

In Vancouver, police officers and citizens are seeing a rise in drug related activities around the supervised injection sites, other than those that use the facility. These types of programs are delivering the wrong message to our children and youth on drug use. It trivializes the use of illicit drugs when the focus should be on treating the people who need help, not encouraging them to keep using drugs. The supervised injection site program has had no impact on reducing public disorder and has, in fact, created a safe haven for traffickers and fosters a sense of entitlement among drug users.

I wanted that on the record because there is not unanimous approval of that kind of treatment objective.

• (2235)

**Mr. Rod Bruinooge (Parliamentary Secretary to the Minister of Indian Affairs and Northern Development and Federal Interlocutor for Métis and Non-Status Indians, CPC):** Mr.

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Speaker, clearly the member has a deep appreciation for this area of concern.

The urban aboriginal strategy actually extends to Vancouver. He spent a lot of time on the aboriginal affairs committee and has seen this government do a number of great things. Perhaps he could speak a bit to the things that our government is in fact doing in this important area.

**Mr. Harold Albrecht:** Mr. Speaker, I appreciate the opportunity to respond to that question. Earlier this evening a colleague opposite made the comment that members on this side of the House do not care about first nations communities or aboriginal people. I take exception to that.

When I came to Parliament two years ago I requested the opportunity to serve on the aboriginal affairs and northern development committee. It was not out of any sense of expertise or anything like that, but out of a desire to serve and work alongside my colleagues here to address the issues that have plagued our aboriginal communities for years.

I am pleased that at different times the aboriginal affairs committee has had the opportunity to hear witnesses from communities where they have succeeded in amazing ways in terms of economic development and educational opportunities. They have improved the lives of the people either on first nations reserves or in urban centres.

We have much to celebrate in terms of the progress we have made. I for one am very optimistic about the fact that our aboriginal communities have the ideas and we need to listen to them and work with them, as I said in my speech, collaboratively and cooperatively to address these issues.

• (2240)

**Hon. Carolyn Bennett (St. Paul's, Lib.):** Mr. Speaker, it is a sad evening that we have had to come together to speak in this year about this huge failing report card, the study that the member for Vancouver East highlighted in asking for the emergency debate.

I thank my colleagues from Vancouver Centre and Winnipeg South Centre for their thoughtful remarks. I hope tonight we can speak to all of this as a huge symptom and a report card on what we just are not doing.

As Nellie Cournoyea said in 1975 in the Status of Women report, speaking together, paternalism has been a total failure. It is again the treatment of our aboriginal people that has allowed us to show this growing gap in terms of health outcomes between average Canadians and our aboriginal peoples that puts our aboriginal peoples down at 67% and 62%, which would be in keeping with third world status.

When I was minister, I had the privilege of attending the launch of the Commission on Social Determinants of Health and I was proud to be there with Monique Bégin, Stephen Lewis and Sir Michael Marmot. As the minister, I had to speak to the embarrassment of the gap in health status between our aboriginal peoples. Health status must show total equality and not leave anybody behind.

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Last summer, we had to beg the Commission on Social Determinants of Health to come to Canada because it thought everything was okay here. When I spoke in Santiago about this embarrassing gap in health status for our aboriginal people, the commission could not believe what it saw in the downtown east side nor what it saw among our aboriginal peoples who have been through way too much in terms of paternalism.

I guess we on this side do believe that the Kelowna accord was an opportunity to turn this upside down. The accord was an 18 month process that was going to deal with health, housing and economic development, as well as education and accountability. This process involved aboriginal peoples and ended up with the signing of aboriginal leadership and of all the provinces and territories in order to really turn around this paternalism once and for all, and to begin the new beginning that was indeed the hope.

We know that it is impossible for people to stay well and to make healthy choices in their lives without a secure, personal and cultural identity. Our identity is what brings self-esteem and resilience, that in the determinants of health, poverty, violence, environment, shelter, equity and education, it takes the ground of a secure personal identity to help people make good decisions in terms of how they see themselves in eating well, exercising, gambling and using drugs and alcohol. It is that background that leads to the life in which a lot of the people in the downtown east side have found themselves.

