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Monday, February 9, 2009

—

Speaker: The Honourable Peter Milliken

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HOUSE OF COMMONS

Monday, February 9, 2009

The House met at 11 a.m.

Prayers

GOVERNMENT ORDERS

• (1100)

[*English*]

BUDGET IMPLEMENTATION ACT, 2009

Hon. Gordon O'Connor (for the Minister of Finance) moved that Bill C-10, An Act to implement certain provisions of the budget tabled in Parliament on January 27, 2009 and related fiscal measures, be read the second time and referred to a committee.

He said: Mr. Speaker, this is a very important bill in this Parliament. It contains many measures. It contains measures related to infrastructure, tax changes, training, and all sorts of things that will help stimulate the economy.

With regard to infrastructure, many of the experts the finance minister consulted believe that the best way to help stimulate employment is through infrastructure. That is why we made arrangements with all the provinces to work with them to build the basic infrastructure of this country: roads, sewers, water plants and even a RInC program. We will provide \$500 million in the budget to help restore the quality of the various RInCs around the country, most of which were established in 1967.

Beyond that, we are now working with the provinces to ensure there is sufficient training for our citizens because unemployment is starting to rise. Recently, it was 6.2% and it has now moved into the 7% category.

Mr. Speaker, I will be splitting my time with the Parliamentary Secretary to the Minister of Finance.

Training is required because unemployment is starting to rise. This rise in unemployment was basically caused by the worldwide recession. As we know, the worldwide recession began in the United States where there was a very weak housing situation. Millions of houses had been sold to people who could not pay their mortgages. They defaulted on their mortgages, causing many banks and trust companies to default. The banks which defaulted caused a ripple effect through the rest of the economy and banks around the world began to default. This has forced many nations to inject large

amounts of capital into their systems to try to restore order within the banks.

The ripple effect began to affect companies, which in turn began to lay off people. This has affected Canada because Canada—

The Speaker: Order. I hesitate to interrupt the hon. chief government whip, but I forgot something when he suggested he would be splitting his time. First speeches in debates on bills cannot be split. I am afraid that while he indicated he would like to do that, it would require consent. I am wondering, to help him out, whether there might be consent to treat him as not having spoken and call on the Parliamentary Secretary to the Minister of Finance to start his speech. Is there consent?

Some hon. members: Agreed.

Some hon. members: No.

The Speaker: There is no consent. There is a general cry then to hear the chief government whip. He will have his full time allotted, but I am afraid I cannot split his time unless there is unanimous consent. I see the chief government whip is ready to continue his speech.

Hon. Gordon O'Connor: Mr. Speaker, to carry on this illuminating speech, today we begin the legislative process for the first budget 2009 implementation bill, Bill C-10, a crucial piece of legislation in a period of unprecedented economic upheaval.

This process in itself might understandably confuse those Canadians not terribly familiar with the complexities of the budgetary process. Last week, they read newspaper headlines that blared, "Federal budget passes in House of Commons" and "MPs approve federal budget". Naturally, they would believe that because the budget had passed or been approved that all measures in the budget could move forward. However, that is not the case. What the House passed was merely a general motion that approved the government's budgetary policy, not the legislation needed to actually implement its provisions.

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This is a standard procedure. A budget motion passes and is followed in short order by the introduction of a budget implementation bill. That bill and the measures included therein cannot move forward until they go through the long process of approval through the House of Commons: second reading, referral to the finance committee, report stage and third reading, and then to the Senate. Again, after second reading, referral to the Senate national finance committee, and then to report stage and third reading. Once all this has successfully been completed, then royal assent is given. Again, this is a standard procedure, but it is also a lengthy and timely procedure.

Last year, the 2008 budget implementation bill was introduced on March 14, 2008. Only three months or nearly 100 days later, on June 18, 2008, was it passed by Parliament and given royal assent. I am not criticizing that process. I am a believer, as we all are, in the role of proper Parliamentary oversight. However, I am suggesting, in the midst of a global economic recession, and after witnessing the worst monthly job losses in Canadian history and the pressing need for economic stimulus, that we work together as parliamentarians to expedite the consideration of this bill.

We can move forward on measures in Canada's economic action plan dependent on this passage, measures that would help stimulate economic growth, work toward restoring confidence and, most importantly, support Canadians and their families through the current economic upheaval. Over 120,000 Canadians lost their jobs last month. Next month will not likely be better. We have been saying for some time that this will be a difficult year. We know that there will be significant and sustained job losses.

Our concern as parliamentarians should be in what lies behind those figures. There are families sitting at kitchen tables somewhere in Canada forced to have a discussion they would rather not have, asking difficult questions that have no easy answers, wondering where a new job will come from, where the money for the next mortgage or rent payment will come from, or even food on the kitchen table. We have a moral obligation to these families to not engage in frivolous, abstract and partisan debates that would only serve to delay the passage of this bill. The assistance it would provide them is far too important. We cannot wait three months. We cannot wait 100 days. This bill is too important. The consequences would be too severe.

I am heartened to see that the official opposition has understood the gravity of the situation and has supported the budget. I ask the Bloc and NDP to follow this example. I ask them to work cooperatively on expediting passage of this bill within the next short few weeks or even much sooner. We must a;; recognize that the time to act is now, not three months from now. To do otherwise would be tantamount to inviting economic catastrophe while also betraying our international commitment to contribute to current international efforts to provide urgent economic stimulus that will help to stabilize the global economy.

Looking at this situation, it is instructive to pay attention to what is occurring in the United States, the epicentre and genesis of the current economic downturn and President Obama's attempts to ensure timely passage of his stimulus legislation. Job numbers were also released in the United States a few days ago, showing nearly 600,000 jobs lost in January, continuing a string of 13 straight

months of job losses that has seen nearly 3 million jobs vanish in that year alone.

• (1105)

The release of those sobering January U.S. job numbers prompted President Obama to make a plea to American legislatures on Friday:

The situation could not be more serious. These numbers demand action. It is inexcusable and irresponsible for any of us to get bogged down in distraction, delay, or politics as usual...Now is the time for Congress to act...This is not some abstract debate.

It is an urgent and growing crisis that can only be fully understood through the unseen stories that lie underneath each and every one of those 600,000 jobs that were lost this month...These Americans are counting on us...We have to remember that we're here to work for them. And if we drag our feet and fail to act, this crisis could turn into a catastrophe. We'll continue to get devastating job reports like today's — month after month, year after year.

To this point we are fortunate enough to not have experienced the degree of economic chaos faced by our American neighbours. We are in a relatively much stronger position compared to them. Indeed, as BMO Nesbitt Burns chief economist Sherry Cooper recently declared, "Canada is in better economic shape to handle the global recession than most other countries—".

As I said before, now is not the time to rest on our laurels and hope we will remain in a stronger position, especially in light of the severity of the present situation. We must avoid the temptation to engage in abstract and academic debates, avoid partisanship, and avoid inexcusable and irresponsible delay.

Now is the time for Parliament to act. We have an economic action plan in place. We need Parliament to help enact that plan by passing this legislation as soon as possible and without delay. That is what we can do right now.

While our plan is not going to save every single job, no plan could. We are doing everything we can to protect those hit hardest by the global recession with a plan to stimulate the economy and to help create and maintain jobs.

In the remainder of my time today I will systematically outline the few select measures from Canada's economic action plan included in this legislation. They are measures vital to stimulating Canada's economy, to help maintain and create jobs, to spur private sector growth and investment, and to help families most in need. They are measures that merit expedited passage.

This legislation would implement the tax measures proposed in our economic action plan, measures that would remove 265,000 low income Canadians from the tax rolls in 2009.

It would increase the basic personal exemption that all Canadians can earn before paying federal personal income tax.

It would increase the top of the two lowest personal income tax brackets, so Canadians can earn more income before being subject to higher tax rates.

The legislation would also provide an additional \$150 of annual tax savings for low and middle income seniors through a \$1,000 increase to the age credit amount.

We are increasing the amount that can be withdrawn from an RRSP under the homebuyers plan to \$25,000. The Canadian Real Estate Association has applauded this announcement for both stimulating the housing market and “[helping] Canadians who want to own their own home, and do it in a responsible way—”.

The bill would extend the temporary mineral exploration tax credit to help companies undertake exploration and adjust to new commodity prices.

It would increase the amount of small business income eligible for the reduced federal tax rate of 11% to \$500,000 from \$400,000. The Canadian Federation of Independent Business praised this measure as one of “importance of helping small and medium sized businesses to grow”.

The bill would also help Canadian families who will face job losses. For two years, all regular EI benefit entitlements would be extended by five extra weeks, increasing the maximum benefit duration from 45 weeks to 50 weeks. Food Banks Canada, the national charitable organization representing the food banks across Canada, has recognized the critical importance of enacting this measure. In its words, the five week extension may help to keep many Canadians out of the food bank lines. One-fifth of those it helps are not working or on EI and those households are facing a very precarious year. Food Banks Canada said it was glad to see the five week extension of EI benefits.

The bill would also improve access to financing and it would strengthen our financial system. We all recognize the impact the global recession is having on Canadian businesses, especially access to credit. We have heard loud and clear in the past months that Canadian financial institutions have been less willing to lend credit to worthy Canadian families and businesses. This has made an already difficult economic situation much worse.

• (1110)

To combat that, Canada's economic action plan announced measures to support the extension of financing to Canadians and Canadian businesses, and this bill helps implement that. With access to financing, Canadian families can continue to make the purchases that keep the economy moving ahead. Businesses will be able to purchase new equipment, invest in their operations and grow for the future.

This bill allows Export Development Canada and the Business Development Bank of Canada to extend additional financing to Canadian businesses, as well as increases the maximum eligible loan amount under the Canada small business financing program to \$300 million per year.

Organizations such as the Canadian Manufacturers and Exporters heaped high praise on the economic action plan:

The government took critical steps in the budget to stimulate liquidity, provide incentives that will encourage manufacturers to invest in machinery and equipment, as well as a much-needed investment in strategic infrastructure.

This bill also authorizes key spending, as outlined in part 6, on infrastructure, community adjustment, housing and health care. This includes nearly \$4 billion in investments for urgent infrastructure needs, spending to pave roads, improve our universities and colleges, fix sewers and repair bridges. These are investments that

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will not only modernize our infrastructure but will also, as the Canadian Construction Association has noted, “create jobs, stimulate economic recovery, and better our communities while providing Canadian taxpayers with the best bang for their stimulus buck... ensuring that Canadian communities, businesses and our workforce are well equipped and prepared to respond to the new opportunities that will present themselves as the economy recovers”.

It also includes over \$1 billion in investments for social housing, and houses for low-income seniors and persons with disabilities, as well as first nations housing, investments praised by the Federation of Canadian Municipalities as they “put Canadian labour and building materials to work providing adequate housing for low-income families”.

It provides over \$500 million to help foster economic development, science and technology initiatives, and other measures to promote economic diversification in struggling communities across Canada. It also authorizes \$500 million for the development of electronic health records. The Canadian Medical Association commended this investment as “rightly aimed at supporting the front lines of health care,” and that it “will lead to better, more efficient care”.

These are but a few select measures in this bill that are vital for the implementation of Canada's economic action plan. Also included in the bill are measures that will help assist in the transition toward a Canadian securities regulator with willing provinces and territories. It will modernize the Investment Canada Act to encourage foreign investment and to make sure that new investments do not jeopardize Canada's national security. There are new provisions to the Competition Act to protect consumers from anti-competitive behaviour as well as unscrupulous business practices, and much more.

This is a comprehensive, detailed 524 page document, a lengthy piece of legislation. Indeed, I have only provided the highlights in my time today. We could literally spend hours, or months, engaged in abstract academic discussions about this bill, but we do not have the luxury of time, nor do the Canadians who have lost their jobs. With all due respect to those here who wish to engage in lengthy debates, I would ask them to remember that we conducted the most comprehensive prebudget consultation in history, open to all Canadians, this past December and January. We asked them for their input then; that time has passed.

As the Canadian Chamber of Commerce noted, “The government has consulted extensively.... In the interests of all Canadians, the plan should be given a chance to work.... We believe it is an important step forward”.

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Let us work together and move forward with the vital measures in Canada's economic action plan as quickly as possible. We on the government side will do whatever we can to expedite this bill. We will put no further speakers up at second reading. Conservatives have offered to sit extended hours, night and day, at committee. I call upon all parliamentarians to act responsibly and follow that example. We must ensure that this bill passes as quickly as possible without the delay of months. Now is the time for Parliament to act.

• (1115)

Mr. John Cannis (Scarborough Centre, Lib.): Mr. Speaker, I listened very carefully to the chief government whip. He told us about what is in this budget. He talked about the need for co-operation. He knows very well that the Liberal team is putting people and country first, but with caveats, and that is what I would like to ask him about. He told us what is in this budget. Could he tell us about a timeframe?

I ask the question because in the building Canada fund some years ago, the Conservatives put in \$33 billion, of which not even 10% has been delivered. What good is it if all these programs are put forward? We are co-operating on this side to make sure that the bill is passed. What are the Conservatives going to do to make sure that the programs are indeed funded?

Hon. Gordon O'Connor: Mr. Speaker, we accepted the Liberal amendment that we report back to Parliament on a regular, prescribed basis and of course we will. In fact it is in our interest to do this because we in government want this to succeed too. We are trying to overcome red tape and bureaucratic rules to get this money to people in the various areas. We are asking for the co-operation of the Liberals, the Bloc and the NDP in order to help Canadians.

• (1120)

[*Translation*]

Mr. Paul Crête (Montmagny—L'Islet—Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, I listened with interest to my hon. colleague's speech and the question from the Liberals, who have decided to support the government.

In a way, this is a Liberal and Conservative budget. Last week, the economic reality brought us to reel and showed us that there are indeed several industries in difficulty. Take for instance the forestry and manufacturing industries, as well as the aerospace industry in Quebec, which are especially hard hit.

Some Conservative ministers have even said of the measures that they were not adequate and that further measures are needed to remedy the situation. The Prime Minister seems to have called them to heel. At any rate, the government is really short on specifics about what its position and attitude will be.

Does the government intend to move forward with further measures to really help the forestry and manufacturing industries, as all of Quebec has been asking for quite a while, even in a unanimous motion passed at the Quebec National Assembly?

What is the government's position on how to improve the measures it has introduced, which are clearly not enough to stimulate the economy, in Quebec and in the manufacturing sector across Canada?

[*English*]

Hon. Gordon O'Connor: Mr. Speaker, as I said in my speech, we are suffering the economic consequences of what is going on in the rest of the world where economies are experiencing a downturn and 35% of our economy is related to exports, which includes forestry, mining, manufacturing, et cetera.

We are hoping that the budget will pass as quickly as parliamentarians will allow it to pass, because until the budget bill passes in Parliament, that is, by both the House and the Senate and the bill is signed by the Governor General, no money will flow. We need that money to flow.

In the budget there is assistance for every sector of our economy including forestry, mining and manufacturing. I realize that in the province of Quebec there are many people who are now unemployed in these various areas and others, but so are people in the rest of the country. We are the Government of Canada and we are trying to look after every province and the nation as a whole.

Ms. Olivia Chow (Trinity—Spadina, NDP): Mr. Speaker, a lot of students are having a hard time paying their student loans. Some of them are unemployed. They cannot find a job. Hidden in the budget implementation bill is clause 363, which is four or five pages long, which punishes students. It gives the minister the power to deny students financial assistance, deny students interest free periods, deny students deferral of payments, deny students payment of interest under subsection 9(2), deny students special interest free or interest reduced periods, et cetera.

It is filled with punishment and allows the minister to go after people within six years after the situation occurred. What does this have to do with stimulating the economy, creating jobs and protecting the vulnerable? Students are in fact vulnerable because they cannot find jobs these days.

Hon. Gordon O'Connor: Mr. Speaker, ever since it took power, this government has recognized the importance of students. Our future is to have a very well-educated citizenry who can take on all the various jobs in the world, because our future is in outperforming other countries. It is having a labour force that is better qualified to do various jobs, such as in high tech, manufacturing, et cetera, than other people in the world. That is based on education and training. The budgets of 2006, 2007, 2008 and 2009 coming up, in each of those budgets we have increased the amount of money going to education and training.

• (1125)

Hon. Vic Toews (President of the Treasury Board, CPC): Mr. Speaker, I am quite excited about the bill and the speech by the government whip. There are all kinds of initiatives to stimulate the economy and that is very exciting.

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There are Liberals who support this budget because they understand the importance of getting this money into the economy. However, I am puzzled that at the same time as we have all these wonderful initiatives in the bill, New Democrat members of Parliament are asking me if I can help support this initiative or that initiative. I say absolutely, let us get the budget bill passed. The Liberals are onside. Yet the NDP members voted against the budget, the same people who asked me if I could support this initiative or that initiative.

Can the chief government whip explain that inconsistency between what NDP members say privately to me and what they do publicly?

Hon. Gordon O'Connor: Mr. Speaker, my recollection is that the NDP has voted against every one of our budgets. It does not matter what is in the budgets. In fact, with respect to this budget, we were told by the leader of the NDP that he would oppose it regardless of what is in it.

We are about to spend \$85 billion to stimulate the economy. In the budget there are an untold number of ways to help Canadians, but because the NDP chose through its philosophy to oppose the budget regardless of what is in it, that party is not going to support this budget.

[*Translation*]

Mr. Jean-Claude D'Amours (Madawaska—Restigouche, Lib.): Mr. Speaker, I would like my hon. colleague across the way to recognize a few things. Last week, it was announced that 129,000 workers lost their jobs in Canada. The government is always trying to say that things are worse in the United States, except that, proportionally, Canada has one tenth of the U.S. population. Multiply 129,000 jobs lost in one month by 10. That makes 1,290,000. That is how many people would have lost their jobs if Canada were the size of the U.S., and that is twice as many job losses as were recorded in the United States last month.

Is the government closer to showing some flexibility regarding municipal infrastructure such as municipal garages, to ensure that our municipalities are provided with the tools they need to develop, regardless of the type of infrastructure they need?

[*English*]

Hon. Gordon O'Connor: Mr. Speaker, our government has consulted with the provinces and the cities to determine what they need. I think everyone will find in the basket of opportunities within infrastructure that most needs can be satisfied.

Hon. John McKay (Scarborough—Guildwood, Lib.): Mr. Speaker, this is the budget implementation bill. I emphasize the point that this is the implementation of the budget.

As members know, the Liberal Party has given the government a conditional pass on its budget. Part of our concern has to do with the government's competence to implement what it proposes in the budget.

The budget calls for substantial amounts of money to be spent on a stimulus package. In this bill, literally, there is a call for billions of dollars to be spent on stimuli. To be precise, it is \$5.973 billion, as indicated in part 6. This is a considerable sum of money by anybody's standards.

Many of these initiatives are quite supportable and have the appearance of being good ideas. However, I would remind members that this is an implementation bill. This is a bill that would enable the government to actually spend the money.

There is a substantial consensus among economists and other Canadians that we need an economic stimulus from the federal government and that it would be welcomed in the Canadian economy. Therefore, \$6 billion into the economy should put Canadians to work and should stimulate the economy. Unfortunately, the government has a very poor record of delivery.

The budget is the promise. The budget implementation bill is the delivery. The government is very good on the promise side of the equation, but it is much poorer on the delivery side of the equation.

I direct the attention of members to page 10 of the Parliamentary Budget Officer's budget 2009 economic and fiscal outlook briefing note of February 5, wherein he states:

Historically, however, the Government has experienced significant delays in delivering funds related to planned infrastructure investments.

For example, in 2007-08, the last year for which data is available, Infrastructure Canada lapsed 50% (\$1.1 billion of \$2.3 billion) of its non-gas-tax related funding.

“Lapsed” is government jargon. “Lapsed” in the real world means “promised but didn't spend”.

In the last fiscal year, the government promised to spend \$2.3 billion, yet was only able to write cheques for \$1.2 billion. If we want a stimulus in the economy, it does no good in the government's bank account. Money in the government's bank account does nothing for the economy.

If we applied the same track record to the promises contained in the budget implementation bill, we would have \$6 billion promised, but only \$3 billion delivered. I suppose it is not news that the government is long on promises but very short on delivery.

It gets worse. Some parts of Canada appear to be more favoured than others.

Out of the 50% delivery rate, apparently it is virtually only Conservative ridings that are in need of a fiscal stimulus. Notwithstanding that the Conservatives are a minority party in Parliament, representing about 40% of the ridings, it appears that they would receive in excess of 75% of the funding.

We are in an economic crisis. President Obama has been pouring trillions of dollars into stimulus, yet our government can only get 50% of its money out the door. Of that 50%, 75% goes to its cronies and friends. Members can see why we put the government on probation.

The idea of a stimulus is pretty simple. If we put \$100 of taxpayer money into the economy, it is supposed to act as a multiplier in the economy and create at least \$100 worth of economic activity and, hopefully, more than \$100 worth of economic activity.

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•(1130)

Therefore, the government is right to emphasize infrastructure stimulus, which is temporary, which is timely and which is targeted. That is the right thing to do, but its track record is one of incompetence and parochialism. There is no sabotage like self-sabotage.

For years the Liberal Party has argued that the transit pass is a complete waste of taxpayer money. We argued it when we were in government and we have argued it when we have been in opposition. It is a public policy disaster.

When I was parliamentary secretary to the minister of finance, I argued that it was a stupid waste of taxpayer money. I had Department of Finance briefing notes to back up that argument. To no one's great surprise, the Auditor General confirmed our arguments last week. In the report it said:

In its 2007 Climate Change Plan under the Kyoto Protocol Implementation Act, Environment Canada stated that the Tax Credit is expected to result in emission reductions of 220,000 tonnes each year from 2008 through 2012.

The 220,000 tonnes sounds pretty good. It was unfortunately approximately double Finance Canada's estimate of the resulting emission reductions in its strategic environmental assessment. In its 2008 plan Environment Canada amended the figure for the expected reductions to an average of 35,000 tonnes per year, about 16% of the original estimate of 220,000 tonnes when that budget implementation bill was going through.

The 35,000 tonnes is quite a reduction from 220,000 tonnes. Given the lower figure the tax credit will have a negligible impact on Canada's greenhouse gas emissions. Many factors influence public transit ridership, including the price of gasoline. The result is that it is almost impossible to measure actual greenhouse gas emission reductions attributable to a tax credit.