I was in the downtown east side one Sunday morning at 7:30. I walked around and talked to a few of the people there and looked into their faces. I guess I can never think, as a mother, that this could be my child or that this could be anybody's child. However, we know that they must have the same baby photos as our children have and that it just does not seem fair that something happened in terms of their upbringing.

We know that 85% of the women in downtown Toronto, with Women's Own Detox Centre, have had some sort of child or sexual abuse. In terms of shopping bag ladies, it is probably well over 100% because that has happened to these people way more than once.

• (2245)

It means that they had to numb themselves and sometimes become addicted and ended up turning tricks in order to be able to sustain their habit. These people could never trust authority because the people who were supposed to be looking after them ended up abusing them. It ends up being that they have trouble with teachers, police and all kinds of people of authority, and that is where this begins.

I hope that we continue this debate and we have this hugely important conversation tonight about how the country is still failing in actually getting the fundamentals right so that people can have secure childhoods.

Tonight, I want to say that I had great hope that when Dr. Kellie Leitch had been appointed by the health minister to do a report on children, that her report would be the kind of comprehensive report that we knew was coming, that would deal with poverty, violence and all of the things affecting children that she knew so well.

That report was supposed to be due in July 2007. I believe, because she did decide to put poverty and these other things that are not in the exact purview of a health minister in her report, that we are watching this report being suppressed and suppressed, and that this is again how the government just does not get it.

It is not as if tonight's debate should be a surprise. Speaking about the general population, we could be talking about heart disease, type 2 diabetes, TB infection rates, smoking rates or suicide rates. Then we note that the proportion of AIDS is still climbing. This again speaks to this gap in terms of how the paternalism has not worked and having top down solutions and well intentioned colonials tell these people what to do and how to run their lives has got them and us into huge problems.

Over the last number of years the kind of data that the member for Vancouver East pointed out to us has been there. The Epi update from the Public Health Agency last year and probably the year before and the year before that indicated that aboriginal people remain overrepresented in the HIV-AIDS epidemic in Canada. Among aboriginal Canadians the proportion of new HIV infections in 2005 was attributed to intravenous drug use. At 53% it was much higher than Canadians at 14%.

HIV-AIDS has a significant impact on aboriginal women. During 1998 to 2006 women represented 48.1% of all positive HIV test reports among aboriginal people as compared to 20.7% of reports among non-aboriginal people.

Aboriginal people with a diagnosis of HIV tend to be younger than non-aboriginal people. Almost one-third, 32.4%, of the positive HIV tests of aboriginal people from 1998 to the end of 2006 were younger than 30 years as opposed to only 21% of these infected in non-aboriginal people.

In the "Burden of HIV Infection Among Aboriginal Injection Drug Users in Canada", a report published in the American Journal of Public Health, it raised the attention of many people including the member for Vancouver East and my colleagues. I think it is very important that we go to the conclusions of that report which called for culturally sensitive and an evidence-based response. I am afraid it is where our government has sorely let these people down.

There is a denial that harm reduction works and therefore, yet again, the government is choosing ideology over evidence. This is unbelievably irresponsible. The fact that Dr. Wood and Dr. Julio Montaner have said that the other need is for evidence-based response just compounds this error again and again.

The idea that harm reduction would be taken out of the drug strategy was appalling to every member of the Canadian Medical Association last August. It was appalling and there are some tough questions for the minister, but the minister and the Prime Minister still will not budge on this.

• (2250)

The \$100 million that was included in the first ministers accord in 2004 and was to be used directly for health human resources for aboriginal people seems to be missing. I have asked the Minister of Health about it. I have asked the Minister of Indian Affairs about it. The money is not there.

Just think how many more nurses and physicians that money would have paid for, not to mention cultural sensitivity training for people in the health profession. That money would have helped to achieve the kind of care that Dr. Wood and many others have said time and time again just does not exist.

Liz Evans, the head of Insite, gave a speech on Wednesday morning at the Canadian Federation of Nurses Unions. She was clear when she said that aboriginal women are the toughest people to deal with in terms of needing cultural sensitivity. They are not able to separate themselves from a power differential in terms of a male going with them to treatment. This requires extraordinary training and extraordinary sensitivity.

The organization that she runs, which includes Insite, North America's only supervised injection site, is at risk. The community service program aims at providing support to people in Vancouver's downtown eastside. It offers support in hotels and houses as well as a range of programs and services, including a low income community bank, dental clinic, community cafe, laundromat, drug user's life skills centre, and a needle exchange program. These are successful.

Some of my patients are still on the street. It takes time to build a relationship with them to make them feel safe. It takes time before they finally ask for help.

I would like to focus my remarks on the government's track record on HIV-AIDS and its total inability to comprehend the social determinants of health.

The theme for this year's world AIDS conference was "Stop AIDS: Keep the Promise". Stopping AIDS in this country is going to take us stopping Steve. Stopping AIDS requires education, prevention, a vaccine, and hopefully, some day a cure. However, it is clear that this year's theme was lost on the Conservative government. I only see broken promises about creating an effective and accountable HIV prevention program in the coming years. Yet again, ideology is trumping evidence.

The government's track record on HIV-AIDS is abysmal. From the Prime Minister's refusal to attend the international AIDS conference, to the elimination of harm reduction strategies, to the slashing of community support programs, the Conservative government has preferred ideology over sound public health policy based on evidence.

These decisions are especially offensive because they have come at a time when HIV rates are rising and our most vulnerable populations, such as aboriginal groups, need our help the most, and yet the government cannot help but cut programs.

The Centre for Infectious Disease Prevention and Control at the Public Health Agency of Canada tells us that more Canadians are living with HIV-AIDS, an estimated 58,000 at the end of 2005 compared with 50,000 at the end of 2002. An estimated 2,300 to

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4,500 new HIV infections occurred in 2005 compared to 2,100 to 4,000 in 2002, and yet the government is cutting the programs that prevent it. People would rather not get AIDS.

I do not understand how, in spite of rising numbers, the government decides to cut programs. It is not that we are doing well. The government is cutting when we are doing terribly with respect to our most vulnerable people, our aboriginal population, and the people that tonight's debate is about.

It is astounding to me that in the main estimates for 2006-07, under public health agencies, it says there has been a steep increase in sexually transmitted infections over the last decade and rising co-infections of HIV with diseases such as tuberculosis, hepatitis C, and syphilis. Yet, the government is cutting programs.

• (2255)

For the 58,000 Canadians now living with the illness and the thousands of Canadians who will become infected every year, we cannot stop the clock on AIDS. Prevention and support services matter more than ever and yet the government is cutting \$15 million out of the program.

Last fall, the United Nations announced that AIDS rates in developed countries will spike if governments drop their guard. This government has dropped its guard and it has dropped \$15 million out of a program that was promised in the base budget. Shockingly, the minister has admitted this in terms of borrowing the money to be able to match the Gates money. Surely this is completely different than what the Gates foundation presumed in its promise of the money.

I just cannot believe that the government can think that the people of Canada are so stupid as to think that it is okay to take cut money from community prevention programs and the supports and services to people living with AIDS at a time when the numbers are going up.

In Ontario, our community AIDS programs have been cut by 60%. In British Columbia, we do not even know, and yet its money is going to run out at the end of next month. We have been told that this disproportionate cut was just because Ontario came to the plate first. Just coming to the plate first does not mean that these people in British Columbia and in all the other provinces are going to take their hits too because \$15 million is missing from the program.

It is the silence from the Minister of Health that shocks me. After the minister had promised that the new funding levels would be announced early in the new year, how can the government continue to cut? How can these community organizations go on? They have to lay off people. They have no idea how much money they will be receiving at the end of the month. They have no idea where this \$15 million will be coming from. It is not surprising that the members for Vancouver East and Vancouver Centre are worried.