With regard to other emissions, Environment Canada could not provide any analysis to support the assertion that the tax credit would result in measurable impacts.

Therefore, what do we have? We have a claim of a 220,000 tonne reduction amended down to 35,000 tonnes of reduction. The report further states:

A consultant's report commissioned by Finance Canada prior to the Tax Credit's approval dismissed an alternative proposal because the cost to government would be excessive (\$800 per tonne of greenhouse gases reduced) and the reduced fares would have little impact on transit usage. For the Public Transit Tax Credit as announced, Finance Canada estimated that the cost through tax revenue loss would be much higher, ranging from around \$2,000 to \$3,000 per tonne of greenhouse gases reduced between 2006 and 2010.

If we take the 220,000 tonnes, the government says that it will cost \$800 per tonne. We are down to 35,000 tonnes now and it will cost \$2,000 to \$3,000 per tonne.

Based on this estimated cost and the lower expectations for the greenhouse gas emissions reductions in the 2008 plan, the cost per tonne will be even higher. It is not \$800 per tonne, it is not 2,000 per tonne, it is not \$3,000 per tonne and it may actually be much more per tonne and we cannot measure it in the first place. It is a public policy disaster and a total waste of taxpayer money, which was the argument that the Liberal government put forward when we were in government and we put forward when we had been in opposition.

Our hesitation to endorse the government's budget is well founded. The public transit pass fiasco was just one of many budgetary initiatives that used the tax system for political purposes.

Jeff Simpson in this weekend's *Globe and Mail* said:

It was a farcical policy, not to put too fine a point on the matter.

It was estimated that about 95 to 97 per cent of those receiving the new subsidy were riding public transit anyway. There would be no major shift from cars to buses. The money would, quite literally, go down the policy drain, which is of course exactly what happened.

As a climate-change policy, it was among the least effective policies imaginable.

•(1135)

It goes on to echo the devastating critique of the commissioner of the environment and it concludes:

Policies like those devastatingly dismissed by the sustainable development commissioner are a scandalous waste of taxpayers' money.

I have spent many years in this chamber. I do not know how many times I have heard Conservative members, both in opposition and in government, say that they are the protectors of taxpayer money. I would urge all Canadians to read the commissioner's report before they buy that argument from any Conservative member. This is a scandalous waste of taxpayer money with little or no environmental impact.

We have a government that has a lamentable record of getting infrastructure projects out the door. When it does, surprise, surprise, it seems to end up in Conservative ridings. The government ignores good public policy in favour of dubious electoral politics.

I know this will come as a bit of a surprise, but I do want to say something good about the government. It will not take too much time, in fact, we could probably just cut this part right out. In my view, the purchase of asset-backed commercial paper, be it mortgages, or motor vehicles leases or sales contracts on equipment, is a good idea. It must have been a good idea because the Conservatives probably did not think of it.

The overall problem with the economy is that the consumer, particularly the American consumer, has simply stopped buying. If the consumer stops buying, the entire manufacturing chain backs up and layoffs ensue worldwide as manufacturers find themselves with excess inventory and no one to buy it.

Consumers are also employers and employees. When layoffs occur, not only does the person cease to be an employee, he or she also ceases to be a consumer and the whole system loops back on itself.

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It may be awhile before consumers get enough confidence to get back into the marketplace. The government can do little or nothing about confidence, but it can do something about credit. Picking up frozen credit instruments is a good thing, and putting cash in the hands of manufacturers and others at a time when cash is needed is the right thing to do.

The other attractive feature from a government standpoint is that it provides stimulus in the economy without actually ratcheting up the debt or the deficit. The assets are purchased at market value and commercial prices, so the government has an offsetting asset to go with its expenditure. In some respects it is the best of both worlds, stimulus without deficit.

I encourage the government to use its considerable leverage to purchase this frozen paper, not only to get cash into the hands of manufacturers but also to allow retailers to sell product more easily when a customer does not have the full purchase price of the product.

Just last Friday we learned that Canada had lost 129,000 jobs in the month of January alone. To give a comparator, as one of my colleagues said, that would be as if America had lost 1.3 million jobs in a month. By anyone's standard, that is a huge job loss and it is the largest number of job losses we have had in recorded history, which goes back quite a number of years. There were 129,000 jobs lost, and nearly a quarter of a million since November.

Canadians who are suffering in this recession are looking to their members of Parliament for help. We cannot let them down. The leader of the official opposition says that these staggering numbers are precisely why he has put the government on probation with his Liberal budget amendment.

● (1140)

During the election last fall, the Prime Minister said that it was a good time to buy stocks. He said that there was no need to run a deficit. In fact, I remember the Minister of Finance saying that he would not be the first finance minister in the last half dozen finance ministers to run a deficit and yet here we are. He also said that if we were to have a recession, it would have happened by now. We know that as he was saying that the market fell further, the Conservatives were in the red and over 234,000 jobs were lost, almost a quarter of a million jobs.

The Leader of the Opposition said:

This government has failed to plan and failed to protect Canadian jobs. It didn't see the seriousness of the downturn and failed to bring in an immediate stimulus package when the urgency was clear.

This budget is far from perfect. Had we drafted it, it would have been a different budget from the one we are debating today. However, Canadians cannot afford to wait any longer for the government to act. While this budget fails in some areas, some of which I have outlined, it also manages to provide some assistance that is needed. For this reason, the budget should proceed to committee without undue delay or partisan games.

The NDP decided to oppose this budget before it was even written. Canadians deserve more. Now it is time to put away partisan games and recognize that we are here to serve Canadians.

Therefore, pursuant to Standing Order 61(1), I move:

That the question be now put.

● (1145)

Mr. Francis Scarpaleggia (Lac-Saint-Louis, Lib.): Mr. Speaker, I would just like to ask the hon. member for his comments on a couple of ideas.

First, the government has been saying, almost ad nauseam, that because this is a global situation, somehow it has very little responsibility for remedying the situation. However, there is macroeconomic policy and there is microeconomic policy. It is important that the government get its microeconomic policies right. Once such policy would be to reform the EI system to make it more generous in recessions and less generous, perhaps, in good times. That would pump money directly into the hands of people who would spend that money right away.

Second, I know the member was the parliamentary secretary to the former prime minister and minister of finance, Paul Martin. It is my understanding that his microeconomic policy of the day helped preserve the integrity and strength of our banking system, which, today, is highly appreciated. Would the member like to comment on those two points?

Hon. John McKay: Mr. Speaker, with respect to the member's first question on EI, the government probably did the least amount possible it could with the most vulnerable in our society. When we have 129,000 people being laid off, it is just not useful to tell them that if they stay laid off long enough they will actually get an extra five weeks on the tail end of their EI.

The least the government could have done was to have shrunk the two week waiting period. That would have been step one. The second thing it could have done is the whole reduction of the regionalization of EI. If one is unemployed in Toronto, it is the same as being unemployed in Miramichi or in Cape Breton, which is another fine place to be unemployed. Regarding the argument that one person has bills and another does not and so on, the fact is that the bills are coming in the door. The two week waiting period should be eliminated and the number of hours worked should be similar across the country.

With respect to the banking system, the member is absolutely right. The former prime minister and former minister of finance did not go crazy with respect to all the rules and regulations, so we do not have the craziness that went on in the United States. We have integrity in the system. We also did not allow mergers, which turned out to be the right policy decision in hindsight.

Government Orders

[Translation]

Mr. Guy André (Berthier—Maskinongé, BQ): Mr. Speaker, listening to my colleague, it seems obvious that he has more reasons to vote against the budget than to support it. He gave many more reasons to vote against the budget—and I agree with some of them—than he gave to vote in favour of it.

I would like to hear my colleague's thoughts on securities. This bill would establish a Canadian securities regulation regime transition office, and the government would give this office a \$150 million budget. Quebec's National Assembly unanimously voted against creating a Canadian securities commission. The Bloc Québécois intends to support harmonizing the rules of a more decentralized financial system, such as it is now. I would like to hear my colleague's thoughts on this subject.

Is this one more reason he might vote against the measures contained in this budget? Because we feel it is another very negative aspect.

• (1150)

[English]

Hon. John McKay: Mr. Speaker, this concern about a national securities regulator has been around through two governments now and has been largely driven by the business community. The business community, both in Canada and outside of Canada, looks at our patchwork system of regulations as nonsense. We have 13 separate regulators in 13 separate jurisdictions doing, Lord knows, what all. Some set up regulations based upon best practice and some have very specified codes, and it becomes virtually impossible.

The result is that the default goes to Toronto. Toronto becomes, effectively, Canada's securities regulator by default, which we think is a regrettable thing. We think there should be a national securities regulator. The measure provided by the government is a sensible approach to what is a fractured system. We will have to see how this budget implementation measure acts itself out but, in my view, this is a step in the right direction.

Ms. Olivia Chow (Trinity—Spadina, NDP): Mr. Speaker, a woman earns 70¢ for every dollar a man earns but an immigrant woman only earns 56¢ for every dollar a man earns. Women, by and large, will not qualify for employment insurance and there is nothing in the budget to make it easier for them to qualify.

The budget also denies women access to the Canadian Human Rights Act. Clause 399 of the budget implementation bill states:

40.2 The Commission does not have jurisdiction to deal with complaints made against an employer...

—even if—

the employer has engaged in a discriminatory practice referred to in section 7 or 10

—or 11 of the Human Rights Act. I have heard that the hon. member and his party are against the amendment to this pay equity section. Will he or will he not move an amendment to delete clause 399 in the budget implementation bill as it has nothing to do with stimulating the economy, protecting the most vulnerable, creating jobs or protecting jobs?

Hon. John McKay: Mr. Speaker, the budget implementation bill does very little to protect the vulnerable, whether they are men or

women, whether they are employed or are on their way to becoming unemployed. This has been a rather regrettable and lamentable exercise by the Conservative government. One would wish that these issues had been addressed in a more fulsome fashion by the government.

As I have said in the past, we have put the government on probation. We have a great deal of concern that what it has promised in the budget will not be delivered and, if it is delivered, that it will be delivered in a haphazard and parochial way. It will be devastating on whole categories of vulnerable people, some of whom the hon. member has mentioned.

Mr. Colin Carrie (Parliamentary Secretary to the Minister of Health, CPC): Mr. Speaker, I thank the member for his comments and his party's support of the budget.

I did note that he made a little a joke about unemployment and where it occurs. I know he did not really mean to be funny but, coming from Oshawa, we are really suffering right now as far as the manufacturing sector.

In the budget, we have massive infrastructure spending. Locally, there is money put aside for cleanups, such as the Oshawa Harbour, money for roads and sewers, and help with the university.

The hon. member talked a little bit about the EI system and whether we should be eliminating the two weeks. We can debate that back and forth, and I do realize there are ideological differences, but instead of getting rid of the two week waiting period, we added five extra weeks. We also put in extensive opportunities for retraining. There is money for people who did not qualify for EI to apply for retraining. There is \$500 million in the budget to help people who do not qualify under EI for retraining. My community really needs this.

The hon. member is not a person to play political games but, as he mentioned, the NDP decided to vote against the budget before they even read it. My concern is that the NDP will try to hold this up in the House for their own political ideology

Not too long ago, the Liberals were willing to get into a coalition with the NDP. Is there any influence he has that could put some common sense into the NDP so that communities like Oshawa could benefit from the budget, because we need to pass it as quickly as possible?

• (1155)

Hon. John McKay: Mr. Speaker, I am afraid my influence with the NDP is rather modest at this point.

The hon. member does come from Oshawa which is where I had the great honour to practise law for 22 years. I know the community quite well and I know exactly the concerns that are being faced by the folks in Oshawa, particularly those who are associated with the car manufacturing business. I share with him that concern.

Government Orders

The trouble is that because the government does not really pay much attention to serious policy discussion, bad choices get made. He mentioned EI. Probably, as I said before, the least the government could do was to add on five weeks at the tail end of the period. However, that is precisely it. That is all it did. We are facing 128,000 job losses and what do we get? We get five weeks at the tail end.

The government could have and probably should have eliminated the waiting period. What it could have done and should have done was eliminated the number of hours that Oshawa workers need to qualify for EI. It could have made it very similar to all of the other communities around the country that I have mentioned.

I regret that this is a budget implementation bill. The budget itself, the government takes some of the good stuff and wrecks it with some dumb ideas.

[*Translation*]

Mr. Jean-Yves Laforest (Saint-Maurice—Champlain, BQ): Mr. Speaker, I am pleased to have the opportunity to comment on this budget implementation bill.

Some of the Liberals liked the budget, and some did not, but as we know, all members of the Bloc Québécois voted against the budget. It is clear that the budget implementation bill does nothing to correct the fundamental flaws that made it impossible for us to support the budget.

I want to go over the major issues we disagreed with. These issues are really important because they affect everyone in Quebec.

As I was saying earlier, the proposed changes to equalization are still a fundamental issue. Proposed amendments to equalization would cause Quebec to lose \$1 billion of the money it was expecting for next year, and even more the year after that. That is completely unacceptable, and I will come back to that later with some examples of how badly that will hurt us and the tough choices Quebec's National Assembly will have to make.

I also want to point out that Quebec's National Assembly passed a unanimous motion that addressed equalization. In it, Quebec's National Assembly demanded that the federal government maintain the current equalization formula as is, which included additional revenues of over \$1 billion for next year alone.

As the Liberal member mentioned earlier, this bill does not fix the pan-Canadian securities commission problem. Quebec's National Assembly has conveyed Quebec's traditional strong opposition to the proposed pan-Canadian securities commission. We know that the Government of Quebec has also said that it is prepared to take the matter to court because this is about jurisdiction and the powers that belong to the Government of Quebec. Naturally, the Bloc Québécois is completely opposed, once again, to a bill that does not reverse the budget's intent in this regard.

The other major problem we have with the budget implementation bill has to do with access to employment insurance. The Conservative government wants to improve the employment insurance system, but is not going about it the right way. The government is not going to help the unemployed by giving them five more weeks of benefits.

During the debate on the budget speech, I said that people who have just lost their jobs need access to employment insurance and that the waiting period should be abolished. The two-week waiting period is what hurts the most, because people who lose their jobs—and many in my riding will lose theirs—often find a new job by the end of their benefit period, so the extra five weeks do them no good.

They will find a new job and keep on paying employment insurance contributions. Then, in another six or seven months, they might lose their job again. So every seven, eight or nine months, they are faced with a two-week waiting period, and they can never make up for those losses.

● (1200)

When both parents in a family lose their jobs, they are hard-pressed to meet their family obligations, such as covering their mortgage, taking care of their children's needs and paying for the cars they need to get to work. The government is not choosing the best way to help the unemployed so that they can have more flexibility and some breathing room.

There is also the whole issue of accessibility. Why did the government not make employment insurance more accessible if it really wanted to help the unemployed? In January, Statistics Canada said that nearly 40,000 jobs had been lost in Quebec alone and 129,000 across Canada. That is huge. We know we are in the midst of a crisis, and these statistics prove it.

The government should have opted for much better targeted measures to help all these people. What is more, this is happening during the winter. People's heating and electrical bills are even higher than usual. The government really did not listen and is not doing the right thing to help people.

This bill, once again, does not improve the budget or the whole question of the misguided tax cuts—and I will come back to that later—for both individuals and businesses. The bill eliminates a provision in the Income Tax Act aimed at preventing companies from using tax havens to avoid paying taxes. I will also come back to this, because it is completely unfair.

Government Orders

Even the current Minister of Finance said in 2007 that it was unfair and inequitable to allow companies to write off interest from some of their loans, for example, because they will invest outside of Canada. Creating jobs outside of Canada and allowing companies deductions in two separate places, that is, allowing them to twice write off the interest they have to pay, is completely unfair. The Minister of Finance said so in 2007. He said it was completely unfair. Small and medium-sized businesses as well as individuals must pay higher taxes because big businesses that invest outside of Canada are allowed to take advantage of such benefits and pay less tax. It is completely unacceptable.

The budget implementation bill still contains those measures. The minister is going back on his word. This is a scandal. It is completely unacceptable that big businesses are being allowed to take advantage of undue benefits, while unemployed workers and people who are struggling to get by every month will have to pay more taxes. We are also thinking about the next generation. As we all know, we will be facing deficits for some time. It is completely unacceptable.

The bill also opens the door to deregulation in the area of foreign investments, which in turn opens the door to foreign takeovers, without taking into account the economic interests of Quebec and Canada. Many loopholes in the budget and the budget implementation bill will allow companies and foreign investors to take control of companies that are already being well managed in Quebec and Canada. This also shows a lack of economic vision towards Quebecers and Canadians who are perfectly capable of managing their companies.

• (1205)

It truly goes against the economic interests of Quebec and Canada.

In this budget, funds have been allocated for social housing. However, they are misdirected. Once again, the government has targeted the renovation of social housing. Yet, it has been stated rather clearly that there is a need for new social housing rather than renovations. There is a dire need for new housing so that demand can be adequately met. Once again, they have missed the mark.

There is a very important component with which we disagree. I am referring to that part of the bill which, in some ways, completely ignores public sector negotiations and agreements concerning compensation by imposing working conditions

A number of employees at the Shawinigan tax and research centre in my riding of Saint-Maurice—Champlain find themselves in this situation. By wanting to impose salaries, the government is completely undermining a negotiating strategy that is of tantamount importance to labour relations and that ensures that there will be good relations between the employees and their employer, the Government of Canada. Once again, the rights of these individuals are being denied. The Bloc Québécois is totally against this. It is one of the reasons why we will vote against this bill.

Earlier I mentioned that this bill will implement tax cuts contained in the budget and I stated that they are misguided. We have checked the numbers and, based on our calculations, in order for an individual to take advantage of all the cuts, they would have to earn at least \$81,500 per year. You will agree that this does exactly represent the middle class.

I do not believe that tax cuts for the middle class should be calculated based on a salary of \$80,000. Middle class households or families—two people who have to work in order to pay the mortgage, heating, cars, children's clothing and food—do not have an income of \$81,500.

If, by chance, two people make that type of salary, they are far from middle class. Before the budget, the Conservative government told us that tax cuts would target the middle class. But the targets were poorly defined, and this issue is being completely ignored. The tax reductions should really be directed at people with much lower incomes.

The Conservatives stated this and demonstrated it in their budget on page 239: a one-dollar drop in personal or corporate taxes does not have a significant impact on economic stimulation compared with aid for the poor or investment in other areas.

They themselves have said that it will not be a big help in fixing the economy. We are in the midst of an unprecedented crisis that, in January alone, left 129,000 Canadians without work. That does not even count those who lost their jobs in the fall and—we hope this will not be the case—those who will lose their jobs in February and the coming months. Hopefully there will not be that many.

It seems as though government analysis is lacking when it comes to tax reductions.

• (1210)

As for businesses, I am in total disagreement with the government on one major point. In 2007 the Minister of Finance committed to eliminating double deductions of interest for Canadian businesses that invest overseas. I spoke about this earlier. Without this provision, businesses will be able to continue evading taxes with impunity. And that is what is about to happen. We see that both the government members and the Liberal members will enthusiastically support this situation. The Liberals have shown the Conservative government how it is done. So, we are not surprised, but we are saddened.

Government Orders

I want to point out that the Minister of Finance already backed down on that. During certain election campaigns, the Conservatives made a number of promises. They made some progress in the fight against tax havens. They even demonstrated a degree of openness by saying that they would put an end to the practice because, as the Minister of Finance himself said, it was unfair. Now they have backed down because of an advisory panel made up of people whose independence and impartiality are questionable. We know that the panel was created to determine whether it was worth introducing a measure to prevent entities from double-dipping, a measure announced by the Minister of Finance. The group was made up of six members, four of them from private corporations that could easily have taken advantage of such a strategy. For example, one member is the former president and CEO of Scotiabank, the Canadian bank with the most branches in tax havens. We think that the authors of the report are clearly in a conflict of interest.

I have listed a some of the reasons why the Bloc Québécois completely disagrees with this bill. It does nothing to correct the problems that came up in the latest budget. There is no doubt that it is a direct attack on Quebec's jurisdiction, particularly in respect of equalization.

One example of a great injustice is the issue of a single securities commission. I would also point to the inequity in the budget, which allocates \$170 million to the manufacturing and forestry industries, even though Quebec's forestry industry has been in crisis for a very long time. In Quebec, the sector has been dealing with these problems for three or four years now. Yet the government is giving Ontario's auto industry \$2.7 billion. I agree that there is no doubt the industry is going through tough times. However, even though Quebec has been having problems for much longer, Ontario is getting a lot more, proportionally, than Quebec.

• (1215)

[English]

Mr. Ted Menzies (Parliamentary Secretary to the Minister of Finance, CPC): Mr. Speaker, I thank my hon. colleague from the Bloc, who sits on the finance committee with me, for his comments.

I would be much happier if we could have some support from the Bloc in moving this forward. We can have some discussion here about whether we are doing enough or whether it is exactly right, but that does not ring very solidly among those who have lost their jobs in terms of the importance of getting this budget implementation bill through.

The hon. member said that what we are doing goes against well-managed businesses. I would like to remind the hon. member that we have in fact reduced taxes for businesses as well as individuals. We have cut red tape for businesses. We have offered a common securities regulator, which will allow businesses to attract foreign investment, because there would be one securities regulator across the country.

Is the hon. member ready to go back to his constituents and suggest that he voted against \$200 million for low-income seniors housing, \$25 million for housing for the disabled and \$100 million for renovations of social housing? I would like his answer on that.

[Translation]

Mr. Jean-Yves Laforest: Mr. Speaker, I thank the member for his question. He said that the government has cut red tape for businesses. This takes me back to the last election campaign, where I met I do not know how many stakeholders from various businesses. In fact the issue of red tape was one of the major reasons why they disagreed with the positions taken by the Conservative government.

Access to programs is extremely difficult. It is a known fact, as shown by an analysis of business access to various programs. A lot of money was not spent on various government programs because access to these programs is too complicated. Programs are not necessarily made for businesses. They are the ones having to adapt to programs, which creates a great deal of difficulty.

[English]

Mr. Charlie Angus (Timmins—James Bay, NDP): Mr. Speaker, I am interested in my hon. colleague's statements in the House. I have been listening with absolute fascination to the Conservative Party's new mantra that it is suddenly concerned with the unemployed and that we have to do all this for the unemployed.

This is a government that ridiculed the notion that Canada was coming into hard times even as the U.S. economy was collapsing. The Prime Minister was telling senior citizens and pensioners to pick up some quick bargains when the stock market was collapsing.