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Let me be very clear. AIDS service organizations have never received a reduction in AIDS funding under any prior government or administration. The member for Yellowhead who spoke tonight was part of the health committee that said that the funding had to go up, and yet he is quiet when his government is cutting \$15 million out of the community funds.

These are untimely, irresponsible cuts and are unprecedented firsts.

The surge in HIV-AIDS rates among Vancouver's aboriginal drug users is especially distressing. It is the big F on our report card in terms of how we are doing. We know our aboriginal people are at higher risk for HIV-AIDS infections and we know that IV drug users are also at greater risk. This is a compounded problem and now we are seeing the increasing gap in terms of aboriginal and non-aboriginal drug users.

We know HIV is a preventable disease. It is preventable and we know that the countries that have instituted harm reduction are doing better than we are, regardless of how many pennies the member for Yellowhead was trying to say that we were spending per capita. When will we stop, in this country, boasting about how much we are spending on things instead of being accountable for the results?

As the researcher in the paper said, this is a tragedy. Many people in the aboriginal community are reaching out for care and the care just is not there.

I am concerned that the government is turning a blind eye. It is because of ideology instead of evidence. The government is insisting on saying this is about law enforcement. I am proud to say that we, as the previous Liberal government, gave \$1.5 million to support the evaluation of the three year pilot for Insite. I am pleased that there have been a series of reports that show that it works and that the government has had to be backed into making little tiny extensions, and accepts that this is a program that needs to be there, but it needs to be all across this country, not just in Vancouver. It is astounding that these people will not listen.

• (2300)

I want to conclude my remarks by inviting the Conservative government to provide a better future for Canadians who want to win the battle against AIDS and for those who need to live in dignity with it.

**The Acting Speaker (Mr. Royal Galipeau):** I must interrupt the hon. member. I had given her a two minute warning and a one minute warning.

We are now going to have questions and comments. The hon. Parliamentary Secretary for Health has the floor.

**Mr. Steven Fletcher (Parliamentary Secretary for Health, CPC):** Mr. Speaker, the member for St. Paul's needs to look in the mirror to see where many of the problems in first nations communities stem from. We had 13 years of inaction by the previous Liberal government. The member for St. Paul's was a member of the cabinet. Kelowna was a press release. There was no money, not one single dime booked. Again, this shows a lack of commitment.

On the residential schools, it was this Conservative government that got it done. It was this Conservative government that signed \$1 billion to mitigate the suffering that first nations people went through.

We inherited a disastrous situation on first nation reserves after 13 years of Liberal government. And let us be honest, the Liberals were in power for most of the 20th century, so the Liberals certainly carry most of the blame for that.

We have the Canadian Human Rights Act where first nations people on reserve are denied the same human rights that Canadians anywhere else enjoy. It is the opposition Liberal Party that has blocked that.

In fact, it was the Liberal budget of 2005 that cut millions of dollars from AIDS funding.

Actions always speak louder than words. I would like to remind the member that when she talks of compassion, when she talks about doing the right thing, when she was sitting around the cabinet table, she had the opportunity to compensate hepatitis C victims from tainted blood from pre-1986 and post-1990. In a confidence vote, those people were denied compensation. She was a member of the cabinet and was involved in that vote.

It was this government that provided the billion dollars in compensation after years of denial by the previous Liberal government. Will the member ever understand why people believe the Liberal Party is disingenuous when it comes to these types of issues? It is because of their record. Will the member ever accept that?

**Hon. Carolyn Bennett:** Mr. Speaker, the Conservative government continues to try and take credit for the kinds of things that take a long time to negotiate. The residential schools agreement was signed by Irwin Cotler and Andy Scott. The day I was sworn into cabinet we made sure that we put the hepatitis C agreement on the road and that those negotiations took place.

I am so saddened by the government's approach. In some of our prisons 50% of the inmates have hepatitis C. If the parliamentary secretary cared about people with hepatitis C you would be pushing to have needle exchanges in those prisons.