Just two months ago, we heard the finance minister say that we were not in a recession, that we would not be in a recession and that we would not be in debt. Now we are \$30 billion in deficit, and the Conservatives are trying to manipulate public opinion in saying that this \$30 billion is economic stimulus, when really half of it is paying for last year's mistakes. They are paying for a structural deficit that they have created.

The fundamental issue in my region, where people are losing their jobs, is the issue of employment insurance. A plan for employment insurance has been put forward again and again, yet of the 130,000 people who are losing their jobs, not one will be more eligible for EI because of what the government is doing, which means that maybe half of them will not get EI at all.

I would like to ask the member about the failure of the government to come forward with a clear and reasonable plan for EI to help us through an economic recession.

• (1220)

[Translation]

Mr. Jean-Yves Laforest: Mr. Speaker, I thank my colleague for his question. Employment insurance is certainly an area of concern for all political parties. Nevertheless, we realize that the government is incapable of choosing the right measures that would really help the unemployed.

Government Orders

One just has to look at recent history. In his question, the member also talked about the recession and the credit crisis that we are facing right now and that the Conservatives kept denying. The government even ignored its own legislation calling for fixed election dates and we found ourselves in another election campaign. The Prime Minister stated at that time that Canada was not in a recession even though there was a major problem in the United States.

An analysis of the appropriateness of EI measures brought in by the government clearly shows that the Conservatives are just as mistaken in terms of the measures they are proposing to help the unemployed as they were in judging the seriousness of the crisis.

[*English*]

Hon. Larry Bagnell (Yukon, Lib.): Mr. Speaker, I have two questions and a comment. I will give the questions first.

It was said earlier today that the Conservatives were downplaying the intensity of the recession in Canada compared to the United States by saying that it is not as bad, when in fact the figures show it is worse. Does the member agree that it is the same situation in Quebec?

In relation to the common securities regulator, I would just comment on the fact that it is actually a voluntary initiative.

The comment I want to get on the record is that today is Yukon Day. I know the premier is having a reception at 5:00 p.m. at 131 Queen Street, and the chiefs are here. One of the budget problems that has been brought to my attention by a chief is that although the northern housing money is set aside for all northern citizens, the northern self-governments, which have delivered housing money in the past, have no indication of how much they might get and whether it will be transferred directly to them. They would like to be treated as governments.

I wanted it on the record that hopefully when the chiefs who are down today meet with the ministers, they will sort out that problem and also sort out a quick resolution to the nine-year review of the implementation of land claims, which has been going on for a long time.

[*Translation*]

Mr. Jean-Yves Laforest: Mr. Speaker, I thank the member for Yukon for his question, which is twofold.

On whether the crisis is a lot more serious in Quebec than suggested by the government, my answer to him is yes. Quebec is going through a crisis in both the manufacturing and forestry sectors. The vast majority of Canada's manufacturing jobs are in Quebec and Ontario.

The crisis in the forestry sector in Quebec has not been going on for four or five months, but rather for three or four years. There are major problems in this sector. The government should have started taking action several years ago in putting in place concrete measures to help businesses.

We are extremely disappointed to see such inequity in this budget with regard to the level of assistance provided to the manufacturing and forestry sectors. We are talking about \$170 million—as I mentioned in my speech—compared to 2.7 billion dollars for the auto industry in Ontario. I agree that it is a major industry, but the

crisis has been going on much longer in Quebec. The impact of the crisis in our communities is much more significant than the help the government is offering to Quebec businesses.

• (1225)

Mr. Thomas Mulcair (Outremont, NDP): Mr. Speaker, I am pleased to rise today to speak to Bill C-10, An Act to implement certain provisions of the budget tabled in Parliament on January 27, 2009 and related fiscal measures. The size of this bill speaks to its largely technical nature.

As its title suggests, the purpose of this bill is to implement the far-right policies of this new government which follows a conservative-liberal axis. This government has been led for three years now by we know who. A few months ago, however, a new player emerged from the shadows to lead the so-called Liberal Party, which really is liberal only by name. That political formation which used to promote social values at the economic and human levels is shifting toward the far right.

Let us start by going briefly over the past three years to see how we ended up where we are today. For the first time in a long time, the Conservatives took power in January 2006. This was a minority government, something they have always found hard to swallow and accept. The fact is that voters sent a clear message. They had had it with the party responsible for the sponsorship scandal, that is the Liberals. They wanted change, but did not trust the Conservatives quite enough, and they did not want to shift the country all the way to the right.

Instead of listening to this message and learning how to deal with the various forces at work, the government stuck to its dogmatic, ideological approach. The worst example of their lack of good budgetary and fiscal sense was the great leap in government expenditures. The Conservatives spent like never before in Canadian history. In their first three years in power, government expenditures increased by 25% or \$40 billion a year, with no tangible results to show for it. They continually misled the public, particularly in regard to the cost of the war in Afghanistan. They promised to do certain things, for example hold public consultations on appointments to the Supreme Court, through its various organs. They ignored this promise. They always talked about democratizing the Senate but then took advantage of the holiday season to appoint 18 close friends of the Conservative government, until they reach the age of 75.

Even more shocking, after claiming that it was unfair for governments to have the sole power to set election dates, the Conservatives promised henceforth to have fixed-date elections. That was one of the self-congratulatory pieces of legislation they like to call their ethics package. That too was a lie, because they broke their promise, broke the law in question, and called an election in August 2008. The election only took place in October. Their fondest dream, of course, was finally to achieve a majority government, but they failed.

Government Orders

As soon as the election was called, the current Prime Minister said that if he should be returned with a minority government, he would accept the people's judgment and learn to get along with the other parties in the House. In actual fact, the Conservatives took 37.5% of the votes in the election. This meant that the 62.5% of Canadians who voted for the more progressive voices—the ones on this side of the House—did not have any say in the government when it continued to act as if it had a majority.

The budget before us today, which Bill C-10 would implement, was passed on January 27, 2009, as indicated in the title. Exactly two months earlier on November 27, 2008, we were confronted with the dogmatic, ideology-driven Conservative reality. They attacked women's rights, social rights, and the right of labour unions to bargain collectively and use the negotiating power of a strike, if need be. Finally, they attacked the clean party-funding system, which had been established in light of the greatest political scandal in Canadian history, the Liberal sponsorship scandal.

● (1230)

In one fell swoop, they attacked these three things on November 27, 2008. And people across Canada were outraged. Instead of correcting their past mistakes, they went on the attack, and they are still on the attack.

For two and a half years, during their first term in power, the Conservatives rigorously applied their ideology. For example, in the extreme-right Reagan-Thatcher doctrine, the government has no role in the economy. The role of the government must be reduced. As I mentioned earlier, no government in the history of Canada increased government spending as rapidly as the Conservatives, and that was no small feat.

In keeping with their theory that the government has no role to play in the economy, they stubbornly refused to understand a simple fact: Canadians, 30 million people, occupy the second-largest country in the world, after Russia. Since World War II, successive governments have all understood one thing: to occupy and develop this vast land takes a vision that can target certain economic activities in certain regions, to create a stable, balanced economy. On the other hand, those sorts of targeted interventions go against all their economic theories.

For two and a half years, their solution to our economic woes was wall-to-wall corporate tax cuts. The percentage was the same across the board, but that posed a small problem. Any company that had not turned a profit had not paid tax, so the Conservatives' tax cuts did not benefit the companies that needed them most. They made \$40 billion in corporate tax cuts. But where did that money go? It went to the most profitable companies. And where, by chance, are those companies located? In the Prime Minister's home province, where most of the members close to him live. This is the province where, contrary to common sense and all the rules of sustainable development, companies are working the tar sands and completely ignoring our duty to consider future generations when making such decisions. The oil, gas and mining companies and the banks got the lion's share of these tax cuts.

I would like to talk about the forestry and manufacturing industries. Most manufacturing companies are located in central Canada, especially Quebec and Ontario. Vast segments of the

forestry industry are located in British Columbia. These two industries in particular suffered because of the Conservatives' policies. In fact, during the two and a half years of the Conservatives' first mandate, Quebec lost 150,000 to 160,000 manufacturing jobs. Those are well-paying jobs with pensions.

When we talk about sustainable development, the first thing that comes to mind is the environment, but in fact, sustainable development means that we must not download our responsibilities onto the backs of future generations. When jobs with pensions are taken away, future generations are forced to find the money to pay the way for those people when they retire.

That is what was done when well paid jobs in the manufacturing and forestry sectors were replaced by jobs in the service sector. I do not wish to take anything away from people who earn a living selling clothes at a shopping mall located where a factory once was. But such people work for \$12 an hour with no pension, while the other workers earned \$30 an hour. They could meet their families' needs, while compulsory deductions were put aside for their retirement.

That is the Conservatives' strategy. They did it deliberately, by applying a right wing theory inspired by Reagan and Thatcher policies, and of course the catastrophic eight years of George W. Bush's administration. That is their model, their inspiration.

● (1235)

After the October 14 election, one might have expected to see a change, but that did not happen; actually, things got worse. On November 27, we saw a full scale attack on the rights of women, unions and the other political parties. People reacted immediately and intensely, both among the public and in the House. However, there was no underestimating the ability of the current Prime Minister to spread hate and divide Canadians through his choice of terminology. When referring to the former leader of the opposition, he talked about "separatists". He knew what he was doing. He does not have the right to attack people for their language or ethnic origin, but that is precisely what he did by using that term, which he never had the nerve to say in French. In fact, "separatists" in English became "*souverainistes*" in French, a much softer term. He never had the nerve or the integrity to use the same term in both languages. That revealed a great deal about his character.

Just mention it to francophone colleagues from northern Ontario or Acadia. Following the attacks by the Prime Minister against the so-called separatists, they heard attacks against French Canadians and francophones outside Quebec that had not been heard for a generation. Such was the force unleashed by this sneaky, below-the-belt attack. This does not seem to bother the Prime Minister in the least. He only cares about himself. He does not care if he causes chaos or pits Canadians against one another.

Government Orders

Today, we have before us the implementation bill for the Conservative budget. This budget implementation bill is entirely in keeping with what we saw on November 27. It includes some of the most pernicious aspects of the deplorable document that was supposed to be the November economic update but which proved to be a new ideological attack by the Canadian right in the guise of a budget document.

One of the most reprehensible components is the attack on women's right to equal pay for work of equal value. Many confuse the right of women to earn equal pay for equal work and what I just said, that is the right to earn equal pay for work of equal value. According to the first principle, if we take the job category of truck driver, the man or the woman who drives that truck will be paid exactly the same. That was settled generations ago and people have a good understanding of that principle. The far greater challenge is eliminating the discrimination inherent between employment groups. It is readily understood just by looking at the public service in Ottawa. Historically, when the same requirements are examined, such as the difficulty of the task, the level of education required and other objective factors, employment groups with men in the majority are better paid than employment groups where there is a concentration of women. This has been definitively proven.

Our human rights legislation has always recognized the right of a woman to go to court, represented by others if need be, to obtain equal pay for work of equal value. On November 27, in the objectionable document I just referred to, the so-called economic update that really was not that at all, but rather an ideological attack, the Conservatives took away that right from women. This is exactly what the Conservatives want to do again today. It is written in black and white in Bill C-10. And what makes it even worse is the fact that a party that calls itself Liberal will vote with the Conservatives to take away the right of Canadian women to equal pay for work of equal value.

● (1240)

As if this were not enough—still speaking about sustainable development and our obligation to consider future generations every time we make a decision in this House—the bill creates a new power, under the Navigable Waters Protection Act, that will have an impact on the bed of any navigable or floatable waterway. Again, this will be done behind closed doors, through regulations, without any public debate. The government will remove the obligation to have environmental assessments for projects worth less than \$10 million.

Here, the Conservatives are sending the same message as when they take away the right of women to equal pay for work of equal value: it is a luxury that we simply cannot afford in these times of economic crisis. The message is the same with regard to the environment: environmental protection is a luxury that we simply cannot afford in these very tough economic times. That is hogwash. Shame on those who are suggesting that.

Tying the need for an environmental assessments to the value of the project show just how ignorant the government is when it comes to the environment. The mayor of a town who has been dreaming for years of filling in a precious wetland will now be free to do so as long as his project costs less than \$10 million. It is so ludicrous it

defies belief, but that is what is happening. This is all driven by ideology, certainly not common sense or knowledge. It is obviously not the cost of what is going to be put on a wetland that should be considered but the ecological value of the environment that is going to be destroyed.

We should seize the opportunity provided by the very real economic crisis we are facing to build things that will last and are sustainable, especially those related to green, renewable energy, so that future generations can be paid back. All we are bequeathing them now is the enormous debt we are going to run up. We are also going to bestow a second kind of debt on them. Not only will future generations have to pay back all the money we are spending now in excess of our revenues, but even more despicably, they are going to inherit an ecological debt and deficit that can never be offset.

They are going to destroy our precious wetlands and the quality of our air, and the health of our children will begin to suffer the effects. All this damage will happen because we are destroying the environmental protections that, in the long term, preserve our ecosystems and human health. Once all this damage has been done, thanks to the support of the Liberals, the Conservatives will have achieved what they always dreamed of: attacking the rights of women and attacking environmental protection, always in support of their right-wing ideology.

I really should mention the most important of our immediate needs: employment insurance. The government still has \$54 billion that it stole and put in its general revenues, even though this money was paid by working people and their employers precisely for times like these. Instead of abolishing the two-week penalty applied to people who are eligible for employment insurance, the Conservatives are going to retain it, with the help of the Liberals. Instead of extending employment insurance, they are going to keep the same rules.

For all these reasons, we in the New Democratic Party are going to stand up against the narrow, hard-right vision of the Conservatives.

● (1245)

[English]

Mr. Ted Menzies (Parliamentary Secretary to the Minister of Finance, CPC): Mr. Speaker, my hon. colleague sits on the finance committee with me and we are certainly hoping that he will delay it much less when we actually get the bill to committee than he is trying to here today.

It is obvious that by many of the inaccurate statements he made in his speech that he has either not read the budget or does not understand it. I would encourage him to come to the briefing this evening, where we will be briefed on all of the details in the budget implementation act. He will then be able to debate with some knowledge what these changes do.

Government Orders

I would refer to his comments wherein he said that this is an extreme budget that no progressive politician would support. I would ask him to listen to his NDP colleague, the finance minister from Manitoba, Greg Selinger, who said:

—this budget clearly has a number of initiatives in there that we had supported from the get-go...there's no question that this budget has put resources on the table that will help stimulate the economy across the country.

Why then is the NDP voting against all of those measures?

[*Translation*]

Mr. Thomas Mulcair: Mr. Speaker, I would like to remind my learned colleague that imputing undue motives is not permitted. We are doing our work. The 20 minutes I was given in order to speak was anything but a delaying tactic.

[*English*]

Contrary to what my hon. colleague has just implied, despite the fact that there is a clear rule against attributing undue motives to one's adversary, he has just said that the 20 minutes I took that was accorded to speak about this important bill was a delaying tactic.

I will simply ask him the following question. If our 20 minutes spent talking about this is an indication of our profound feelings about it, what is the fact that he did not even stand up and pronounce a speech on this? He is the Parliamentary Secretary to the Minister of Finance. He did not even have the intelligence and the wherewithal to put together a speech and deliver it in the House. Shame on him.

Mr. Rodger Cuzner (Cape Breton—Canso, Lib.): Mr. Speaker, I came in midway through the debate, so my colleague may have addressed this earlier in his comments. I have just been reading through some of the media reports as to where the NDP would like to go with this budget. Obviously, each aspect of the budget would have various costs associated with those aspects. We know there will be a deficit going forward the next number of years. Could he share with the House if the NDP has costed out the exact counts on the proposals and measures that the NDP are putting forward?

[*Translation*]

Mr. Thomas Mulcair: Yes, Mr. Speaker, we will be doing that in due course, especially for employment insurance.

[*English*]

However, I would like to ask my colleague from the Liberal Party to give reflection to the following. How can he, as someone who represents himself to his electorate as being a Liberal, vote in favour of a budget and a budget implementation bill that, word for word, removes from women in Canada the right, that is guaranteed right now under law, to go before tribunals to have a right to equal pay for work of equal value? How can he possibly support that?

How can he support a bill that will take away environment assessments in all cases under \$10 million of infrastructure when it is not the value of the infrastructure we have to look at, it is the value of ecosystem being affected? Is it just possible that the Liberal Party of Canada knows how to talk the talk on environment and women's rights, but when the time comes, it does not know how to walk the walk?

• (1250)

[*Translation*]

Mr. Yves Lessard (Chambly—Borduas, BQ): Mr. Speaker, I would first like to congratulate my colleague from Outremont for the relevance of his remarks. We should think about and share his analysis, even more so because most of his points were also put forward by our Liberal colleagues. They often used harsher words to describe the Conservative budget than we did. I remember the comments from the member for Notre-Dame-de-Grâce—Lachine. She said that it was a shameful budget. She said that, yet the Liberals voted for this budget.

Our colleague said that it was a very conservative budget. He touched on three fundamental subjects that would lead us to think that the Liberals are now in agreement with the Conservative philosophy. There is the issue of accessibility to employment insurance, when contributions are being frozen at their lowest rate; the issue of the environment, when they campaigned on a green plan; and the issue of women, with women being denied the opportunity to obtain pay equity. Today, a woman receives only 76% of a man's income.

Does the member agree that the Liberal attitude discredits parliamentarians with respect to the political action that is taking place here?

Mr. Thomas Mulcair: Mr. Speaker, my hon. colleague raised a very interesting point. Indeed, poll after poll has shown that public trust in politicians is dwindling. People see politicians as saying one thing to get elected, then doing another once in this House. That cannot be said of the Conservatives, who have always been far-right doctrinaires and are now enforcing their ideology.

They needed to make an ally of one of three opposition parties. They found one in the Liberal Party of Canada. It is really shocking that the very people who spoke in favour of women's rights in November are now voting against women's rights. That is what the Liberals are doing. A party that ran on an environmental platform is now renegeing on all environmental commitments. A party that claims to be close to the people and prepared to support their needs in these very difficult times to ensure that they get EI is letting everyone down.

Here is what we have to learn from that. Just like during the 13 years where they talked about the environment but never did anything about it—they had the world's worst track record on Kyoto, for instance—these days the Liberals are showing us ahead of time that Liberals should never be trusted.

[*English*]

Ms. Jean Crowder (Nanaimo—Cowichan, NDP): Mr. Speaker, I want to thank the member for Outremont for his very important speech. This weighty document has any number of details embedded in it all the way through. He touched on the piece about equal pay for work of equal value, and I appreciated his comments on that.

There are other important aspects of this document that require some rigorous examination. We know that there are changes to information that students have to supply under the Canada Student Loans Act. We know that the changes to employment equity are embedded in this budget implementation bill.

Government Orders

However, I want to touch specifically on employment insurance. In my riding, we have had forestry workers who have been in and out of work for the past two years. Unfortunately, our unemployment rate in Nanaimo—Cowichan is tied to the Vancouver labour market. Anybody who knows western Canada knows that the Vancouver labour market is completely different than that of Vancouver Island.

I wonder if the member could comment on the fact that there were no meaningful measures in this budget implementation bill to look at eligibility requirements for workers who have been displaced.

• (1255)

Mr. Thomas Mulcair: Mr. Speaker, I will sum it up in one word: lucrative. That is the word that the minister responsible for employment insurance used to describe employment insurance benefits, despite the fact that 60% of Canadians who work are not eligible for those benefits. That tightening of the rules gave rise to the \$54 billion surplus, in particular, and the fact that we were going through good economic times.

Now that there is a downturn, we have to take care of people and come up with rules that work coast to coast. There are provinces, and B.C. is an example, where if one has a truck, and that truck is the only way of getting to a job, and that person runs out of employment insurance, the truck will have to be sold before welfare can be obtained. That is the kind of grave economic crisis that short-sighted and narrow-minded people, like the Conservative-Liberal axis, are imposing on Canadians, and that is why it is a good thing that the NDP is here to stand up for everyone.

Hon. Bryon Wilfert (Richmond Hill, Lib.): Mr. Speaker, I will be splitting my time with the member for Vancouver Quadra.

It is amazing how a few months have really changed the economic direction of our country. It was not very long ago, just before the election, that the Minister of Finance was bragging about four balanced budgets to occur over the next four years and that things were not too bad all. The Prime Minister, in September, said, as an economist, that if bad times were to come, they would have already been here.

Now we are in a situation where we have a very dire situation across the country. People are worried about their mortgages, their pensions, their jobs and the future for their children. It did not have to be this way.

As a former parliamentary secretary to two ministers of finance, during those very difficult days in dealing with a deficit, it was one in which we had to make some very difficult choices. In 1993, 33¢ of every dollar was borrowed money. We were transferring money that we did not actually have because 33¢ was borrowed at the time.

Through the support of Canadians, we were able to get to a point where we started to pay down the national debt. Now, unfortunately, because of the current situation, 85% of that debt payment will be lost due to the inaction and mismanagement of the finances of the nation by the present government. In fact, over a quarter million people are out of work over the last few months due to these job losses because of the direction the government has taken.

One of the concerns I have is on infrastructure. As a former president of the Federation of Canadian Municipalities, there is nothing more important than dealing with the infrastructure in

Canada. The government announced the \$8.8 billion fund, the building Canada fund, to deal with infrastructure.

I will give the government an A+ on announcements. I will give it an F when it comes to delivering. The only project the government has announced is a complex in Regina.

Over the last number of months, the FCM has asked the government for a list of specific projects. Where has all the money the government has announced gone? In terms of projects, municipal governments need to move their five to ten year capital forecasts forward. I know many members in the House would have brought to the attention of the government projects. I wrote both the Minister of Transport and the Minister of Finance in December on six key projects in Richmond Hill, which the Richmond Hill Council wanted to move forward. I have received no response to the present time. Again, however, there have been a lot of announcements.

One of the things that surprised me, and this came out last week, was that 78% of infrastructure projects the government had talked about would go to ridings held by the governing party. I do not remember the governing party acquiring 78% of the vote at any time. It was very interesting that non-conservative ridings were getting announcements suddenly for projects.

The government criticized the opposition for saying that it had not seen any projects, then suddenly, it said it was going to announce these projects. Again, over three-quarters those projects would go the ridings held by the government.