It is extraordinary that—

**The Acting Speaker (Mr. Royal Galipeau):** Could I please have the attention of the hon. member for St. Paul's. If the hon. member for St. Paul's could please take her seat. When the Speaker stands, she sits.

I know it is late, but we are trying to have some decorum. We do not name members of the House by name, which she did for the hon. member for Mount Royal. We do not refer to other members in the second person but in the third person. By using these rules we try to depersonalize the debate and we get to a better result.

The hon. member for St. Paul's has the floor.



• (2305)

**Hon. Carolyn Bennett:** Mr. Speaker, I would ask the parliamentary secretary to look forward. There are nice perfect models, such as Nine Circles in Winnipeg that is looking at aboriginal people with HIV-AIDS in and out of prison.

There are some positive examples that are important. I am concerned that yet again paternalism is trumping actually bottom-up solutions that include our aboriginal people. I hope the member opposite will understand that in terms of blaming, it would be much better to go forward and show his record for once, instead of this blame game that no one believes anymore.

**Ms. Libby Davies (Vancouver East, NDP):** Mr. Speaker, the member for St. Paul's mentioned some of the truly remarkable people who have been involved in producing information about the HIV-AIDS crisis in the downtown eastside and elsewhere.

She mentioned Liz Evans for one, who did speak, on Tuesday I believe, here on Parliament Hill, from the Portland Hotel Society, who is very involved in the operation of Insite, a very remarkable organization. She also mentioned people like Dr. Montaner, Dr. Wood, who did the study that we referred to tonight, Dr. Thomas Kerr, who has done many of the studies around Insite, and Dr. Martin Schechter. There are remarkable individuals in the academic and scientific communities, as well as community leaders who have kept the faith in terms of pressing the issue, in terms of the need to abide by workable public policy to look at evidence based results.

At the close of this debate, it is really important to recognize that we should be focusing on sound public policy. If we did that, we could be addressing many of the issues in the downtown eastside.

**Hon. Carolyn Bennett:** Mr. Speaker, the member opposite mentioned a few of the amazing people who are focusing on how we can be successful in this really big fight against HIV-AIDS and the unfair burden that our aboriginal people are carrying.

Dr. Wood's paper, as the member has said, speaks in terms of the availability of culturally sensitive supports and services and care as well as evidence based results. This speaks again to the problems we are facing when there is a top-down paternalistic attitude and people think they know better than the people who need our help, but there is also the failure to deal with evidence.

Liz Evans was able to tell us that not one death in all of those visits to Insite is an extraordinary success. People can live long enough to have a bit of hope and maybe get some help, but they are still alive, thanks to the Insite program.

I hope that over the next little while we will start to see all of us coming together on evidence rather than ideology and the idea that harm reduction must be part of any drug control program.

I thank the member for the debate tonight. I thank my colleagues from Winnipeg South Centre and Vancouver Centre for their thoughtful interventions.

**Mr. Harold Albrecht (Kitchener—Conestoga, CPC):** Mr. Speaker, I was troubled by four things from the previous speaker.

One was the disrespectful way in which she spoke about our Prime Minister by referring to him by his first name in the chamber. She also chastised us for boasting about how much we spend on

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HIV-AIDS in one breath and in the next breath she said we were not spending enough. Then she accused us of paternalism, when I clearly pointed out in my speech the multitude of examples of collaboration and community based initiatives.

Finally, how does she respond to the unanimous report of the Canadian Police Association in saying that the Insite program does not work, that it is a safe haven for traffickers, and fosters a sense of entitlement among drug users?

• (2310)

**Hon. Carolyn Bennett:** Mr. Speaker, I will start with the last question, which is that I will take the view of scientists and health care providers such as Nurse Evans as the kind of evidence that I want of the efficacy of Insite.

It is not good enough to boast about the amount one spends. One has to be accountable for the results. If harm reduction is taken out, we will spend more money and get less results. That is what everybody is concerned about. The \$15 million, I want it—

**The Acting Speaker (Mr. Royal Galipeau):** The hon. Parliamentary Secretary for Health.

**Mr. Steven Fletcher (Parliamentary Secretary for Health, CPC):** Mr. Speaker, HIV-AIDS is a global disease that knows no boundaries and affects all populations from all parts of the world. Men, women and children of all ages and socio-economic backgrounds can be impacted by HIV-AIDS.