The Liberal Party announced that it would propose a budget implementation amendment, which was passed and which dealt with accountability. One thing we need when we deal with public finance is accountability. It is important, when we are dealing with an infrastructure deficit of over \$120 billion, that we know the projects will be delivered in a timely fashion, that during a very short construction period, municipal governments can get those contracts awarded, through a very public process, and that the monies will be sent out.

Liberal governments in the past were very good at dealing with national infrastructure projects, and I can say that from experience. In 1994 to 1997, when we had a third, a third, a third, from municipal, provincial and federal governments, those projects got out there. They were designed not only to put people to work, but to improve the economic situation in Canada and the ability to move goods and services across the country, et cetera.

We have proposed, and our leader made it very clear, that we will hold the government accountable. Some in the House suggested that this was not very much. I would suggest that holding the government accountable for every dollar is, in fact, a great deal. It is extremely important that we understand where the money goes.

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●(1300)

The Federation of Canadian Municipalities and the mayors and councillors across Canada would like to see this money out there, and not just go to those ridings that are held by the government. Clearly we need to deal with infrastructure issues across the country need. They need to be dealt with in terms of roads and sewers. They need to be dealt with for green infrastructure, whether it be water treatment plants, sewage treatment plants, culture amenities, recreational centres, bicycle paths and other things. Cities and communities are the economic engine of the country.

If we have a strong municipal centre, we will be able to compete both nationally and around the world, which is extremely important.

As I said, Richmond Hill identified a number of projects. I hope both the Minister of Transport, Infrastructure and Communities and the Minister of Finance will get back very quickly because clearly people want to know the status of those projects.

It is very interesting that we have this stimulus. The government has often talked about a short-term deficit, the last one lasted over 24 years, and it is not easy to deal with a deficit. Yes, we hear about a worldwide economic slowdown, but much of what has happened in our country is the result of the mismanagement of the government. During the election we heard what excellent money managers the Conservatives were. I guess that is before they decided to come clean with the books. As a parliamentary secretary to the finance minister, I know when they got those numbers. They had the numbers and they knew how bad things were during the election, but when the Liberal Party put forth a five point program to deal with the economy, we were told that we were saying the sky was falling, that we were being alarmists. After the election, the truth came out.

It will be very important to see that these what are called shovel ready projects are transparent. It is important that we deal with issues like EI. The government could have easily dealt with shortening the EI waiting period, eliminating the two week period. People who are unemployed need the money now. They cannot wait. Suggesting that we add five weeks on to the end is not really of much help. People want to get it right away. Again, that could have been done very quickly by the government.

We have set very clear benchmarks for the government, including March 26, June 23 and so on, to look at where the monies have been spent. It is important, though, that we do not throw good money after bad. We need real strategies. We need to look at strategies in the auto sector. We need to ensure that we simply do not turn money over so that in three months people will come back and look for more. We have a very important sectors in our country, in auto, forestry and manufacturing. We cannot simply put Band-Aids on them. We have to ensure that we deal with the long-term issues for Canada.

We also have to ensure that we do not see protectionist walls go up so we are unable to trade or compete internationally. There is an important meeting of the G20 occurring in London, England at the beginning of April. The former minister of finance and former Prime Minister Martin was instrumental in the establishment of the G20. The G20 is an important vehicle to ensure that we deal with those issues where trade barriers may go up.

We have read and been very concerned about protectionist legislation in the United States. There is a tendency often to circle the wagons and to simply say that we will deal with our own situation. We have to be competitive internationally. We have to get our goods and services out there. We have to hope as well that the current situation in the United States is such that when American consumers start to buy that they will buy not only American goods but Canadian goods.

There is a need for strategy to broaden our trade links, not to put all our eggs in one basket with 80% of our trade with the United States. This is something co-operatively that all the political parties in the House can work toward.

It is about accountability, it is about ensuring that good paying jobs are created and that there is a strategy. One of the areas I would like to see members talk more about is on the innovative strategy, getting ahead of the curve in terms of some of the ways we can move forward. RIM is a good example in Canada, a great Canadian invention which is now seen around the world. That is the kind of thing we have to continue to promote.

I look forward to any questions.

●(1305)

Mr. Bruce Hyer (Thunder Bay—Superior North, NDP): Mr. Speaker, I have a comment and then a question for the hon. member for Richmond Hill.

He has done a rather eloquent job of describing some of the deficiencies in the budget, and I will build on that. How does he feel about the fact that there is money for subsidizing nuclear and oil, but nothing for renewable energy sources, or passenger rail across Canada to bring it back to its glory days when it is so fuel efficient and needed, especially by poorer Canadians and the disappearing middle-class? He has identified deficiencies in forestry, infrastructure and I think he mentioned health care. The list goes on.

Why did the member for Richmond Hill vote for the budget? Will he vote for Bill C-10 to implement these inadequate budgetary measures?

Hon. Bryon Wilfert: Mr. Speaker, first, facing a \$300 million election, which we would have triggered in January, probably would not have been the smartest economic course. Perfection is, unfortunately, not one of the byproducts of Parliament, but we have to build on deficiencies. The budget is deficient, and the member pointed out some aspects dealing particularly with green energy issues.

As former parliamentary secretary to the minister of the environment, we had the most aggressive plan of the G8 in 2005. We had the greenest budget in history, \$10 billion in 2005, not that the party across the way paid any attention. Do not forget the party across the way does not know there is a climate change issue. There are climate change deniers over there. There are probably some flat earth members over there as well. They think the world is still flat.

Government Orders

We also know the Conservatives do not believe in infrastructure because they sat on it for 10 years when they were government. The point is we will continue to work on those issues through the environment committee and others to ensure we get greener energy in our country. We will get people off oil and move toward some of the renewable energy sources that Canadians desperately need.

Mr. Rodger Cuzner (Cape Breton—Canso, Lib.): Mr. Speaker, I commend my colleague for his words. One thing we know is if the government had taken just one idea from the Liberal platform, it would have been stealing, but we would never accuse it of that because it lifted several. Therefore, I will refer to it as market research.

There is one in particular that comes to mind, and that is the one on assistance for recreational facilities. It was one that was very clear in the Liberal Party's past platform and one that the member did quite a bit to develop. There are a great number of facilities in rural communities that can use some assistance from the federal level. Usually recreational facilities are more in the realm of provincial and municipal responsibility.

It is more a comment than a question, but would my colleague like to comment on the significance of this aspect of the budget, that being support for arenas and swimming pools, and what impact this will have in communities?

Hon. Bryon Wilfert: Mr. Speaker, as a former president of the Canadian Parks and Recreation Association, I acknowledge and welcome the comments of my colleague, who was very active in the recreational field.

The quality of life issues is where recreational is dealt with, such as arenas and swimming pools. That enhances a community. There is no question that this party has worked very hard to ensure that type of component is in the budget because it is important to the recreational community across Canada to deal with those issues.

When someone works in or is looking to live in a community, they often look at those quality of life issues. Those kinds of recreational amenities are not only important but, in many cases, they also provide significant revenue. When we talk about convention centres, recreational facilities or community centres, that is very important, particularly when dealing with such things as sports fields, et cetera. I welcome this aspect when we deal with that part of the budget.

• (1310)

Ms. Joyce Murray (Vancouver Quadra, Lib.): Mr. Speaker, I appreciate the opportunity to speak to the budget implementation bill.

I would like to thank the voters in Vancouver Quadra for their vote of confidence in me in the October federal election. I am very grateful for their dynamic support. This is a unique and diverse constituency where the people are informed and engaged. I thank them for their continuing contact with me and my office.

The current unwinding of our global economic and financial systems around the world have led to job losses, house price declines, stock portfolios vaporizing, uncertainty for Canadians, hardship and much fear of what is yet to come.

We had an unprecedented surge of job losses in the last month with 35,000 job losses in British Columbia. Unemployment has shot

up to 7.2%. Finally the federal government recognizes that Canada is not immune after all and it is urgent that we act now.

The Liberals gave conditional support to the 2009 budget. I would rate this budget as a C- not an A. C- is a barely passing grade. The budget passes because it took some worthwhile measures from the Liberal platform and added some other worthwhile measures that the Liberals demanded.

We asked that this budget support the vulnerable, protect jobs and create the jobs of the future, and some of the measures do that. Infrastructure funding, extension of employment insurance, help for first nations housing are a number of worthwhile programs where the help is needed.

This budget is a C- because it is very deficient. It blindsides the province of Newfoundland and Labrador. It undermines pay equity for women in the public service. Why do that in this day and age, in the 21st century? It maintains the two week waiting period for EI which shows a lack of compassion for people who are losing their jobs. Forest sector relief is a pittance. Much more is justified for such a major industry in trouble in Canada, especially in British Columbia.

The budget contains virtually nothing for child care. This critical program for our economy and our society is still being ignored by the Conservatives. Their cynical minister still claims that the few dollars a month in cheques that families receive creates child care choices. The families at UBC who wait two years for a child care space certainly do not agree with that.

The Liberals do not support all the measures or how the budget is being dispersed but we are passing this budget because Canadians urgently need the government to finally act with no further delays. However, we are putting the government on probation and it will need to report back to its probation officers three times this year.

The Conservative government's 2009 budget miserably fails the environment. It fails to use this financial crisis and stimulus spending to take the quantum leap and set the foundation for an environmentally sustainable future for Canada. The commission on environment and sustainable development has busted the government for its past ineffectiveness on the environment in its recent report where it talks about inflated estimates of emission reductions, lack of analysis to support its claims, poor compliance and enforcement and unaccountable sustainable development strategies.

What will change in 2009? Not much, apparently. Canada's responsibility to act on climate has not diminished as the 2007 IPCC report noted that "We have options but the past is not one of them".

The budget fails in its measures on climate change and it fails to put a price on carbon. In fact, it moves Canada backwards. The Green Budget Coalition of 20 respected environmental and conservation organizations had this to say:

Not only did the budget not include any new support for renewable energy, it de facto let the major support mechanism for renewable electricity come to an end this year.

Why? We will be losing economic opportunities and jobs for this lack of vision. Four hundred wind energy businesses are extremely disappointed and are predicting that those jobs and those economic opportunities will be moving south where there is support for alternative energy.

● (1315)

I have a letter from a constituent who says that the current economic crisis offers Canada an unprecedented opportunity to become a renewable energy powerhouse. He says that the government has a glorious chance to trigger boundless opportunities for Canada and its people. He goes on to say that solving the economic crisis does not have to be done at the expense of the environment. I could not agree more with my constituent and with many of my constituents in Vancouver Quadra who have written to me about this.

The government's budget fails to harness the innovative capacity of Canadians which is so essential to our future in the global economy. It brings a blunt ideological bias to research funding. This Thursday is the 200th birthday of Britain's Charles Darwin, the father of our understanding of evolution. This year we celebrate the 150th anniversary of his seminal book *The Origin of Species*. The Conservative government appears to be afraid of genetic research. It has failed to fund Genome Canada and its funding is due to run out in less than a year with no assurances of extension.

I have letters from my constituents who are concerned about that as well. Another constituent wrote to me to talk about her shop and the fact that Genome Canada will not to receive a dime this year. She said that Genome Canada was the only agency able to fund large-scale genomics projects. She predicts that the high skilled jobs in research, post-doctorates and technicians will be flowing south to the United States where the administration is actually increasing funding for science. It is a shame and it is shocking.

The budget also neglects the chance to support green research which is so critical for our sustainable economy in the future. However, it does take the time to ideologically tie the hands of the Social Sciences and Humanities Research Council by directing it to use the research funding for business schools only, as if business is the only kind of social sciences and humanities research that is useful.

The Canadian economy is built from innovation and innovative thinking in all education sectors and departments. The government has no business, in its own words, picking winners and losers. The Prime Minister, unfortunately, has his head buried in the tar sands and his budget is blind to the potential for the west to be a global centre of sustainability and innovation. The budget's main green fund is specifically designed for carbon capture and storage. Effectively, it is a subsidy to profitable big oil in Alberta.

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The 2008 McKinsey Global Institute's analysis of global carbon cost options places carbon capture and storage, CCS, as the highest cost option for avoiding carbon. I have to wonder why the government would cut support for wind and pour our tax dollars into CCS development. What does the Prime Minister owe big oil in Alberta?

Vancouver, on the other hand, is the hub of clean technology development for Canada. It is on the verge of being a globally competitive cluster. With the right support from government in regulation, tax incentives and funds, it could lead the world. However, we did not see that in the budget and venture capital will be looking south where green leadership is actually emerging.

All parliamentarians need to be concerned about the risk that the Conservative government will saddle Canadians with debt and interest payments for years to come as it has done before. That is why every cent of taxpayer money must count and must position the economy for a strong future.

How does the budget stack up in this regard? It stacks up poorly. How clear is the plan? It is murky. The government sprays money here, there and everywhere and we do not need a sugar addict government boosting the economy with Twinkies and pop, creating an endless appetite for more spending. We need brown rice, veggies and beans, something that will last.

We are putting the Prime Minister on probation because his very partisan spending on infrastructure is a giant pork barrel, where seven out of seven projects in British Columbia are in Conservative ridings. We passed the budget because we recognized the urgency of moving forward on behalf of Canadians, but we will be holding the government to account as it implements the budget.

● (1320)

Mr. Malcolm Allen (Welland, NDP): Mr. Speaker, I listened intently as the hon. member talked about how the budget has been graded a C- by my colleagues on the opposition benches. I find it fascinating that the Liberal Party would put the government on probation for a C-, especially when talking about the most vulnerable people in Canadian society. Those members have decided to help pass a C- budget when they had an opportunity to perhaps make it an A budget. They chose to ignore that and decided that a C- was good enough for Canadians.

The Liberals had another opportunity through the amendment process where they could have perhaps raised the grade to a C+ but they chose not to do that either. Instead, they decided that a C- was good enough and that they should put Canadians on probation. It seems to me that if those members believe that Canadians are only worth a C-, then why bother with probation?

They did this to the folks who are most vulnerable, those who live in poverty and those who are unemployed when they had an opportunity to tell those people that they intended to get something better for them. Why did the Liberals not make that type of amendment for Canadians and not have them suffer a C- budget?

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Ms. Joyce Murray: Mr. Speaker, the member made an error in his statement. We have put the government on probation, not Canadians. It is the NDP members who have put Canadians on probation. If they had really cared about solving the economic crisis, they would have first looked at the budget before passing judgment on it. If they had really cared about Canadian jobs, they would have realized that the last thing the country needs is more time spent in discussion before having a budget out there doing something for Canadians.

As flawed as it might be, the budget does take action with measures that the Liberal Party and other opposition parties proposed.

The NDP oppose government at every turn and refuse to put forward tangible and realistic solutions. That is not acting in the interests of Canadians.

Mr. Sukh Dhaliwal (Newton—North Delta, Lib.): Mr. Speaker, I want to congratulate my colleague from Vancouver Quadra for putting forward a perspective here in the House and in front of the Canadian people.

The hon. member mentioned seven projects but I do not see a single project being financed by the Conservative government. Is the government just making a commitment to those projects?

In the last month alone in British Columbia, over 60,000 full time jobs have been lost and the unemployment rate has risen by 1%. Would the member for Vancouver Quadra like to comment on that?

Ms. Joyce Murray: Mr. Speaker, as far as I know, there is no money yet. My colleague was generous in calling it a commitment. I would say that it is an announcement. The Conservative government is very generous with making announcements. It tends to announce things over and over again.

We will be holding the government to account to ensure the funds do flow and there is a genuine commitment, not just a commitment to announcements.

Mr. Charlie Angus (Timmins—James Bay, NDP): Mr. Speaker, I do not know if the hon. member has read the budget but I do know she has been reading Conservative speaking notes.

However, if she were to read the budget, she would see that the government has amended the Canadian Human Rights Act so that complaints can no longer be made against an employer within the meaning of pay equity. It says “—including if the employer has engaged in discriminatory practices”.

There is a whole special section in the budget about going after students and student loans. I do not know what that has to do with an economic stimulus but it is certainly punitive.

I do not know how the member can stand up—

• (1325)

The Acting Speaker (Mr. Barry Devolin): The hon. member for Vancouver Quadra.

Ms. Joyce Murray: Mr. Speaker, I mentioned that regrettable attack on pay equity in my remarks.

However, the member's party, the NDP, has no understanding of economics, which is perhaps why the economic measures are

immaterial. I disagree with that. We need to assist Canadians who are losing their jobs and we need to create the jobs of the future, and we need to do that now.

[*Translation*]

Mr. Guy André (Berthier—Maskinongé, BQ): Mr. Speaker, first, I would like to let you know that I will be sharing my time with my colleague from Montmagny—L'Islet—Kamouraska—Rivière-du-Loup.

Today we are debating Bill C-10, the Budget Implementation Act, 2009, tabled by the Minister of Finance on January 27. The Bloc Québécois will not support this bill, because we have spoken clearly against the bill and the budget. We will remain true to ourselves, unlike our colleagues in the Liberal Party. The Conservative government's budget, supported by the Liberal Party, is simply unacceptable to Quebec and the people there, who, in a period of recession, were expecting significant and effective measures.

Indeed, it will be seen that, instead of helping Quebec, the Conservative government has consciously chosen to deprive it of the means to deal with the crisis. Absolutely. Not only did the government refuse to help Quebec sufficiently, on the contrary, it chose to respond to Ontario's demands. The budget contains measures intended primarily for Ontario—the media have discussed them at length—measures amounting to nearly \$4 billion. They serve to support the automotive industry, primarily. We are not opposed to these measures, but would have liked the forestry and manufacturing sectors to receive a little more than the few millions announced.

On the weekend, we saw statistics on the numbers of people who have lost their job in the manufacturing, forestry and aerospace sectors. We can see that the measures announced by the Conservative government and supported by the Liberals do not appear to stimulate these sectors.

It is surprising that the Liberal Party of Canada chose, only a few hours after the budget was presented, to support it, knowing what the Quebec National Assembly called for unanimously. While the Bloc in its recovery plan proposed much more generous measures in order to help manufacturers, the government turned a deaf ear. The Liberals shut their eyes, criticizing in this House what they decided to support. It is surprising.

The manufacturing sector—particularly furniture manufacturing—is also present in my riding, and once again finds itself without a definite plan to help it survive the crisis, whereas the automobile industry received \$2.7 billion.

And, to add insult to injury, the Conservative government has decided to reintroduce the community adjustment fund, which we criticized in the past. With this fund, Quebec will receive some \$2,300 per job lost in the manufacturing sector, whereas Alberta will receive \$25,000. That is incredible. In short, Quebec receives a minuscule fraction of the money allocated per job lost, even though Quebec is where the crisis in the forestry industry is hitting the hardest.

Government Orders

But that is not all. In addition to the \$2.7 billion Ontario will receive for its auto industry, southern Ontario will also benefit from a \$1 billion assistance fund. A new agency is being created for southern Ontario with \$1 billion in funding, and in the same budget, Quebec is being deprived of \$1 billion this year thanks to the cap on equalization. It is insulting and completely unfair to Quebec. That is why the Bloc Québécois is voting against these measures. I must admit, it is especially sad to see the Conservative and Liberal members from Quebec accepting such measures.

• (1330)

In short, this shows once again that it is impossible for elected representatives from Quebec to effectively defend the interests of Quebec within the major federalist parties.

Another important file is employment insurance. We have talked about it on several occasions. While thousands of workers are unfortunately losing their jobs—26,000 jobs were lost in January 2009 in Quebec alone—a large number of them still do not have access to the employment insurance system. Indeed, instead of expanding accessibility and eliminating the waiting period, the Conservatives, with the support of the Liberals, have decided to do nothing to rectify those injustices. Bill C-10 only extends the benefits period by five weeks, even though approximately 50% of the people who lose their jobs are not eligible and some of them may have found another job. These measures do not meet the needs of workers. Once again, the Conservatives have shown us the scorn they feel towards the thousands of workers who are losing their jobs.

Let us talk about equalization payments. The bill to implement the budget includes an amendment to the formula for calculating equalization payments. By changing the formula, and doing so without consulting Quebec, the federal government will cut the equalization payments Quebec was to receive this year by \$1 billion. That will no doubt affect our education network and the health care system. Here again, those who are most vulnerable will be paying for it. This unilateral and unfair decision will mean painful consequences for people in Quebec. This says very clearly that the fiscal imbalance has yet to be righted. We will continue the fight to make sure we settle the fiscal imbalance once and for all and eliminate the current formula ceiling.

Let us talk about investment in infrastructure. Although the government has stepped up investment in the 2009 budget, it must be mentioned that this is merely an attempt, in the end, to make up for the slowdown that has built up under the Conservatives since 2007. In addition, we call on the federal government to pull everything together into a single and unconditional transfer fund to respect Quebec and provincial jurisdictions. Finally, I believe the shares of municipalities and the federal and provincial governments must be adjusted in a more equitable manner in these agreements.

In Quebec, a number of small municipalities are heavily in debt. They do not often have the means to make a one-third contribution to a program. Given that the revenues of towns are less than those of higher government levels, contributions must be changed so that municipalities contribute 15%, provinces, 35% and the federal government, 50%. The Bloc has called for this division for many years. Once again, it does not appear in the budget. The municipalities, however, are calling for it.

As I have only a minute left, I will close as follows. Bill C-10 confirms as well the federal government's decision to proceed with a single securities commission, probably centralized in Toronto. With this bill, the government establishes a Canadian securities regulation regime transition office, with an operating budget of \$150 million. In addition, a number of mechanisms are proposed to establish this commission, without the prior approval of Quebec and the provinces.

For all of these reasons, as the defender of Quebec's interests—and only Quebec's—we will oppose this bill, which would implement a budget that fails to meet the needs and expectations of Quebec and, of course, the riding I represent.

• (1335)

[*English*]

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, I thank the hon. member for his input on Bill C-10, the budget implementation act. The member spoke in brief about the equalization issues as they relate to Quebec and generally as they relate to Newfoundland as well.

It seems to me that accountability, honesty, transparency and openness should be the hallmarks of any government and of any piece of legislation that gets through. However, the budget itself never even mentioned equalization or the fact that it might have an impact on certain areas of as much as \$1 billion in their annual revenues. I am concerned that we have been receiving less than forthright information. The government has not been trustworthy in terms of providing the actual details.

Would the member care to comment on the implications to Quebec of tinkering? I can tell the member that even one of the Conservative members told me to my face that they had spoken to the Prime Minister about this and asked him to please not do this, that it was going to cost them seats and cause them problems. It is putting partisan interests before the people's interests—

[*Translation*]

Mr. Guy André: Mr. Speaker, I thank my hon. colleague for his question.

Once again, with this bill, the federal government is offloading its responsibilities onto the provinces. That clearly shows, in our opinion, that the fiscal imbalance has not been resolved. Whenever the federal government has budget problems, it makes cuts in services to the provinces. The provinces—take Quebec for instance—provide services in areas such as health and education, which relate to the human condition. These are terrible cuts. The Conservative government acted unilaterally, without consulting Quebec or any of the provinces. That is the problem.

Government Orders

[English]

Ms. Olivia Chow (Trinity—Spadina, NDP): Mr. Speaker, in the 528 pages and 471 clauses of the budget bill, not one extra unemployed Canadian is assisted in accessing his or her own insurance money. Instead of having to work 900 hours in order to qualify, workers should be able to access their own insurance after working for 360 hours. Workers should be able to get at least 60% of their earnings. In the 1990s, unemployed workers were able to access 75% of their earnings up to \$600 a week. Now it is only \$447 a week.

Unemployed Canadian workers should be able to access more than 50 weeks of employment insurance. There is a bill in the United States that would allow Americans to qualify for up to two years. The Liberals have a chance to make this kind of amendment now. I am wondering why they are afraid to do so.

[Translation]

Mr. Guy André: Mr. Speaker, I agree with my colleague from the NDP that the measures put forward are not making EI more accessible and are not improving the EI system in any way. The five week extension will not benefit the many people who sometimes find work before their benefits run out.

I would also like to raise my colleague's awareness of another issue related to EI, namely the waiting period and the need to waive that waiting period. People who lose their jobs may have to wait up to 50 or 60 days before getting their first EI cheque. In the meantime, rent has to be paid, and so does hydro and heat. Life goes on. These people rely on their credit cards to pay for life's essentials. I think that further measures could be put in place not only to improve the system, but also to speed up the process. With the help of today's information technology, the process has to be sped up so that people get their EI cheques as quickly as possible. Wait periods of 50 to 60 days before getting a cheque are plain incredible.

• (1340)

Mr. Paul Crête (Montmagny—L'Islet—Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, we are studying the budget implementation act. What is this really about? These are the legislative changes made necessary by the passage of the budget.

The budget passed thanks to Liberal support for the Conservative government. That is how the government got a majority to support a budget that is not at all in the interests of Quebec.

The proof is in the motion passed unanimously by the Quebec National Assembly asking for help for its manufacturing and forestry sectors, as well as for some other important things to help Quebec overcome the recession. The federal government just ignored this unanimous motion of the National Assembly. With the help of the Liberals, it decided to pass the budget anyway.

So we are dealing today with this legislation to implement the budget. It is important to understand there are all kinds of very different things in it. For example, there is a change to the Navigable Waters Protection Act to reduce the amount of time needed for environmental studies, especially when municipalities have projects they want to develop. The environmental groups that will come to testify before us will say whether this is satisfactory, but it strikes us

as interesting. It is not sufficient, though, for us to vote in favour of the bill.

In regard to the changes to the Competition Act, the Bloc Québécois has long asked that the competition commissioner be given more power to intervene. The bill seems to go a long way in this direction and we are very pleased that they have finally listened to our recommendations.

As a whole, though, the bill still has a lot of problems, for example the personal income tax cuts. Everyone knows that what is needed now is a real plan to boost the economy and everyone agreed that tax cuts were not the best way to get a multiplier effect. The Conservatives are doing this for electoral reasons, even though it has nothing to do with the real needs.

In addition, some things that should be in the bill are missing. For example, the Customs Act should be amended to lift the tariffs on imported manufacturing equipment. However, if companies are not helped to buy this equipment, we will only be continuing to help those that are already profitable and can pay the taxes, while the forestry and manufacturing sectors in particular will not have the means to take advantage of this kind of measure, which seemed quite attractive at first.

With respect to changes to employment insurance, my colleague from Berthier—Maskinongé just mentioned that the government did not do anything about the waiting period. The day after the budget was tabled, I got an email from a young woman who works in tourism. She thought that increasing the number of weeks from 45 to 50 might be a good way to help people cope with the recession, but it does not help her because she works seasonally in tourism. Every year, she works between 20 and 25 weeks, depending on how business in the sector is doing. Year after year, she goes through two weeks without any income. The government could have improved the employment insurance system by eliminating the waiting period, or at least reducing it. That would have removed the penalty and increased spending power for people who need it badly. It would have been nice to see a measure like that in this budget.

The budget also includes the creation of a single securities regulator. That measure will just irritate Quebec. I do not understand why the Conservative government thought it had to include that measure in the budget and the budget implementation bill. Canada has one of the best securities systems in the world, according to the OECD. These days, we have to make sure that every economic development move we make packs a punch, that we are investing our time and energy in the right places. The government could not have made a more useless move than this one, which will mess up the securities system.

Government Orders

Purdy Crawford, the expert who dealt with the credit crunch at the root of the current financial crisis, said that replacing the current securities system with a single regulator would not improve things for Canada at all. This measure will only upset Quebec and the members from Quebec, prompting them to vote against this bill. We had hoped that the Liberal and Conservative members would share the Bloc Québécois' perspective on this issue and demand that it be removed from the bill.

• (1345)

As for equalization, Quebecers are used to seeing the rules change constantly. It has always been that way. As a result, the governments of Quebec and the other provinces—we have seen this with what is happening in Newfoundland—are finding it hard to predict what will happen. They never know whether the federal government is going to keep its promises. In this case, the government is not keeping its promise.

If I were the Minister of Finance of Quebec, I would feel that things had changed a great deal in the past month or two. Even last fall, we knew these figures reflected reality. The leader of the Parti Québécois mentioned them during the provincial election campaign. Now, the Conservative government is going to carry on the sad tradition of playing with the amounts available for Quebec and the provinces. That is not the right way to do things.

This bill also amends the Investment Canada Act. Even though deregulation has proven to be an utter failure all over the world, the government is moving in that direction. The threshold for a foreign investment review is currently \$250 million, but the government is going to increase it to \$1 billion. We saw this in the case of Rio Tinto, a huge company that was covered by the process in any case. Secret agreements were even reached. The decision was made not to set any requirements in terms of a minimum number of jobs, and we can see the results today. In many regions of Quebec and Canada, thousands of jobs disappeared.

In this case, to avoid having to answer for this sort of situation in the future, the government has decided simply to raise the threshold. Instead of investigating the appropriateness of purchases of \$250 million or more, the government is going to increase the figure to \$1 billion. Many transactions will no longer be covered by the act. In a few years, we could have the same record as we do now on deregulation. The effect is the same. In a few years, many companies will have been purchased by foreign companies even though it was not necessarily a good idea. With this amendment, such purchases are made legal, with no checks or controls.

This budget implementation act falls short on a number of counts. It would also have been important to include more specific measures for access to credit. People in our ridings, including owners of car dealerships, have told us that although the Bank of Canada prime rate is very low, there is a gap between that rate and the bank lending rate. In short, car salesmen find the situation to be unacceptable because it contributes to the slowdown of the economy and the fuelling of people's worries. The government should have gone much further to ensure that credit is truly accessible and to stimulate economic activity.

Like the budget, this bill contains a number of components opposed by the Bloc Québécois, not just because we are in

opposition but because they do not reflect Quebec's priorities. It does not contain what we hoped for in a federal budget that would serve as a tool for economic development. There are discrepancies with regard to assistance. It was evident in last week's egregious example. There is a great deal of assistance for the auto sector but not much for the aerospace industry, which is concentrated primarily in Quebec.

This budget really is not a budget that will stimulate the economy. It is a budget that responds to the unfortunate situation in which the Conservative government found itself last fall, when it was called on the carpet by this House. This time, it was able to take advantage of the Liberals' renewed soft stance on adopting the budget. However, the Bloc Québécois will not aid and abet this position in any way. To defend the interests of Quebec, it is important that we oppose this bill. We shall see, in committee, when witnesses are called, whether or not we will be able to have the government make a certain number of changes so that we can at least mitigate the negative effects of such a bill.

• (1350)

Mr. Steven Blaney (Lévis—Bellechasse, CPC): Mr. Speaker, I have a question for the hon. member for Montmagny—L'Islet—Kamouraska—Rivière-du-Loup.

I listened to his speech and was surprised that he did not support this budget, given the wide consensus around it in Quebec. We need only think of Mouvement Desjardins, for example, which acknowledges the fact that this budget stimulates the economy in Canada and Quebec as it goes through uncertain times. The member's stand is poles apart from the wide consensus in Quebec around the issue, particularly with respect to credit support.

In its budget, the government plans to provide up to \$200 billion through the extraordinary financing framework designed to improve access to credit for consumers and allow businesses to get the financing they need to reinvest, grow and create jobs. This goes to show that there are concrete measures in this budget.

Does the hon. member not feel that he is letting Quebec families and workers down at a time when they need a government that supports them, as we are doing right now?

Mr. Paul Crête: Mr. Speaker, those who feel abandoned are Quebecers and it is the Conservative government that has abandoned them. For example, the request concerning the waiting period in employment insurance is a unanimous one in Quebec. The Conservatives ignored it completely.

There has been criticism throughout Quebec of the measures in this budget vis-à-vis the crisis in the forestry and manufacturing sectors. We are realizing that the Conservative government, especially because of the weak representation by the members from Quebec, has failed to put forward measures that will benefit the economy of Quebec.

Government Orders

On the matter of credit—it is all very complicated—the amount involved is \$200 billion. The problem with the banks is not the amount the government is releasing, but the imposition of conditions on them to ensure that the money will reach consumers. And, in this regard, more effort is required.

[*English*]

Hon. Shawn Murphy (Charlottetown, Lib.): Mr. Speaker, in his speech my learned friend talked about the lack of merits of a national securities regulator and said that various provinces, including Quebec, have a great system now. This is 72 hours after the Caisse de dépôt announced that it lost \$38 billion last year. One of the reasons for that loss was the investment in asset based commercial paper. The regulators in Quebec, Ontario and every other province did not understand the product, did not understand the rulings from the rating agencies, did not realize that these were toxic products. This caused a lot of losses and damages to ordinary working Quebecers and Canadians.

Given the facts that have come to light in the last little while, does my learned friend think the system can be improved?

[*Translation*]

Mr. Paul Crête: Mr. Speaker, my answer, simply, is that Percy Crawford, who established the rescue plan in connection with the whole issue of banking papers, said that the impact of the system would have been no different had it been a centralized system. The OECD considers the Canadian system second in the world in terms of its reliability.

In the financial crisis, however, this is not where the problem lies. We must establish how those responsible made the investments. The bottom line is that the brokers accepted a product that was unacceptable. This situation was repeated worldwide, where there were centralized systems and where there were decentralized systems.

Still, in this matter, Mr. Crawford, the person who succeeded in coming up with a solution to avoid a totally negative fallout, a leading light in Canada, said that a centralized system would not have improved the situation in any way.

• (1355)

[*English*]

Hon. Shawn Murphy (Charlottetown, Lib.): Mr. Speaker, since this is my first occasion to speak in the House since you have been appointed to this position, I wish to congratulate you and wish you all the best as you assume your new duties.

I want to thank the other speakers who spoke on this particular issue. When we look back and listen to what everyone is saying, we come to realize what a large and diverse country Canada is. We come from many cultures, with two founding languages, and it certainly adds so much to the richness of this country and the richness of this debate.

I want to spend the limited time allocated to me today to speak briefly on the environment in all its forms: climate change, water, clean air. I certainly read the budget and I am a little disappointed in what I have read. I think there was a half a page or a page and a half on the environment. Some people would say there was little done

and some people would say there was nothing done; however, regardless, it was pretty thin.

I know for a fact, and everyone knows, that environmental issues rise and fall with the economy. When the economy is doing well, the environment becomes a major concern with people and of course when the economy starts to slip, the environment becomes less of a concern. This is very unfortunate. It is up to us in Parliament to provide that leadership and provide that vision that is needed in these times.

I am not going to repeat in this House what everyone knows about the whole issue of climate change. It is, according to Sir Nicholas Stern, the greatest market failure the world has ever seen.

This is the fourth year the government has been in power. If it were four months, six months or eight months, we probably would not expect much action; however, this is the fourth year. The first environment minister who came to the House preached that we would have a made in Canada plan. However, we never saw any plan, let alone a made in Canada plan.

We then had a second environment minister, who said that he was going to regulate. We really never saw any regulations; although there was a lot of talk.

Now we have a third minister, after four years, and he has taken the position that we are going to now have a North American solution. The bottom line is that we really have not seen a lot. Looking at this budget, I believe there is a reference to the environment on page 269, although I may be incorrect on the page number. In any event, I am, like most other people, very disappointed in what is in this particular budget.

Mr. Speaker, before I go any further, I neglected to say that I will be splitting my time with the member for Beaches—East York.

I am very disappointed in what I have seen and I am very disappointed in what has been done, and I will give a few examples. One example that came vividly to light last week is the \$1.519 billion trust fund. This was announced several years ago amid much applause and many press releases. There were a lot of self-congratulatory statements, a lot of rhetoric. There was going to be a reduction of 16 million tonnes of greenhouse gas emissions. However, what was not explained to the Canadian people at the time was that these funds were going to be put into a complicated trust and the trust, in turn, would go to the provinces and there was absolutely no requirement—

The Acting Speaker (Mr. Barry Devolin): It being 2 o'clock, I must interrupt this member. He will have approximately six minutes when we return to government orders. We will go to statements by members, the hon. member for Oakville.

STATEMENTS BY MEMBERS

• (1400)

[English]

THE BUDGET

Mr. Terence Young (Oakville, CPC): Mr. Speaker, I rise today in response to the comments made by the Liberal member for Toronto Centre published in the *National Post* about Canadians who will benefit from the government's action plan for the economy, enabled by the very budget for which the member just voted.

The former NDP premier of Ontario does not understand that there is nothing wrong with Canadians using their own money to improve their own “docks, kitchens and decks”. After all, what could be more Canadian than docks? Who does not love a dock?

Docks are where Canadians rest after working so hard. Docks are where we can catch the sun, get our vitamin D and fresh air. Docks facilitate family gatherings and tourism.

In fact, I register my own shock experienced one evening last year while watching Rick Mercer on CBC. For who did we see, stark naked, jumping into one of our crystal clear Canadian lakes? The member for Toronto Centre, jumping off what? A dock. Without docks, what would Liberal leadership candidates do to get on television?

I stand today for the right of Canadians to boost our economy by spending their own money to build or repair their deck, kitchen or dock for the health and enjoyment of their families.

* * *

[Translation]

KEDGWICK REGIONAL CHAMBER OF COMMERCE

Mr. Jean-Claude D'Amours (Madawaska—Restigouche, Lib.): Mr. Speaker, on January 31, I was pleased to attend the entrepreneur of the year gala organized by the Kedgwick Regional Chamber of Commerce.

They highlighted the extraordinary volunteer work of Chantal and Yvan Borris. The couple has been involved in the community for over 15 years, whether with youth, the elderly, the church or festivals.

Francis Bérubé, owner of the Foyer Chez Francis seniors home, was presented with the business of the year award. In 2002, Mr. Bérubé bought the home and made it an even more enjoyable place to live. Exceptional staff ensure that residents have a better quality of life.

The female entrepreneur prize went to Suzanne Lurette. Since 1983, she has been owner and co-owner of a number of businesses, including a clothing boutique, a sawmill, a daycare, and a coffee shop.

And finally, the Chamber of Commerce honoured Arthur Desjardins by making him an honorary member for life. Mr. Desjardins is actively involved in the community.

Thanks to all for what they do for the people of the Kedgwick area.

Statements by Members

PIERRE BOURGEOIS

Ms. Monique Guay (Rivière-du-Nord, BQ): Mr. Speaker, it is a great honour for me to highlight the exceptional contribution of a good-hearted man who recently retired as director of the City of Saint-Jérôme's police service.

Pierre Bourgeois is a kind and generous man. People call him a “rainbow-maker”. He masterfully resolved labour conflicts and organized peace missions abroad. He also initiated the construction of Saint-Jérôme's new police station.

The City of Saint-Jérôme's police force, the many stakeholders who have worked with him all these years, and the members of the Ordina-Coeur foundation can be proud to have crossed paths with him.

My Bloc Québécois colleagues and I would like to thank him for his valuable contribution, and we would like to wish him the very best in his future endeavours.

* * *

[English]

POSTAL SERVICES

Mr. Charlie Angus (Timmins—James Bay, NDP): Mr. Speaker, anyone who has ever driven along Highway 65 in Timiskaming will tell us there is only one possible place to get our mail, and that is at the Kenabeek General Store.

For decades, families have used the Kenabeek General Store. Imagine their surprise when the new owners of the store were told they no longer met the screening requirements of Canada Post. Since there is no other possible place to get their mail, this community is being denied mail service.

The same bizarre logic is being applied against the community of Matachewan. Since the postmistress retired, Canada Post has made this community jump through hoop after hoop, effectively paralyzing postal services in the community of Matachewan.

Canada Post needs to come clean with rural Canada. When a postmaster retires, it should not be an excuse for Canada Post to pick up stakes and leave town. It should not be allowed to use a bureaucratic maze to effectively limit and end postal service in small, isolated communities.

The people of Kenabeek, Matachewan and rural Canada deserve better. It is time Canada Post got the mail moving.

* * *

THE BUDGET

Mr. Paul Calandra (Oak Ridges—Markham, CPC): Mr. Speaker, this weekend I travelled from one end of my riding to the other, meeting with people, businesses and attending wonderful community events.

Statements by Members

At the Richmond Hill Winter Carnival on Saturday, I spoke with a young couple who had just bought their first home. They told me that low interest rates had made it more affordable than ever before to purchase a new home and that they will use the home renovation tax credit introduced in our economic action plan to finish the basement for their children.

Ron Schell, who is co-owner of Schell lumber in Stouffville calls the home renovation tax credit simply fantastic.

Oak Ridges—Markham is truly a great place to live, work, invest and raise a family. From Nobleton to Schomberg, Richmond Hill to Ballantrae, Markham to Pleasantville, we are open and ready to serve.

I encourage people from across Canada to visit us and see why I am so proud to call Oak Ridges—Markham home.

* * *

• (1405)

SULTANS OF SCIENCE EXHIBIT

Mr. Robert Oliphant (Don Valley West, Lib.): Mr. Speaker, I am pleased to draw attention today to an incredible exhibit that opened at the Ontario Science Centre in Don Valley West this past week.

Sultans of Science celebrates 1,000 years of scientific creativity, imagination and scholarship coming from the Islamic world. It specifically explores the tremendous contributions made by Muslim scholars in the field of mathematics, science, health, aviation, translation and architecture during the so-called Dark Ages.

While the rest of the world was sleeping, the Islamic world was inventing. This international touring exhibit traces the roots of modern science and technology from Baghdad to Cordova, from Morocco to Constantinople. Its interactive displays invite us to learn more about Islamic contributions to our world.

Even more importantly, however, this exhibit invites us to a deeper, more appreciative relationship with the Muslim world and its contribution to humanity, helping to break down the walls of Islamophobia. I commend it to all members of this House.

* * *

WORLD POND HOCKEY CHAMPIONSHIP

Mr. Mike Allen (Tobique—Mactaquac, CPC): Mr. Speaker, once again this year the village of Plaster Rock, New Brunswick, will welcome the world as people gather for the World Pond Hockey Championship, running from February 19 to 22.

This world-class event that began in 2002 has often been copied but never duplicated. What started as an event with 40 teams from the Maritimes and Maine has grown, and this year's event will feature 120 teams representing communities from all across Canada, the American states and nine countries.

In 2007, the Prime Minister made the trip to Roulston Lake in the small Tobique—Mactaquac community, further adding to the worldwide media attention gathered by the event, including this February 19 when CBC's *Hockey Night in Canada* will broadcast from the competition.

Congratulations to event manager Danny Braun and the hundreds of volunteers who make this event happen each year, and of course a hearty welcome to all the players who will make the pilgrimage to this very welcoming community. I look forward to attending this year's event and encourage everyone to join me and the anticipated 8,000-plus visitors as we enjoy hockey the way the game was meant to be played.

* * *

[*Translation*]

NINETEENTH ANNUAL SUICIDE PREVENTION WEEK

Mrs. Carole Freeman (Châteauguay—Saint-Constant, BQ): Mr. Speaker, last week marked the 19th annual Suicide Prevention Week, and the Association québécoise des retraité(e)s des secteurs public et parapublic brought to our attention the suicide rate among seniors.

Four out of ten people who commit suicide are 50 or older. Between 1977 and 1997 the number of suicides among people aged 65 and older increased by 85%. In addition, according to the figures of the Institut national de santé publique du Québec for 2006, the proportion of people aged 50 and over who took their own lives rose from 27% to 40%. The saddest of all is that researchers who study aging believe that this rate will be two and a half times higher in the next 35 years.

One of the risk factors is financial difficulties, and this is backed up by Mr. Vallerand, who was a director of a suicide prevention centre. He also fears that the economic crisis will increase that trend.

That is why it is very important to provide our seniors with all the support they need.

* * *

[*English*]

WARREN KINSELLA

Mrs. Alice Wong (Richmond, CPC): Mr. Speaker, Warren Kinsella's offensive comments to the Chinese people have now gone international. Mainland Chinese media are reporting Mr. Kinsella's hurtful comments and half-hearted apology. The Liberal Party's top strategist's comments are quickly becoming an international embarrassment for Canada.

During these economic times, we cannot afford to needlessly offend a billion potential customers. We do not need to offend the world's most populous country.

We must show that the Liberal Party's top strategist's views are not acceptable to the Canadian people. The Liberal leader should immediately write the Chinese ambassador to apologize and affirm that Canada respects China, and the Leader of the Opposition must finally act and fire his top political strategist, Mr. Warren Kinsella.

[*Member spoke in Chinese and provided the following translation:*]

The Liberal Party has hurt the feelings of the Chinese people and offended our community.

Statements by Members

[Translation]

ACFO OTTAWA GRANDMAÎTRE AWARDS GALA

Hon. Mauril Bélanger (Ottawa—Vanier, Lib.): Mr. Speaker, on February 5, ACFO Ottawa held its Grandmaître awards gala. This annual event recognizes francophones and francophiles who have distinguished themselves with their achievements, their dedication and their commitment to promote francophone culture in our community.