The epidemic is most entrenched, however, among vulnerable populations, including aboriginal people. In fact, aboriginal people are among the most HIV vulnerable groups in Canada and are over-represented in this epidemic. Although they represented only 3.3% of the population in Canada, aboriginal persons comprised approximately 7.5% of the prevalent infections and 9% of new HIV infections in Canada in 2005. Injection drug use continues to be a key mode of HIV transmission in the aboriginal community. HIV-AIDS has a significant impact on aboriginal women. Aboriginal people are being infected with HIV at a younger age compared to non-aboriginal people. In 2005, the overall HIV infection rate among aboriginal persons was estimated to be 2.8 times higher than those of non-aboriginal persons.

These facts cry out for all concerned in government and health organizations. We need to take action.

Our government recognizes that HIV-AIDS in aboriginal communities remains an ongoing problem and we are taking action to deal with it.

The Government of Canada will invest more than \$84 million toward HIV-AIDS in 2008-09, more than has ever been spent in our nation's history. These investments will support both the federal initiative to address HIV-AIDS in Canada and the Canadian HIV vaccine initiative, investments that will continue to grow over time.

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Under our federal initiative, our government has identified HIV-AIDS in aboriginal communities as a key priority. Our government's federal initiative has two aboriginal specific funding programs supporting community effort. Hardly paternal, as was the allegation from the opposition.

The non-reserve first nation, Inuit and Métis communities HIV-AIDS project fund is working toward the reduction of HIV incidents and facilitates access to diagnosis, treatment and social support for aboriginal people living with HIV-AIDS in urban areas across Canada.

The specific populations HIV-AIDS initiative fund is addressing national policy and program priorities for people living with HIV-AIDS.

In addition, for first nations living on reserve and some Inuit communities, this fiscal year Health Canada is investing \$5.8 million, representing an increase of \$400,000 over the previous fiscal year.

The mandate of the on reserve HIV-AIDS program is to provide HIV-AIDS education, prevention and related health services to first nations on reserve and some Inuit communities. The overall goal of this program is to work in partnership with first nations and Inuit communities to prevent HIV-AIDS transmission and support the care of those impacted by HIV-AIDS.

And that is not all. In August 2006, Health Canada provided support to help plan and implement the international indigenous peoples satellite conference, an affiliated event of the 16th international AIDS conference.

We also provided support for the attendance of up to 51 on reserve first nations people living with HIV-AIDS.

We continue to support Aboriginal AIDS Awareness Week and the ongoing work of the Canadian Aboriginal AIDS Network, the Canadian Inuit HIV/AIDS Network, the National Aboriginal Committee on HIV/AIDS and other similar community level organizations. Hardly paternal, as was the previous government's approach.

• (2315)

As I mentioned earlier, HIV-AIDS knows no boundaries. HIV is having a significant impact on aboriginal women and aboriginal youth. Aboriginal people are being infected at a younger age than non-aboriginal people.

Almost half of the reported HIV cases among aboriginal people are among women. HIV infection appears to occur at a younger age in aboriginal women than the rest of the Canadian population, and young women under the age of 30 constitute a large proportion of the reported HIV-AIDS cases in the aboriginal community.

Under the federal initiative to address HIV-AIDS in Canada, youth have been identified as a priority. The Government of Canada supports national partner organizations such as the Canadian Aboriginal AIDS Network and the Assembly of First Nations.

Educational resources targeting women have been developed by our partner organizations. We are doing this to keep aboriginal

families safe. This also means protecting the communities in which they live.

We know that certain factors such as poverty, sexually transmitted diseases, limited access to health services, and of course substance abuse, including injection drug use, have increased the vulnerability of many aboriginal Canadians to HIV. In fact, injection drug use has accounted for approximately half of AIDS cases in aboriginal peoples since 1998.