I want to pay tribute to Dominique Drouin, who won the young person of the year award; Sean McGee, who was named francophile of the year; Johanne Leroux, educator of the year; and Pierre Pagé, citizen of the year.

Congratulations also to the organization of the year, La Nouvelle Scène, a theatre I have had the pleasure to be associated with since its inception. The Grandmaître award was presented to Jacques de Courville Nicol, philanthropist, RGA founder, patriarch, public conscience, raconteur and bon vivant. Congratulations, Jacques, on this richly deserved honour.

* * *

• (1410)

[English]

JUSTICE

Mrs. Nina Grewal (Fleetwood—Port Kells, CPC): Mr. Speaker, in a recent explosion of gang violence 10 young people have been gunned down in mall parking lots, on street corners and in apartments in British Columbia's lower mainland.

Scared residents have demanded laws with teeth, and our government is responding. It is putting an end to the revolving-door justice that allows those accused of serious gun crimes to walk free on bail. It is targeting organized crime and street gangs by putting in place tough mandatory jail time for serious gun crimes. It has eliminated house arrest for serious, violent crimes.

Our Conservative government has put in place stronger laws, given more resources to law enforcement, and will be strengthening the Youth Criminal Justice Act. It is taking the steps necessary to keep Canadian families and communities safe.

* * *

EMPLOYMENT INSURANCE

Ms. Denise Savoie (Victoria, NDP): Mr. Speaker, the government's utter disregard for the employment insurance problems of the jobless is scandalous. Unemployed workers in my riding and across Canada are facing unacceptable delays in getting the EI benefits they need to support their families.

The Burnaby case processing office is deluged with 7,500 new EI applications per week, with no end in sight, as Statistics Canada announced 35,000 new job losses in B.C. in January alone.

First, the government must act to fix the backlog and immediately hire more staff and offer more resources at employment insurance offices. Second, the Conservatives must address the structural problems of EI that are ignored in the budget and ease eligibility

rules that leave 62% of Canadians who have paid into it out in the cold.

* * *

THE NORTH

Mr. Brian Jean (Fort McMurray—Athabasca, CPC): Mr. Speaker, Yukon days are upon us on Parliament Hill. The Premier of Yukon as well as the chiefs of the Yukon first nations are in Ottawa to draw attention to the issues facing them and to promote Yukon as an exciting place to live.

Our government welcomes Premier Fentie and the Council of Yukon First Nations to our nation's capital. We extend to them our government's continued commitment to working in the best interests of the people of Yukon, the people of the north and all Canadians.

Our Conservative government has done more for, and taken a greater interest in, the north than any other Canadian government on record.

Budget 2009 was great news and saw additional funds to address critical issues facing northerners, including funds for renovation and construction, funds for new housing, and additional investments in first nations and Inuit health.

The government is following through with its commitment to establish a new northern development agency, something northerners have been requesting for years and something that our government is delivering.

* * *

[Translation]

CULTURE

Mrs. Carole Lavallée (Saint-Bruno—Saint-Hubert, BQ): Mr. Speaker, the Conservative budget demonstrates that the Minister of Canadian Heritage and Official Languages does not understand artists in the least. In the budget, he announced the creation of Canada prizes for the arts and creativity, a \$25 million endowment that will award prizes to young foreign artists rather than helping our own artists.

The minister has made awards to foreign artists a priority while ignoring our artists who really need funding to obtain exposure abroad. Their financial assistance was eliminated without a valid reason.

According to the minister, the programs were not effective. However, a study by the International Exchange for the Performing Arts, CINARS, shows that every \$1 invested in our artists who travel abroad provides a return of \$5.50. The department's cuts will have serious repercussions: cancelled tours, job losses, bankruptcies, among others.

The minister will not disclose his cost-benefit analyses because they show the positive impact of the funding. The Conservatives' rigid ideology is the only real reason for the cuts.

Oral Questions

[English]

THE ECONOMY

Mrs. Michelle Simson (Scarborough Southwest, Lib.): Mr. Speaker, I rise today to speak about the recent Statistics Canada announcement that 129,000 Canadians lost their jobs in January. This is the single largest monthly job loss on record in Canada. It brings the total number of job losses to nearly a quarter of a million in the last three months alone.

The government failed to recognize the seriousness of Canada's sharply declining economy. It failed to plan for it and it failed to bring in an immediate stimulus package. As a result, it failed to protect Canadian jobs.

Last September the Prime Minister claimed that, "if we were going to have some kind of big crash or recession, we probably would have had it by now". In October, he told us there was still no recession, but that there were a lot of great buying opportunities. In November he claimed there would only be a short recession and that there was certainly no need to run a deficit.

The government must wake up, realize the gravity of the present situation and start protecting Canadians.

* * *

• (1415)

[Translation]

BLOC QUÉBÉCOIS LEADER

Mr. Daniel Petit (Charlesbourg—Haute-Saint-Charles, CPC): Mr. Speaker, last week the Bloc Québécois put up a real tragicomedy.

The leader of the Bloc Québécois and new Bloc Québécois critic for foreign affairs insulted one of our allies, namely France, which is fighting alongside us in Afghanistan.

The leader of the Bloc Québécois harshly criticized President Sarkozy for making comments he described as unacceptable and disdainful with respect to the sovereignist option. At the same time, one of his MPs extolled terrorist organizations in an email sent to all the members of this House.

The leader of the Bloc Québécois should change his priorities and stop his irresponsible attacks on France, one of our strongest allies in the fight against international terrorism.

ORAL QUESTIONS

[English]

THE ECONOMY

Mr. Michael Ignatieff (Leader of the Opposition, Lib.): Mr. Speaker, 129,000 jobs were lost in January. Personal bankruptcies increased by more than 50% in December.

On Friday the Prime Minister said that there will be no more help for Canadians, even if the economy continues to worsen; then his Minister of Finance said exactly the opposite. So who is on first? Whose story are Canadians supposed to believe?

Mr. Ted Menzies (Parliamentary Secretary to the Minister of Finance, CPC): Mr. Speaker, it is a very plain and simple message that the Prime Minister and the Minister of Finance delivered. It is as simple as the fact that the finance minister has said that if the economy continues to decline, this government will not abandon Canadians. The Prime Minister was referring to the fact that he will not accept any amendments to this budget.

It is incredibly important to Canadians that we get on with passing this budget so that we can actually help Canadians.

[Translation]

Mr. Michael Ignatieff (Leader of the Opposition, Lib.): Mr. Speaker, a few months ago, the Prime Minister told Canadians that the worst was over. He even said that the market collapse was a good opportunity for investment. Since then, more than 200,000 jobs have been lost in Canada.

How can we believe this Prime Minister, especially when his ministers contradict him?

[English]

Mr. Ted Menzies (Parliamentary Secretary to the Minister of Finance, CPC): Mr. Speaker, the hon. member should rewrite his question, because I just explained that there is no contradiction.

The only contradiction in this House of Commons is the fact that we have two parties, the Bloc and the NDP, that are refusing to work with the majority representation of Canadians, who want to get people back to work and stem the job loss. The Bloc and the NDP, before they even read the budget, said they did not care about Canadians losing their jobs. That is the most important thing we can do for Canadians.

Mr. Michael Ignatieff (Leader of the Opposition, Lib.): Mr. Speaker, let us bring this crisis down to a single community: Mackenzie, British Columbia. There are four thousand people and four sawmills, all shut, and nearly 100% unemployment. It is not just pulp mill workers, but loggers, truckers and everyone down the line. Everybody knows there are single-industry towns like this all across Canada. Federal help was promised to Mackenzie last year, but it did not work.

What now? Is this government going to let Mackenzie die?

• (1420)

Mr. Ted Menzies (Parliamentary Secretary to the Minister of Finance, CPC): Mr. Speaker, the hon. member who represents the town of Mackenzie has raised that issue many times. In fact, I have been to Mackenzie myself and I have met with some of those people.

We should not be playing politics with their lives. We are all concerned when people lose their jobs. We have an economic action plan that will help stem the tide of job losses and retrain individuals so that they can be employed in another community or industry. Let us get on with passing this economic plan.

*Oral Questions**[Translation]*

Hon. Marlene Jennings (Notre-Dame-de-Grâce—Lachine, Lib.): Mr. Speaker, Canadians would love to forget the month of January, since 129,000 of them lost their jobs. It is unprecedented in Canadian history. And now, economists are doubting the reliability of the Conservative government's financial forecasts. Canadians have the right to hear the truth.

How can Canadians believe this Conservative government when its numbers are always contradicted by experts?

[English]

Mr. Ted Menzies (Parliamentary Secretary to the Minister of Finance, CPC): Mr. Speaker, there are a lot of experts in here calling themselves economists. Many of them have projected high and many have projected low. We will avoid using the hon. member for Markham—Unionville when we talk about that.

Let me quote Dale Orr, a very respected economist from Global Insight:

The budget overall was a pretty reasonable compromise. The best thing to do is pass it and get on with it and get things moving as quickly as possible.

That—

The Speaker: The hon. member for Notre-Dame-de-Grâce—Lachine.

[Translation]

Hon. Marlene Jennings (Notre-Dame-de-Grâce—Lachine, Lib.): Mr. Speaker, the people in my constituency are paying an unfair price for the Conservative inaction. Seven hundred employees at the Bombardier plant in Dorval have just been laid off. These 700 people are asking how they will meet the needs of their families.

How can the Minister of Industry tell these 700 workers—today—that the aerospace industry is fine? How could he say that?

Hon. Tony Clement (Minister of Industry, CPC): Mr. Speaker, we are obviously very disappointed by Bombardier's latest announcement. Every sector of the Canadian aerospace industry will be hit by the economic crisis.

However, last week, Bombardier told us that 730 new, permanent jobs will be created in Montreal. That was part of the announcement.

[English]

Let us be balanced in our understanding. That would behoove every member of the House.

[Translation]

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, in the midst of an economic crisis, the Prime Minister is refusing to eliminate the waiting period, which would help the unemployed, but he is doing nothing to change the tax havens that allow multinationals to avoid paying tax. While Switzerland is getting rid of its tax haven system and the United States is capping executive salaries, the Prime Minister continues to help the well-to-do.

Can the Prime Minister explain how it makes sense, in the middle of an economic crisis, to send money outside Canada when he will need it for his stimulus plan?

[English]

Mr. Ted Menzies (Parliamentary Secretary to the Minister of Finance, CPC): Mr. Speaker, it is refreshing to hear the leader of the Bloc talking about what is good for Canada.

Let me get back to the tax haven issue. This is so important for Canadian industries to be able to compete internationally. We have heard from an expert panel. I know they do not think that wise businesspersons in the country should be part of the consultation process, but we do, and we take their advice. We should be conforming to the rest of the world's standards, and that is allowing our Canadian companies to compete on a level playing field with other countries.

[Translation]

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, he is talking about an expert panel, but these are experts in tax havens and tax loopholes. That is where their expertise lies.

In his 2007 budget, the same Minister of Finance condemned those who did not pay their fair share, alluding to businesses that used loopholes to avoid paying tax.

How can the Prime Minister explain that now, while thousands of jobs are being lost each month and businesses are shutting down, he is allowing banks and oil companies to use tax havens in order to avoid paying tax?

[English]

Mr. Ted Menzies (Parliamentary Secretary to the Minister of Finance, CPC): Mr. Speaker, there is a bit of a conflicting message from the other side of the House. Let me quote the member for Montmagny—L'Islet—Kamouraska—Rivière-du-Loup, who said that he did not want the Quebec or Canadian economies to be disadvantaged in international competition, that tax fairness was important. On which side of this challenging debate are those members?

• (1425)

[Translation]

Mr. Jean-Yves Laforest (Saint-Maurice—Champlain, BQ): Mr. Speaker, on page 239 of the 2007 budget, the Minister of Finance denounced tax havens as follows: "Some corporations, both foreign-owned and Canadian, have taken advantage of Canada's tax rules to avoid tax... This is simply not fair." A few months later, the new, fairer measure was postponed for five years before disappearing completely because of the recommendations of an advisory panel.

Why was it unfair in 2007 to use tax havens to avoid paying tax, yet it has become a good thing in 2008?

[English]

Mr. Ted Menzies (Parliamentary Secretary to the Minister of Finance, CPC): Mr. Speaker, as we have said, we heard from an expert panel on this issue and it made several recommendations. We are planning on following through on those recommendations.

That was part of the recommendations. We have improved tax information exchanges in agreements with other countries. We have implemented that.

We are providing more resources to Revenue Canada to ensure that taxes are paid appropriately in all jurisdictions.

Oral Questions

[Translation]

Mr. Jean-Yves Laforest (Saint-Maurice—Champlain, BQ): Mr. Speaker, the parliamentary secretary and the minister are using an expert panel to justify their about-face.

Will the minister acknowledge that the findings of this hand-picked expert panel come as no surprise, considering that four of the six panel members work for companies that can use tax havens to avoid paying tax?

[English]

Mr. Ted Menzies (Parliamentary Secretary to the Minister of Finance, CPC): Mr. Speaker, we had the same sort of personal attack last Friday on prominent, eminent Canadians, and it is unacceptable.

These people provided advice to this government at no cost. They took time out of their lives. The Bloc may think that is laughable, but some Canadians care about our country. That panel did and it gave us advice.

There was an opportunity for the Bloc, rather than howling over there, to provide some input into this, but those members chose not to do that.

Hon. Jack Layton (Toronto—Danforth, NDP): Mr. Speaker, the government has now overseen the largest single monthly job loss in Canadian history, 129,000 jobs lost in January alone. That makes one-quarter of a million jobs lost in the last 90 days. That means we have lost more jobs in the last three months than the government's so-called stimulus package is supposed to create over the next two years.

Will the Prime Minister finally admit that the stimulus package that has been put together is not going to do near enough for the vulnerable who are being left behind, to protect the jobs of today and to create the ones we need for tomorrow?

Mr. Ted Menzies (Parliamentary Secretary to the Minister of Finance, CPC): Mr. Speaker, if the hon. member and his party had their way, there would be nothing flowing to Canadians. It is an embarrassment that we share the House with two parties that refuse to act when they are given the opportunity. We had the broadest consultation ever across the country. The NDP did not deliver one written piece of advice whatsoever. Now its members have the audacity to say that they will vote against it.

* * *

EMPLOYMENT INSURANCE

Hon. Jack Layton (Toronto—Danforth, NDP): Mr. Speaker, clearly the government was not listening to the people who were being thrown out of work when it came back with its stimulus package. With one-quarter of a million Canadians thrown out of work just in the last three months, far too many of them are unable to get the help that they need. Let me quote Ken Georgetti of the Labour Congress, who said that more 60% of the unemployed were not able to get benefits prior to this budget and they still would not be able to get benefits now.

The fact is the government is not taking the action for the people who need it the most. Will the Prime Minister finally acknowledge

that he has to allow more people to get the help that the EI system should be giving them and their families right now?

Hon. Diane Finley (Minister of Human Resources and Skills Development, CPC): Mr. Speaker, the hon. member really should cite somebody who has his facts accurate. In fact, over 80% of those who pay EI premiums are able to collect on them, and we are working hard to ensure they get even more benefit. That is why in our economic action plan we are extending beyond the regular benefits an extra five weeks of benefits for the next two years. That is why we are extending the work sharing program, so people can keep working.

We are taking action to provide training so people can get the jobs of the future. We are getting it done. NDP members are trying to stop it.

● (1430)

[Translation]

Hon. Jack Layton (Toronto—Danforth, NDP): Mr. Speaker, people need help, and they need it now. In January, 129,000 people lost their jobs, and he and his government are at the helm. Not only do 60% of workers who lose their jobs not have access to employment insurance, but they have to wait at least two weeks to get help. It is unfair.

Even though he is refusing to help more people, will the Prime Minister at least agree to help the rest by eliminating the two-week waiting period now?

Hon. Diane Finley (Minister of Human Resources and Skills Development, CPC): Mr. Speaker, we are the ones who want to take care of people who have been laid off. That is why, after holding consultations across Canada, we are providing an extra five weeks of employment insurance benefits. The NDP does not want any part of that. It is asking for two weeks at the beginning. We are offering five weeks. Why will he not take yes for an answer?

* * *

THE ECONOMY

Hon. John McCallum (Markham—Unionville, Lib.): Mr. Speaker, in December, the number of personal bankruptcies had risen by 50% as compared to last year, this, just after the government failed to provide support to Canadians in its fall economic update. Just back in November, the Prime Minister kept saying that the books were balanced because Canada was shielded from the global economic turmoil.

How could he be so blind to the economic plight of Canadians?

[English]

Mr. Ted Menzies (Parliamentary Secretary to the Minister of Finance, CPC): Mr. Speaker, the economic statement of the fall of 2007 addressed a lot of those issues. We provided tax cuts to Canadians, individuals and businesses, which have put them in a much better position to be able to withstand the economic downturn.

Oral Questions

As much as members of the opposition would like to suggest that they knew what was coming, they knew nothing more about what was coming than anybody did. This was no fault of Canada, but we have been proactively getting Canadians prepared for these challenges.

Hon. John McCallum (Markham—Unionville, Lib.): Mr. Speaker, despite government spin, the finance minister was clearly contradicted by the Prime Minister, whose message was clear: the budget is it, no more measures.

Yesterday the head of the IMF said that the United States, Japan and Europe were now in depression.

Will this chilling statement finally convince the government to speak with one voice at this time of deepening economic peril?

Mr. Ted Menzies (Parliamentary Secretary to the Minister of Finance, CPC): Mr. Speaker, it is very troubling to hear the glee in the voice of a member of Parliament talking about tough economic times for Canadians.

This is a very serious matter. If the hon. members of the House would understand how important it is when one Canadian loses one's job, we need to get on with the job handed to us. We have an economic plan in place. I would encourage all hon. members, instead of ramping up the rhetoric, to ramp up the parliamentary process and get the budget bill passed.

Hon. Ujjal Dosanjh (Vancouver South, Lib.): Mr. Speaker, my home province of B.C. lost 68,000 full time jobs last month, the worse drop in 30 years and proportionately higher than anywhere else in Canada: Tembec, 1,000 jobs gone; Teck Cominco, 400 jobs gone; Western Canadian Coal Corporation, hundreds of jobs gone.

Thousands of men, women and their families have lost their jobs and are in danger of losing their homes and their life savings.

I ask the Prime Minister to stand in his place, look Canadians in the eye and tell them what he is doing for them.

Hon. Diane Finley (Minister of Human Resources and Skills Development, CPC): Mr. Speaker, the current worldwide global recession has definitely had a very serious impact on Canadians right across the country, not just in the member's riding.

That is why our economic action plan takes several steps forward to ease the credit so people can get the financing they need to keep their houses or even to buy new ones. We are stimulating the economy by creating jobs, through infrastructure, through the development of social housing to help the most vulnerable. We are expanding our EI program to help those most in need.

We are taking a lot of steps so Canadians can cope better with this worldwide recession.

• (1435)

Hon. Ujjal Dosanjh (Vancouver South, Lib.): Mr. Speaker, it is not my riding; it is my province and my country.

There is a real cost and real suffering. Tembec's sawmill in Chetwynd shut down a week ago. Canfor just announced a temporary closure of several mills.

It is beyond numbers, it is beyond statistics, it is beyond words. It is about the men and women and their families who have lost their

jobs and are in danger of losing whatever they have earned all of their lives.

I ask the Prime Minister to stand in his place and say what is he doing for them.

Hon. Diane Finley (Minister of Human Resources and Skills Development, CPC): Mr. Speaker, we are trying to help Canadians who are suffering through global recession. We are expanding our work sharing program so they do not have to lose their jobs. We are expanding, in quantities never done before, training available to help those unfortunately who lose their jobs so they are prepared to take the jobs of the future so they can support their families, take it home and put it on the table for them.

We are providing them with a lot of extra support in terms of credit availability and education so they can deal with this recession and come out stronger at the end of it.

[Translation]

Mr. Robert Bouchard (Chicoutimi—Le Fjord, BQ): Mr. Speaker, the 2009 budget implementation bill will increase foreign ownership limits on Air Canada stock from 25% to 49%. Furthermore, it will allow acquisition projects valued at under \$1 billion to be exempt from verification by the minister.

How can the Minister of Industry support the blind deregulation that is being proposed when we see the drastic results of such an approach in the United States?

Hon. Tony Clement (Minister of Industry, CPC): Mr. Speaker, Canadian trade must remain competitive in today's global economy. That is a fact. The changes proposed in this bill will encourage new investments from abroad and will ensure that those investments do not pose a threat to national security. It is a good bill and I encourage all members to support it.

Mr. Robert Bouchard (Chicoutimi—Le Fjord, BQ): Mr. Speaker, in the case of the Rio Tinto acquisition of Alcan, the government made the mistake of not demanding any conditions.

Is the minister aware that by raising the limit for automatic review as set out in the budget implementation bill, he is pushing deregulation a little further by taking away all possibility of intervention?

Hon. Tony Clement (Minister of Industry, CPC): Mr. Speaker, no, there are many opportunities in the investment process. Part of this bill allows the opportunity to review this situation. I can also say that it is important to have investments from within Canada as well as from abroad. In this global economic crisis, it is very important to have investments.

[English]

Now more than ever we need these investments in this country. That is what the bill is designed to do.

Oral Questions

[Translation]

TAXATION

Mr. Michel Guimond (Montmorency—Charlevoix—Haute-Côte-Nord, BQ): Mr. Speaker, Ontario intends to harmonize its sales tax with the federal GST. When New Brunswick, Nova Scotia and Newfoundland and Labrador harmonized their taxes, the federal government provided compensation. It refused to do so for Quebec, thereby adopting a double standard.

Does the minister intend to financially compensate the province of Ontario if it harmonizes its sales tax with the federal GST?

Hon. Jean-Pierre Blackburn (Minister of National Revenue and Minister of State (Agriculture), CPC): Mr. Speaker, discussions take place on a regular basis between the provinces and the Canada Revenue Agency, which collects these taxes. I certainly do not wish to provide advance information about matters under discussion.

• (1440)

Mr. Michel Guimond (Montmorency—Charlevoix—Haute-Côte-Nord, BQ): Mr. Speaker, no matter what the minister's future decision with respect to Ontario, will he commit to treating Quebec fairly and providing retroactive compensation for harmonizing its sales tax with the federal GST between 1992 and 1994?

Hon. Jean-Pierre Blackburn (Minister of National Revenue and Minister of State (Agriculture), CPC): Mr. Speaker, it is interesting to note that the member is also concerned with what is happening in the other provinces. It is interesting and also unusual to note their concern for the collective good because generally they only look out for Quebec and are not concerned with what is fair for the other provinces.

Discussions with Ontario are ongoing and we shall see what happens next.

* * *

[English]

FOOD SAFETY

Hon. Wayne Easter (Malpeque, Lib.): Mr. Speaker, food safety is of the highest concern to Canadians, yet last week the Minister of Agriculture and Agri-Food defended the fact that a new poultry inspection system reduces the federal inspection agency's role in poultry rejection to the sidelines. In fact, the Professional Institute of the Public Service of Canada is taking the government to court for violating its own meat inspection regulations.

Will the minister now admit that privatization of food inspection is rapidly becoming government policy and Canadians are the losers?

Mr. Pierre Lemieux (Parliamentary Secretary to the Minister of Agriculture, CPC): Mr. Speaker, the health and safety of Canadians is always a number one priority for our government.

There are three points I would like to bring up. First, this is a pilot program that was originated under the Liberals in 2004. Second, the government will not implement this program unless it is scientifically proven to improve food safety. Third, under this government, Canada has never had more veterinarians doing more inspections.

Hon. Wayne Easter (Malpeque, Lib.): Mr. Speaker, food safety is not an issue for government spin.

Twenty people died as a result of listeriosis. In the United States eight people died because of salmonella in peanuts and some of that food ended up on Canadian store shelves. The Auditor General last week found shortcomings with the inspection agency on inspections at the border.

When is the government going to stop undermining our food inspection system and stop putting political spin on what it is doing? When is it going to take Canadian food safety seriously and do something?

Mr. Pierre Lemieux (Parliamentary Secretary to the Minister of Agriculture, CPC): Mr. Speaker, as I said, this government is committed to protecting the safety of Canadians. In fact, when the Liberals were in power, they cut funding for food safety and they cut the number of inspectors. Under our Conservative government, we have committed an additional \$113 million for food and product safety and we have put more than 200 new inspectors to work.

* * *

[Translation]

THE ECONOMY

Mr. Pablo Rodriguez (Honoré-Mercier, Lib.): Mr. Speaker, Canada lost 129,000 jobs in January. That is staggering, but we have to look beyond the numbers. Every one of those lost jobs represents a human tragedy.

Recently, in my riding, I met with workers who had invested over 20 years of their lives in the manufacturing sector. They were proud of their work. They had even encouraged their children to pursue the same career. Now, companies are closing and these families have been abandoned. They have nothing left.

How can the government turn its back on these thousands of Canadians and tell them, "Too bad for you, but we have other priorities"?

Hon. Tony Clement (Minister of Industry, CPC): Mr. Speaker, that is not the case. We announced over \$900 million for the aerospace industry. Our budget—our economic plan—includes many announcements for small and medium-sized businesses and better access to credit. This is a budget—an economic plan—for our times, for our country, for workers and for jobs.

Mr. Pablo Rodriguez (Honoré-Mercier, Lib.): Mr. Speaker, the minister does not understand that every job loss has an impact on a human being, on that person's spouse and on their children.

This weekend, I was talking to Rosa, a resident of my riding and a very brave woman. She just lost her job. She does not know how to tell her children. She does not even know whether she can collect employment insurance. For her and for so many others, life has come crashing down.

What will the government say to Rosa? Will the employment insurance system be there for her, or will the government continue to restrict access to employment insurance just to save money?

•(1445)

[English]

Hon. Diane Finley (Minister of Human Resources and Skills Development, CPC): Mr. Speaker, we know there are far too many Canadians going through these trying times and losing their jobs in circumstances like that. That is why we are making every effort to speed up how quickly people can claim and receive their EI benefits. It is why we are extending those benefits.

It is also why we are investing in those same Canadians to give them the skills they will need for the jobs of tomorrow so that we will not have to go through this again, and so that they will be able to go to work, make a living, bring food home and put it on the table for their families.

* * *

RESEARCH AND DEVELOPMENT

Mr. Peter Braid (Kitchener—Waterloo, CPC): Mr. Speaker, Canada has a proud history when it comes to space robotics and exploration. Since 1989 the Canadian Space Agency has generated world-class scientific research and development that has benefited this country. Investing in this sector not only allows Canada to remain at the forefront of space research, it also creates valuable economic activity.

In these difficult global economic times, could the Minister of Industry inform this House how the government is supporting Canada's role in space exploration?

Hon. Tony Clement (Minister of Industry, CPC): Mr. Speaker, first of all, I would like to thank the member for Kitchener—Waterloo for his question. I know he is working hard for his constituents in this House and in Ottawa.

This morning I had the privilege of visiting the Canadian Space Agency in Saint-Hubert, Quebec, and was honoured to reaffirm our government's support for the CSA. Through our economic action plan, we are investing \$110 million for the development of prototypes for space robotics, vehicles and other valuable technologies.

Overall, our economic plan is investing \$5.1 billion in science and technology initiatives, demonstrating our commitment to building our competitive advantage. That is what our economic plan is about. That is why this government is on the right track.

* * *

[Translation]

PAY EQUITY

Mr. Thomas Mulcair (Outremont, NDP): Mr. Speaker, the government, with the help of the so-called Liberals, is preparing to take away a woman's right to go to court in order to earn equal pay for equal work. Sections 401 and 402 of the bill would take away the possibility for a woman, or her union, to defend her fundamental rights before the courts.

Can the Prime Minister tell us how the economy will benefit from taking away women's rights?

Oral Questions

[English]

Hon. Vic Toews (President of the Treasury Board, CPC): Mr. Speaker, we are introducing proactive pay equity legislation that was first introduced in Manitoba in 1986, followed by Ontario and by the province of Quebec. I note that the Ontario legislation was introduced by a Liberal government, supported by the NDP, led by the member for Toronto Centre.

We believe that women should not have to wait for 15 years in order for these complaints to be resolved.

* * *

THE ENVIRONMENT

Mr. Thomas Mulcair (Outremont, NDP): Mr. Speaker, the minister's affirmation concerning Quebec is a pure falsehood.

The bill also proposes to remove environmental safeguards by making it possible to build certain projects without environmental assessments. The government does not seem to understand that if a precious wetland is destroyed, it matters little that the infrastructure that replaces it is worth less than \$10 million. It is the value of the ecosystem that matters.

Does the Prime Minister not understand that in addition to bequeathing a financial debt to future generations, he is also leaving them with an environmental deficit that can never be compensated?

Hon. Jim Prentice (Minister of the Environment, CPC): Mr. Speaker, I can assure the hon. member that the government is and remains committed to protecting and enhancing the environment through public projects. We will clean up the assessment process and eliminate unnecessary duplication.

I would ask the hon. member to consider the thoughts of the premier of Manitoba who seems to agree. He said:

One project—one approval, not one project, three or four approval processes through two levels of government.... Perhaps we could spend our time and money a little more effectively.

There seems to be all-party agreement in Canada, just not in the House of Commons.

* * *

[Translation]

FOREIGN AFFAIRS

Mr. Paul Crête (Montmagny—L'Islet—Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, we are 10 days away from President Obama's visit to Ottawa. The president has promised to close Guantanamo prison where Omar Khadr has been held for many years. William Kuebler, his lawyer, is in Ottawa today to find a way to bring his client back to Canada.

Will the Prime Minister raise this issue when the American president comes to visit and ask for Omar Khadr to be repatriated?

Hon. Lawrence Cannon (Minister of Foreign Affairs, CPC): Mr. Speaker, I have often repeated the government's position on this in the House.

Oral Questions

I would tell my hon. colleague that my associates in the department have been in regular contact with both Mr. Khadr's defence representatives and the prosecutors in this case. We are continuing to hold these discussions and to make ourselves available.

• (1450)

Mr. Paul Crête (Montmagny—L'Islet—Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, contrary to what the Prime Minister said, article 4 of the UN protocol defines a child soldier as someone who is 18 years old or less and recruited into an armed group that is distinct from a national army. Canada has signed this protocol.

Does the government intend to abide by its signature and immediately demand that the United States send Omar Khadr home? Have the experts in the department told him that the Prime Minister's position is unacceptable?

Hon. Lawrence Cannon (Minister of Foreign Affairs, CPC): Mr. Speaker, I repeat the position of the Government of Canada: the individual in question, Mr. Khadr, has been accused of very serious crimes, including murder, terrorism and so forth.

We also know that the United States government has effectively decided, through a directive from the president, to close the Guantanamo military base but, at the same time, to review the files. We are therefore going to allow the legal process to run its course.

[*English*]

Hon. Bob Rae (Toronto Centre, Lib.): Mr. Speaker, on the same subject, I would hope the minister would agree there is at least a chance that the American government will decide not to pursue the case against Mr. Khadr. In that case, would we not be wiser now to be negotiating with the United States for a supervised release of Mr. Khadr into Canada where he could be under supervision and under guidance rather than simply being released? Would that not be in the interests of the country?

Hon. Lawrence Cannon (Minister of Foreign Affairs, CPC): Mr. Speaker, I do not share my hon. colleague's opinion on that. I think that what is in the interests of Canada is that we let the American government pursue the process that President Obama has commenced and when that process is over with, we will be able to see what the outcome is.

* * *

SRI LANKA

Hon. Bob Rae (Toronto Centre, Lib.): Mr. Speaker, on the subject of Sri Lanka, which I have raised with the minister before, we have seen a very serious escalation of violence on both sides—on both sides, I stress—in the last four days.

Are there any additional steps the minister and the Government of Canada plan to take with our friends and allies and with the United Nations to ensure that we bring this terrible conflict to a conclusion?

Hon. Lawrence Cannon (Minister of Foreign Affairs, CPC): Mr. Speaker, we had the opportunity, as parliamentarians, to debate this issue last week. As a government, we were able to indicate what actions the Government of Canada has taken. The Government of Canada has called for an immediate ceasefire. My colleague, the Minister of International Cooperation, has put forward amounts of

money that will help the people who are caught up in this humanitarian turmoil.

We are continuing to monitor the situation. It is of grave concern to us and we are following the file.

* * *

MINING INDUSTRY

Mr. Claude Gravelle (Nickel Belt, NDP): Mr. Speaker, this morning the people of Sudbury woke up to the fact that 700 permanent jobs had been cut by Xstrata Nickel. In July 2006 the Minister of Industry allowed the Swiss-based Xstrata to purchase Canadian-based Falconbridge under the condition that the Canadian jobs would be protected for three years. This is cold comfort to the Sudbury miners who have lost these so-called protected jobs.

Will the minister take action to protect our mining industry and Canadian mining jobs?

Hon. Tony Clement (Minister of Industry, CPC): Mr. Speaker, obviously, when I heard about these layoffs, I was disappointed. I have been on the phone with the mayor of Sudbury already today. These are challenging times for mining companies around the world.

I can tell the hon. member and the House that at my direction over the weekend, we had extensive discussions with Xstrata which resulted in further commitments to Sudbury made by Xstrata, including an investment of between \$290 million and \$390 million in the Sudbury area over the next two years. That is now on the books, and I am very proud to say that. But we are sorry that—

The Speaker: The hon. member for Sudbury.

Mr. Glenn Thibeault (Sudbury, NDP): Mr. Speaker, the government still has the opportunity to say no to the 700 jobs cuts and to honour and enforce the agreement with Xstrata. The 700 people in Sudbury who have just lost their jobs are looking to the Minister of Industry to keep the government's promise that Canadian jobs would be protected in this foreign buyout.

Will the minister give a clear yes or no answer on whether he intends to stand with the people of Sudbury and enforce this agreement to protect Canadian jobs?

• (1455)

Hon. Tony Clement (Minister of Industry, CPC): Mr. Speaker, I am standing with the people of Sudbury, which is why, over the whole weekend, we were engaged in this course of negotiations.

It would probably be no surprise to the hon. member to know that Xstrata did not share our view on the legalities of the situation. We got its new undertakings and we were able to secure at least 300 jobs through that one undertaking alone.

Another undertaking to pursue research and development could lead to more jobs. Given the terrible state of mining in the world, it is responsible for us to have that discussion with Xstrata and to come to these conclusions.

OLYMPIC ATHLETES

Mr. John Weston (West Vancouver—Sunshine Coast—Sea to Sky Country, CPC): Mr. Speaker, over the weekend, our athletes, both overseas and at home, had a record-shattering medal haul, winning 28 medals, including a dozen gold.

Some of those medals were won in the Olympic venues at Cypress Mountain and Whistler in the riding I have the honour to represent.

With just over one year until the 2010 Canadian Winter Olympic and Paralympic Games, would the Minister of State for Sport update the House on the status of our Olympic athletes?

Hon. Gary Lunn (Minister of State (Sport), CPC): Mr. Speaker, the hon. member is absolutely correct, our athletes had an amazing weekend, winning 28 medals over the weekend, 14 of them gold. We are well on our way to owning the podium for 2010 Winter Olympic and Paralympic Games next year.

I want to share a bit of the excitement. John Kucera is the first Canadian man ever to win a downhill in Val d'Isère, France. In the ski cross, it was amazing who was up there. Both Aleisha Cline and Del Bosco won gold. In that event we won five of the six medals. Of course, Patrick Chan in the figure skating at the Four Continents was breathtaking in his performance.

We are winning. We will win gold at home and our athletes are making us all very proud.

* * *

THE ECONOMY

Ms. Ruby Dhalla (Brampton—Springdale, Lib.): Mr. Speaker, in this time of growing economic crisis, hundreds of families in my riding of Brampton—Springdale are losing their jobs, being laid off and let go.

Chrysler eliminated its third shift. The result: 1,100 people jobless. ABC Plastics closed its doors. The result: hundreds of workers unemployed.

Now Nortel claims bankruptcy and its workers are listed as unsecured creditors. The result: no pay for their work.

What steps will be taken to ensure that employees of bankrupt companies are protected as secured creditors and that they get paid for their hard work.

Mr. Ted Menzies (Parliamentary Secretary to the Minister of Finance, CPC): Mr. Speaker, that is a good question. If the hon. member had read the budget, she would have seen a provision in there to actually protect those wage earners who are faced with bankruptcy from their employer.

That, once again emphasizes why we need to get to work and pass the budget. Once all hon. members actually read the budget, they will realize all of the good things in it and they will get behind us and support our economic action plan.

Oral Questions

[Translation]

INFRASTRUCTURE

Ms. Christiane Gagnon (Québec, BQ): Mr. Speaker, the minister responsible for Quebec made statements suggesting that the government will attempt to avoid taking responsibility and make the Government of Quebec and the City of Shannon pay for the water table contamination caused by the army.

The army is responsible for 100% of the damage, so it should assume 100% of the cost of the cleanup. Why is the minister trying to make someone else pay for something that is the army's responsibility by dipping shamelessly into the infrastructure envelope?

Hon. Josée Verner (Minister of Intergovernmental Affairs, President of the Queen's Privy Council for Canada and Minister for La Francophonie, CPC): Mr. Speaker, nothing could be further from the truth. On the contrary, the City of Shannon's infrastructure file is one of our priorities, and we will take care of it, as I said before. One thing is clear: the member for Québec will never be in government and will never be a cabinet minister, even if there were to be a coalition, so she is not the one with whom we will be resolving this issue.

* * *

[English]

ETHICS

Mr. Bill Siksay (Burnaby—Douglas, NDP): Mr. Speaker, the Cadman affair and subsequent lawsuit raised very serious allegations that sullied Canadian politics.

Last March, the Prime Minister said that the issue would "prove to be in court the biggest mistake the leader of the Liberal Party has ever made".

Now, only days after the Liberals rubber-stamped the Conservative budget, we learn that Conservatives and Liberals have a secret deal and that the lawsuit has been dropped.

Will the government update Canadians on this closed door deal and why the biggest mistake has turned into a big flip-flop? How will we know the truth in the Cadman affair?

• (1500)

Mr. Pierre Poilievre (Parliamentary Secretary to the Prime Minister and to the Minister of Intergovernmental Affairs, CPC): Mr. Speaker, the parties have settled the action. I have no further comments.

* * *

HEALTH AND SAFETY

Mr. Dean Allison (Niagara West—Glanbrook, CPC): Mr. Speaker, the Conservative government has consistently demonstrated its commitment to protecting the health and safety of Canadians.

In budget 2009, the government made significant investments into improving health care for all Canadians. As well, this Conservative government recently brought forward legislation to strengthen consumer product safety in Canada.

Routine Proceedings

Could the Minister of Health please explain to the House what measures this government is prepared to take to ensure a secure environment for the handling of pathogens and toxins used in Canadian research?

Hon. Leona Aglukkaq (Minister of Health, CPC): Mr. Speaker, I am proud to say that this government is committed to the health and safety of Canadians. As such, this government will introduce the human pathogens and toxins bill. The bill would establish safe handling practices of the most dangerous pathogens and toxins. The bill would also balance the requirements of biosafety and biosecurity with the interest of strengthening scientific research in Canada.

I am proud of the actions being taken by this Conservative government. I hope the opposition will stand with our government to protect and promote the health and safety of Canadians.

* * *

[Translation]

SOCIAL HOUSING

Mrs. Alexandra Mendes (Brossard—La Prairie, Lib.): Mr. Speaker, the Canada Mortgage and Housing Corporation today announced a significant drop in housing starts in January 2009, compared to the same month in 2008. Especially in urban areas, this slowdown means major job losses.

What does the Minister of Finance plan to do to get the necessary money out quickly so that social housing construction can bring about even a partial recovery of housing starts across Canada?

Hon. Diane Finley (Minister of Human Resources and Skills Development, CPC): Mr. Speaker, that is exactly what we want to do with our economic action plan. We want to invest in affordable housing to help people, especially the most vulnerable.

[English]

We are trying to create many jobs by investing, including our announcement last fall, close to \$4 billion for new and the renovation of social housing. These activities will create jobs right now and provide long term benefits for those who need it most.

* * *

PRESENCE IN GALLERY

The Speaker: I would like to draw to the attention of hon. members the presence in the gallery of the Hon. Kathy Dunderdale, Minister of Natural Resources and Deputy Premier of Newfoundland and Labrador.

Some hon. members: Hear, hear!

* * *

POINTS OF ORDER

ORAL QUESTIONS

Hon. Vic Toews (President of the Treasury Board, CPC): Mr. Speaker, in a question that was put to me, I answered a question from the member for Outremont. In the preliminary portion of his question, following my answer, he made an unparliamentary statement. I know the Speaker did not have the opportunity to hear that. I would ask the Speaker to review the transcript and make a

ruling in respect to the comments made by the member for Outremont.

[Translation]

Mr. Thomas Mulcair (Outremont, NDP): Mr. Speaker, the facts are abundantly clear. Quebec never did away with equity, as the Conservatives have done. I withdraw the word without hesitation, and I would just like to say that what the minister said was the opposite of the truth.

[English]

The Speaker: I will review both comments and the circumstances. I did not hear what the hon. member said at the time as I was calling for order.

[Translation]

It was because there was a great deal of noise in this House. I will review both comments and, if necessary, I will come back to the House.

ROUTINE PROCEEDINGS

[Translation]

INFORMATION COMMISSIONER

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

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

* * *

● (1505)

[English]

EXPORT DEVELOPMENT CANADA

Hon. Stockwell Day (Minister of International Trade and Minister for the Asia-Pacific Gateway, CPC): Mr. Speaker, pursuant to Standing Order 32(2) I have the honour to table on behalf of myself, in both official languages, the report prepared for the 2008 legislative review of Export Development Canada. I ask that the report be referred to the Standing Committee on International Trade.

* * *

[Translation]

OFFICIAL LANGUAGES

Mrs. Shelly Glover (Parliamentary Secretary for Official Languages, CPC): Mr. Speaker, on behalf of the Minister of Canadian Heritage and Official Languages, it is my pleasure to table today the 2006-07 annual report of the Department of Canadian Heritage on issues within its mandate with respect to official languages.

This report outlines initiatives supported through the Department of Canadian Heritage and 32 other federal institutions in applying the intent of the Official Languages Act. It shows our government's ongoing commitment to promote linguistic duality and the development of minority official language communities.

* * *

[English]

HUMAN PATHOGENS AND TOXINS ACT

Hon. Leona Aglukkaq (Nunavut, CPC) moved for leave to introduce Bill C-11, An Act to promote safety and security with respect to human pathogens and toxins.

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

* * *

COMMITTEES OF THE HOUSE

PROCEDURE AND HOUSE AFFAIRS

Mr. Joe Preston (Elgin—Middlesex—London, CPC): Mr. Speaker, pursuant to Standing Orders 104 and 114, I have the honour to present, in both official languages, the fourth report of the Standing Committee on Procedure and House Affairs regarding the membership of committees in this House.

If the House gives its consent, I intend to move concurrence in this report later today.

* * *

CORPORATE ACCOUNTABILITY OF MINING, OIL AND GAS CORPORATIONS IN DEVELOPING COUNTRIES ACT

Hon. John McKay (Scarborough—Guildwood, Lib.) moved for leave to introduce Bill C-300, An Act respecting Corporate Accountability for the Activities of Mining, Oil or Gas in Developing Countries.

He said: Mr. Speaker, the purpose of this bill is to promote environmental best practices and ensure the protection and promotion of international human rights standards in respect of mining, oil or gas activities of Canadian corporations in developing countries. It also would give the Minister of Foreign Affairs and the Minister of International Trade the responsibility to issue guidelines that articulate corporate accountability standards for mining, oil and gas activities and it would require the ministers to submit an annual report to both Houses of Parliament on the operation of this act.

In the business section of *The Globe and Mail* this morning was a very timely article about this very issue. I am hoping that this bill will receive favour among hon. members here and that it will, in fact, create a debate on what is a very difficult issue for us all. I thank my friend for Lac-Saint-Louis for his generous support.

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

* * *

CRIMINAL CODE

Mr. Garry Breitkreuz (Yorkton—Melville, CPC) moved for leave to introduce Bill C-301, An Act to amend the Criminal Code and the Firearms Act (registration of firearms).

Routine Proceedings

He said: Mr. Speaker, it is an honour and a pleasure to table my private member's bill today entitled, an act to amend the Criminal Code and the Firearms Act (registration of firearms).