According to Dr. Evan Wood, a research scientist at the B.C. Centre for Excellence in HIV/AIDS, aboriginal drug users living in Vancouver's downtown eastside are contracting HIV-AIDS at twice the rate of non-aboriginal users. Dr. Wood's research shows that 18.5% of aboriginal men and women who inject cocaine and heroin become HIV positive. That compares with 9.5% of non-aboriginal intravenous drug users.

To adequately address this problem, it is critical that all levels of government work together to improve living conditions for aboriginal people living in the Vancouver downtown eastside. Under the Public Health Agency of Canada's non-reserve first nation, Inuit and Métis communities HIV and AIDS project fund, two projects have targeted this district specifically.

The first is the Vancouver Native Health Society's project, which aims to enhance sexual health, reduce drug use and create social support for those infected with HIV-AIDS. The second is the Western Aboriginal Harm Reduction Society, which also aims to enhance sexual health, reduce injection drug use and advance regional capacity building initiatives for non-reserve aboriginal community-based programing.

Nationally, our government is working to ensure that communities are safe, clean and of course drug free. This is done through our country's national anti-drug strategy. Last October, the Prime Minister of Canada announced the launch of the national anti-drug strategy, a strategy that places emphasis on educating Canadians, especially young people and their parents, about the negative effects of drug use.

An anti-drug strategy like this one has long been overdue in Canada. Our government is serious about implementing effective change to keep our communities safe from illegal drug use. We are concerned about the damage and pain these drugs cause families. We intend to reverse that trend.

This is why our government has committed to a strategy that will prevent illegal drug use from corrupting our youth, affecting our families and communities, and fueling organized crime and gangs. I am proud to say that we are delivering on our plan and achieving great results.

• (2320)

The Government of Canada is working hard to address HIV-AIDS in aboriginal populations across the country. We know that the issue continues to be a prominent one, one that requires a great deal of attention from governments at all levels.

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Our government is delivering on its commitments to keep all Canadians safe and healthy no matter where they reside in Canada.

This also allows me an opportunity to reflect on the debate this evening. We have heard many different points of view. I would like to recognize the member for Vancouver East for bringing this to the floor of the House of Commons.

As we can see tonight, although there may be different points of view, we all agree that there is a problem and that we all have to work together to come to a solution. This is one of the great things that Canada brings to the table when it comes to solution seeking: the democratic process. That is what we have seen here tonight.

We have seen a debate of ideas. I know that the health minister is listening. I know that Canadians from coast to coast to coast who are watching this debate or who will read about it in *Hansard* will provide suggestions, and the government will listen and take action because that is the record of this government.

We need only look at the residential schools compensation, the hepatitis C compensation, the government's historic efforts to bring first nations people on reserve into the Human Rights Act, the tens of millions of dollars that have been invested in bringing clean water to first nations to improve their lives, and the hundreds of millions of dollars that are going to housing projects across the country.

But it will take a multi-party, multi-citizen and multi-government effort to empower individuals to make the best decisions for themselves. I know that this government looks forward to working with everyone to ensure that all people have the opportunity to be fulfilled as human beings and Canadians.

**Ms. Libby Davies (Vancouver East, NDP):** Mr. Speaker, this is probably the last comment I will make in the debate because I believe the parliamentary secretary is the last speaker. I would like to thank the members who participated in this very important debate tonight. I hope it brings some greater attention to and understanding of the terrible crisis in the downtown eastside around poverty, HIV-AIDS and the situation facing injection drug users in particular. There are many issues involved.

There is something that I would like to ask the parliamentary secretary. I guess I wonder what will have changed as a result of tonight. I want to be as positive as I can. I hope that as a result of tonight's debate the government has listened very carefully to what has been brought forward.

I want to ask the parliamentary secretary if he might say something about having a better understanding of the importance of harm reduction and whether the government will acknowledge that additional resources are needed for treatment, housing, poverty alleviation and community development. In my mind, that is not questionable, because otherwise we would not have a crisis.

Finally, would the parliamentary secretary acknowledge the incredible broad support that there is for Insite in the downtown eastside? No one tonight has said that the support is unanimous, by the way, but in that community and in Vancouver it is very high. There is about 73% support.

I want to ask the parliamentary secretary if the government will really consider that. Will it move off its political agenda, recognize

the incredible importance of the work that Insite is doing and allow it to continue to operate beyond its temporary permit?

● (2325)

**Mr. Steven Fletcher:** Mr. Speaker, I believe the minister addressed the Insite question in his earlier remarks.

In regard to the debate tonight, I do think it has been a helpful debate. Whenever we can bring light to the serious challenges that face Canadians, in this case a specific community, that is a good thing.

I could talk about the \$270 million in our new homelessness partnership strategy to prevent and reduce homelessness, the \$300 million dedicated to the development of first nations market housing, a fund to support market housing approaches for first nations communities, and our efforts to include all first nations people so they can share and enjoy all the human rights we all share here in this House.

There will be different points of view and we have seen that tonight. I know the minister will not only participate but he will look at the debate, as will his advisers, and we will move forward on this important issue.

The other thing we heard tonight is that this is not just isolated to Vancouver. We have to deal with a crisis across the country and there is a lot of goodwill and a lot of effort being brought forward to do that. I know the debate tonight will only enhance the efforts to improve the lot of the Canadians who we have been talking about this evening.

**Mr. Bruce Stanton (Simcoe North, CPC):** Mr. Speaker, I also wish to commend those members of Parliament who made interventions this evening and participated in this debate on an issue that is gripping the world and countries right across the globe. Certainly Canada has been dealing with it the best way it can.

We heard a number of figures being presented tonight of investments and interventions that were made by the previous government and by ours. In light of the grave issues that we are faced with, I wonder if the parliamentary secretary could sum up by commenting on where the substantive evidence or the substantive data might be that would suggest that these interventions that Canada's previous governments and current governments have been making are in any way helping to stem this menace to health in the neighbourhoods like the east side of Vancouver.

I must say, before I let the parliamentary secretary respond to the question, that I also thank the member for Vancouver East, who I think was very diligent in helping to put this topic in front of the House this evening.

**Mr. Steven Fletcher:** Mr. Speaker, time does not permit me to list everything. The total allocation directed to urban aboriginal peoples is estimated to be over \$500 million. It is delivered through a variety of federal departments.

*S.O. 52*

The government has, for example, increased the funding for the urban aboriginal strategy to over \$68 million over the next five years. We are also trying to include first nations people on reserves in the human rights legislation. I think many Canadians would be shocked to find out that first nations people on reserve are not included. It seems mind-boggling that anyone in Canada would not enjoy the same human rights that every parliamentarian does.

In budget 2007 we have made announcements dealing with low income families through the working income tax benefit for example. We have announced a new labour market approach that will focus on enhancing the participation of groups more vulnerable to low incomes, such as persons with disabilities, aboriginal Canadians and older workers.

We have a \$500 million labour market program that will provide employment support for those not currently covered by EI. We have funding for the aboriginal skills and employment partnership, which will support aboriginal Canadians and that has been doubled.

We have the \$270 million new homelessness partnership strategy to prevent and reduce homelessness and \$300 million has been dedicated to the development of a first nations marketing housing

fund to support a marketing and housing approach for first nations communities.

I will come back to what we have done tonight. All parties have raised an awareness of this issue. The NDP member for Vancouver East has certainly identified a problem that exists in Vancouver and highlighted it. The government is certainly aware of it, but it never hurts to discuss possible solutions. I know the government will be looking at everything to ensure we do the best job for Canadians. After all, that is why we are here.

• (2330)

**The Acting Speaker (Mr. Royal Galipeau):** There being no further members rising for debate, I declare the motion carried.

(Motion agreed to)

[*Translation*]

**The Acting Speaker (Mr. Royal Galipeau):** The House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24 (1).

(The House adjourned at 11:33 p.m.)

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