I would like to thank the member for Bruce—Grey—Owen Sound for seconding my bill and the member for Renfrew—Nipissing—Pembroke for co-seconding it, as well as the many other MPs who will likely be seconding it as well.

The bill proposes to discontinue the wasteful long gun registry that has not saved the life of a single Canadian. The registry has been a boondoggle since its inception. I believe members of Parliament from all political parties will see ample cause to shut it down.

I doubt there has ever been another government program that has gone 500 times over budget and been such a miserable failure. I hope everyone here will agree that our tax dollars should be invested in practical public safety measures that really do save lives.

We have been punishing law-abiding Canadian hunters, farmers and sport shooters for a decade, and it is time to focus on criminals and gangs who use firearms for all the wrong reasons.

The bill also invites the Auditor General to bring evidence and clarity to this issue so parliamentarians can make informed policy decisions on firearms law in the future.

I would also like to thank the people in Parliament and right across Canada who have supported me faithfully for 14 years in my quest to put an end to the long gun registry.

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

* * *

● (1510)

COMMITTEES OF THE HOUSE

PROCEDURE AND HOUSE AFFAIRS

Mr. Joe Preston (Elgin—Middlesex—London, CPC): Mr. Speaker, if the House gives its consent, I move that the fourth report of the Standing Committee on Procedure and House Affairs, presented to the House earlier this day, be concurred in.

The Speaker: Is that agreed?

Some hon. members: Agreed.

(Motion agreed to)

* * *

PETITIONS

DARFUR

Mr. Borys Wrzesnewskij (Etobicoke Centre, Lib.): Mr. Speaker, pursuant to Standing Order 36 I have the honour to present a petition signed by 50 students of Dawson College who are active members of Canadians for Action in Darfur.

Point of Order

The petitioners express their deep concern that since 2003, hundreds of thousands of innocents have been killed and 2.5 million displaced in the Darfur region of Sudan. Drawing on Canada's proud legacy of humanitarian international engagement, patient diplomacy and peace-building, they urge the Canadian government to once again show international leadership and do all in its power to save the people of Darfur from the genocidal horror that they face.

The time to act is now.

INTERPROVINCIAL BRIDGE

Hon. Mauril Bélanger (Ottawa—Vanier, Lib.): Mr. Speaker, I once again have the privilege of presenting a petition on behalf of people from throughout the national capital region, all of them expressing deep concern with the fact that large 18-wheel trucks are circulating in the middle of our city.

The petitioners ask the government to instruct the National Capital Commission to proceed with a detailed assessment of an interprovincial bridge linking the Canotek Industrial Park to the Gatineau Airport, which is option 7 of the first phase of the interprovincial crossings environmental assessment, a position which is now supported by the Governments of Ontario and of Quebec.

THE ENVIRONMENT

M. Don Davies (Vancouver Kingsway, NDP): Mr. Speaker, I am honoured to introduce a petition on behalf of many of my constituents and Canadians across the country, seeking to ban the residential burning of wood for environmental reasons except in remote areas where no other heat sources is available.

The petitioners also call upon the government to offer assistance to find alternative heat sources and educate all Canadians about the health hazards from residential wood burning.

I would like to commend my constituent, Vicki Morell, for collecting over 400 signatures toward this end.

● (1515)

RIGHTS OF THE UNBORN

Mr. Ron Cannan (Kelowna—Lake Country, CPC): Mr. Speaker, it is an honour to rise on behalf of the constituents of Kelowna—Lake Country to table a petition that deals with the current federal criminal law where an unborn child is not recognized as a victim with respect to violent crimes and that studies show violence against women often begins or escalates during pregnancy.

Therefore, the petitioners call upon Parliament to enact legislation that would recognize unborn children as separate victims when they are injured or killed during the commission of an offence against their mothers and allowing two charges to be laid against the offender instead of just one.

DARFUR

Hon. Navdeep Bains (Mississauga—Brampton South, Lib.): Mr. Speaker, I present a petition on behalf of my constituents. The petition is with respect to the genocide that is taking place in the Darfur region of Sudan, which has caused the deaths of approximately of 300,000 people and 2 million or more have been displaced.

The petitioners call upon the government to put pressure on the Sudanese government to allow for additional peacekeeping troops in that region, to pressure the Sudanese government to begin peace talks and to increase the land based humanitarian efforts in that region as well.

CANADA POST

Hon. Navdeep Bains (Mississauga—Brampton South, Lib.): Mr. Speaker, I also present another petition, again, presented by my constituents.

The petitioners ask Parliament to take measures to eliminate the health and safety risks associated with community mailboxes by reinstating door-to-door mail delivery service in all neighbourhoods across Canada.

* * *

QUESTIONS ON THE ORDER PAPER

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

The Speaker: Is that agreed?

Some hon. members: Agreed.

* * *

POINTS OF ORDER

ORAL QUESTIONS

Hon. Anita Neville (Winnipeg South Centre, Lib.): Mr. Speaker, I rise today on a point of order. Last Thursday, February 5, in his answer to my question, the hon. Minister of Indian Affairs and Northern Development apparently knowingly misled the House and Canadians on what I view to be a very important matter. He quoted an international human rights lawyer from Winnipeg, Mr. David Matas, very much out of context.

In quoting Mr. Matas, the minister confused process with substance. My question focused on the substance and the seriousness of implementing key recommendations from the United Nations periodic peer review, which was concluded last week in Geneva. This review included comments from Canada's close friends and allies.

Criticisms from the peer review included Canada's failure to address violence against aboriginal women, failure to uphold the CEDAW obligations and the fact that Canada had no strategy to eliminate poverty and homelessness. These criticisms raise serious issues that should be taken seriously.

The minister clearly avoided the question and turned to verbal gymnastics intended to deliberately mislead the House.

In an email Mr. Matas sent to me on Friday, the day following the question, Mr. Matas points out that the minister:

—plays on an ambiguity. He takes something I said, about Canada's presentation, out of context. I was talking about form not substance. The drift of his answer suggests I was talking about substance and not form.

In his comments, Mr. Matas continues in saying:

The best one can said of [the minister] is that he uttered a *non-sequitur*, reacting to a question about how bad Canada is in substance by answering that Canada is in good form. It is illogical to respond to a charge of weakness in the Canadian human rights record by saying that Canada has presented a good report on those weaknesses....

It looks to me that he has fallen into a verbal game playing, undercutting at home what Canada is doing abroad. In Geneva, Canada is taking the UPR seriously, setting an example in the hope that other countries will also take the UPR seriously. This effort is undermined when Canada at home does not also take the UPR seriously but instead plays the kind of verbal games in which [the minister] has indulged.

In conclusion, Mr. Speaker, it is evident the minister pointedly did not answer the question, deliberately took an experts word out of context and thereby misled the House and all Canadians.

• (1520)

Hon. Jay Hill (Leader of the Government in the House of Commons, CPC): Mr. Speaker, as is quite evident, the hon. minister has left the chamber, so I would want to reserve his right to respond to these very serious allegations.

However, I point out that, under the rules of the House, it is unparliamentary for anyone to allege that any other member of the House knowingly misleads the chamber and the members therein. I would ask you to consider that, Mr. Speaker, because I am pretty sure that is what I heard the member alleging.

The Speaker: I share the House leader's concern in that respect. It sounded to me like a matter of debate, but I am prepared to look at the statement the minister made and the statement made by the hon. member now and, if necessary, I will come back to the House on this issue.

An hon. member: They may offer an apology.

The Speaker: There may be apologies who knows where, but we will see.

GOVERNMENT ORDERS

[English]

BUDGET IMPLEMENTATION ACT, 2009

The House resumed consideration of the motion that Bill C-10, An Act to implement certain provisions of the budget tabled in Parliament on January 27, 2009 and related fiscal measures, be read the second time and referred to a committee, and of the motion that this question be now put.

The Speaker: When the matter was before the House a short time ago, the hon. member for Charlottetown had the floor and there are six minutes allotted in the time remaining for his remarks.

I therefore call upon the hon. member for Charlottetown.

Hon. Shawn Murphy (Charlottetown, Lib.): Mr. Speaker, when I concluded before question period, I was speaking about the budget. I specifically confined my remarks to the whole issue of the environment and the lack of any action at all in this last budget statement from the government. I talked about what has happened over the last three years and, really, when we look at it, some would say nothing has happened and some would say very little has happened.

Government Orders

One of the announcements I was talking about that was very troubling was this \$1.519 billion trust fund that was established a couple of years ago where the money would go to the provinces. However, as has been disclosed last week from the report of the Auditor General, there was a total breakdown in the whole link of accountability. The number one job of members of Parliament on both sides of the House is to hold the government accountable for the money it spends on behalf of the taxpayers.

However, in this case, the moneys were transferred to the provinces and there was absolutely no requirement that they spend the money on the environment, or anything else for that matter, and a lot did not. Those that did, did not spend it on incremental matters; they just substituted that money for other moneys they were planning to spend on the environment. So, we can see how troubling this is.

To put it into perspective, there is not one person in Ottawa at the Department of Finance, at the Treasury Board, or over at the Office of the Auditor General, who can confirm that one cent of this money was spent on environmental matters. Then the government made the statement that at the time it was going to lead to a 16 million tonne reduction in greenhouse gas emissions. Of course, we know that that was just someone's wild guess. No one could confirm now that there was one tonne, 10 tonnes or one million tonnes in reduction; that is just a statement in hot air that is out there and no one can confirm it. There is no accountability mechanism at all. So, it is certainly troubling to hear this.

Again, the second program the government announced with much fanfare, and again at the time I know it was extremely bad public policy, was this tax credit for transit riders. It was announced to cost \$665 million. At the time, I believe there were reports from the Department of Finance that it would lead to a 100 tonne reduction of greenhouse gases annually. The government announced, despite this report, that it would be 220,000 tonnes annually, but now it has reported that, no, all that information was incorrect, it was erroneous, and the correct figure is 30 tonnes annually.

As we can see, if we do the arithmetic, it is extremely expensive. At \$665 million, it is something like \$10,000 per tonne. It is hopelessly expensive. It is bad public policy. As I watched the minister answer questions last week, I think he realizes that he is dealing with a program that obviously does not work and that he has to figure out some way of getting out of it.

That brings us to today. Looking at this budget, there is one page that talks about environmental measures. It is very brief. There is some research done on carbon capture, there is an extension to the ecotrust moneys, and that it is it. There is nothing else. It is all contained in one half page.

As I said before question period, we have gone through three regimes in this House. The first environment minister said we would have a made in Canada approach. The second minister said he was going to legislate, and we have not seen that. And of course the third minister, now, is talking on the public airwaves about a North American solution.

Government Orders

But, again, this is after four years. After three months nothing was done, after six months nothing was done, and now we are looking at four years and we are not seeing anything at all. Again, that is very disappointing and troubling. When we compare it to what was going on in the United States, it mirrored what was going on in the United States because the administration in the United States and the administration in Canada were basically in lockstep with each other.

I do not know what the new administration in the United States is going to do. It is too early to tell. But certainly from the announcements that were made by President Obama, there seems to be very strong statements being made as to that administration's intention on the environment. There are some very power people occupying the secretary's position.

● (1525)

President Obama is going to be here on February 19. There are a number of issues to talk about. I assume and hope that climate change would be one of those issues, but I would like to be a fly in that room to listen to the conversation because I do not know what the Prime Minister would say when President Obama asks what we are doing. I think it would be a very short, terse conversation. We have to get ourselves in lockstep with what is going on in the United States on this whole issue.

The last election was fought on the green shift. It was attacked negatively and I will admit successfully, but as a Canadian I do not think for a minute that the government should interpret that as a licence or mandate to do absolutely nothing on the environment.

Again, I am disappointed. I am concerned. This is a major issue. I believe that people are looking for action and when I look at a vision, it is very unclear and I do not see any vision at all. Let us hope that in the days and months to come we will see more action on this initiative.

Mr. Rodger Cuzner (Cape Breton—Canso, Lib.): Madam Speaker, the vast majority of Canadians want this Parliament to work and they want parliamentarians to work together in their best interests. There is a great deal of fear out there right now whether or not this is enough stimulus to help the economy along. Certainly, it has been difficult. It is a leap of faith from the people on our side to support the budget. We are trying to determine exactly what is fact in the budget and what is perceived.

The issue that I have not been able to get any reassurance on is the measures regarding EI where it was announced that there would be an extension of five weeks with the EI program. I am wondering if that applies only to those recipients who are receiving full benefits, 45 weeks and extended to 50, or does my colleague know whether or not it is extended to all recipients of EI. If they are qualified for 32 weeks, is that extended to 37? It is a question that is being asked out there and I am wondering if he has any more insight on this.

Hon. Shawn Murphy: Madam Speaker, I know EI is a big issue in the member's riding of Cape Breton—Canso. It is a big issue my riding, but the two issues on EI are the people who cannot get it because they do not qualify because they do not have the number of hours. That is one of the biggest problems, but the second problem is the waiting period. There is two week waiting period.

However, another issue that is just as, or more important, and that is the whole administrative delay. People get laid off, for example, at the end of November and they have the two week waiting period. Then they can file their claim and then it is either four, five or six weeks. So we are dealing with a person who was laid off from work on December 1 and it is toward the end of January before they receive their first cheque. We can see the problems and difficulties that puts Canadian families in. That is a major issue that ought to be addressed by the government immediately.

● (1530)

[*Translation*]

Mr. Thomas Mulcair (Outremont, NDP): Madam Speaker, my question to the hon. member concerns the three Es.

[*English*]

It is employment insurance; equity, as in pay equity; and the environment.

The bill, contrary to the needs that are obvious, does nothing on employment insurance. It especially does not take away the two week penalty for people who lose their job through no fault of their own. That is money that could be given, flowing directly into the community. We could also extend the base of people, applying the same rules across Canada.

On the environment, the bill provides a rule making power that is not even made public. The government intends to take away the requirement for an environmental assessment for any project under \$10 million. If people are destroying a precious wetland, it matters little the value of the project that is going to destroy it, it is the value of the ecosystem that we should be looking at.

The third e, of course, is equity, pay equity. Unlike the provinces that the minister referred to today where they did everything to make sure women had pay equity, here the Conservatives want to take it away.

How can a party that calls itself Liberal support measures like that?

Hon. Shawn Murphy: Madam Speaker, the budget document, as everyone in the House and certainly everyone on this side of the House realizes, is not a perfect document.

There are a lot of things in the budget that I think should have been done differently, that should be more enhanced, but there are some positive initiatives. The infrastructure moneys are welcome right across Canada, and certainly in my riding, assuming we can get the money out the door. That is an unanswered question.

Even the small amendments to EI are a welcome change. It is not a perfect document. That is why the previous speaker said it is up to us as parliamentarians to work together. When 129,000 Canadians lost their job last month, I do not think that Canadians want to be thrown into an election at this point in time. They want solutions. They want policies. They want programs. They want decisions. They want action from this House.

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Hon. Maria Minna (Beaches—East York, Lib.): Madam Speaker, I think we all know that the budget tabled recently by the government would not have been fashioned the way it was had there not been pressure from the opposition. Had November not happened, had the financial update not happened, had the prorogation not happened, had the pressure from all Canadians and from labour, business and House opposition members not happened, that particular budget probably would not have happened. Certainly there would not have been the measures within that budget that address some of the situations in our economy. I think that needs to be said.

There are some encouraging pieces in that budget; however, it is a flawed document, because it does not specifically address a lot of areas that deal with the unemployed and with building an economy for the future. Let me start with some of the things the budget misses out on tremendously.

Early education and child care in this country constitute a huge problem. There are no spaces being created by the government, despite its constant claim that we have universal child care, which of course does not exist under this particular government. In fact, it cut \$5 billion off a national child care program put in place by the Liberal government prior to that.

My own province of Ontario is running out of money to provide child care. We do not know yet whether the government will come forward and provide the funding or not. In Toronto alone, 6,000 spaces are set to close, while we have a two- to three-year wait-lists for children. This situation gives parents no choices.

Let us look at the economy. Parents are losing jobs. They need early education and child care to be able to go to the retraining programs that the government claims it is putting in place in order for them to go back to those jobs we are trying to create.

On top of that, it is also about development. Creating child care spaces also creates infrastructure, as well as jobs for the teachers who would be participating, not to mention the benefit to the families. This is a point the government has not understood: early education and child care are not just about babysitting, but also about early childhood development and supporting families in our society. This is a major gap in which social infrastructure is not addressed. Instead of building the lives of children and preparing them for the future, we are leaving them behind at the very outset, because there is no plan and never has been.

Unquestionably there is some money for affordable housing. I will not take away the support for low-income seniors and disabled people. The \$1 billion is a one-time investment over two years for renovation and energy retrofits, but no new buildings are being created. There is no new affordable housing being built for families who are waiting right now. I think the wait-list is somewhere around six to seven years to find any affordable housing whatsoever for families with moderate to low income in Toronto, but there is no long-term strategy here for affordable housing of any kind.

There is no question that I appreciate the assistance for seniors and disabled families. Nonetheless, it is only \$75 million over two years for construction of housing for persons with disabilities and \$400 million over two years targeted for low-income seniors. Those are

two good pieces. I am glad to see there is at least some assistance for some of the more vulnerable people in our society. However, the reality is that in this country people are waiting six to seven years or more for affordable housing. In my own riding I have seen families who have lost jobs begging and coming to me because they cannot pay their rent or find affordable housing.

Under this affordable housing plan we have retrofits, and that is great. There is no question that renovation is a good program, but people need to have money to put forward in order to be able to benefit from home renovation. If people do not have a job or the money to pay a mortgage, they cannot do it. These programs help those Canadians who have money, and that is okay, because we need people to spend money. However, we also need to look after those people who are vulnerable in our society, the large number of people who have lost jobs and the others already on the wait-list who have not been able to access affordable housing.

● (1535)

Affordable housing is a major infrastructure program as well as a benefit to society. It is an investment in the long term. That housing will be there for decades to come and will bring stability to the sector. Looking into the future, it would be investing in our society as well as creating jobs in our community, and we need to do that. Social infrastructure is just as important as the infrastructure for roads, bridges and so on.

Another area which is not just missed, but it is actually punitive, and that is not even the right word, is pay equity. Pay equity is a human rights issue for women. It is not a privilege. It is not something that is done because one is trying to be nice. It is a basic human right for women.

Women in this country are now earning 70¢ to the dollar. In the mid-nineties they were earning 72¢ to the dollar. They are actually going backward and not making headway. That is taking into consideration a university education as well. The fact of the matter is that women are earning less. This House has asked the government repeatedly to strengthen pay equity. The reports from the standing committee of the House have constantly requested the same thing. A task force report was tabled as far back as 2004 to bring forward proactive pay equity legislation, but under the current legislation the government is in fact taking away the right for women to even put in a complaint. Now, if a woman is being discriminated against on a pay issue, she cannot even put in a complaint under the current bill. That will be eliminated because it is supposed to be part of the collective bargaining agreement.

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I have all the respect for unions and will always support collective bargaining, but women's rights are not to be bartered with at the table. I also learned today that not only women can no longer put in complaints, but also that if a union member helps a woman put forward a complaint to the human rights commission, that member will be charged \$50,000 for actually assisting her to put in a complaint under an act under which she has every right to put in a complaint. It is absolutely bizarre that the government has, from day one, from the time it was elected back in 2006 and in budget after budget, constantly brought in measures that are to the detriment of women, that put women down and erase them from the face of any legislation. I do not know what the government's problem is. Seventy-six per cent of women are in the labour force, but this seems to be something that does not sink in.

I want to go to something else, and that is jobs for the future.

There is nothing in this document that is strong on the environment. We have seen the results of previous environmental programs, such as the transit passes, which have actually produced absolutely nothing. They have put money into people's pockets, but they have not created any measurable reduction in environmental pollution, so that does not help in any way.

There is no investment in the jobs of tomorrow. The President of the United States is talking about investing in green technology, in creating the jobs of tomorrow. I guess we will be buying their technology, because we are not doing it ourselves, and this budget does not have it.

Employment insurance has been extended five weeks, yes, but accessibility is still a huge problem, especially for women. Nearly three times as many men qualified for EI during the last reporting period than did women. That shows one of the major concerns with respect to EI.

I have a great deal more to say on that point, although maybe not at this time. These are just some of the issues on which, in my view, the government has missed the boat. I would urge the government to listen to the opposition, as it did on some of the things it has put in the budget; to make changes in the next little while; and to invest in the areas that will strengthen our economy, make us a partner with each other, build for the future and help us come out of this mess with a stronger rather than weaker society.

● (1540)

Mr. Thomas Mulcair (Outremont, NDP): Madam Speaker, I was listening with great interest to the speech from my Liberal colleague. I heard in particular her litany of complaints against the bill with regard to a woman's right to equal pay for work of equal value. I know she was part of the status of women committee when the report was brought in and the Liberals were in a minority situation.

At the end of her comments she said something that fascinated me. She asked why the government does not listen to the opposition and bring in changes. However, the Liberals have not asked for any changes, not one.

Interestingly enough, when four members from Newfoundland said they could not vote for the budget because of what it would do

to Newfoundland, all six of them were actually required to vote against it.

Here is my question to the Liberal member who just spoke: is she going to be making a proposal to amend the bill? If the government does not respond to that proposal, or if she chooses, like the rest of her colleagues, not to make a proposal, is she going to follow the lead of her colleagues from Newfoundland and stand up for the principles she just said she has and be courageous and vote against the bill, or is she going to fold like all the rest of the Liberals and vote with the Conservatives against women's rights, against employment insurance rights, and against the environment?

Hon. Maria Minna: Madam Speaker, to my knowledge the NDP did not put forward any amendments to the bill either, so let us get some reality here.

The other thing we have to be cognizant of is that when we had a minority government, the NDP chose to knock that government down, knowing full well what the Prime Minister would have done and what the Conservatives were going to do. They have been very clear about it. Those NDP members knew full well what they were bringing in, but chose nonetheless to kill a Liberal minority government to work with the Conservatives. That is why we now have a bit of a problem and a mess on our hands with this situation.

The issues related to pay equity are serious to me and always have been. I would like to see the government change its position, but I do not have any great hope that it will.

We are going through an economic crisis. We Liberals have a responsibility in this House, unlike the NDP, which wants to have an election every other day. I do not think Canadians want an election right now. Therefore, we will work with the government as much as we can in the short term. In the long term, women in this country will get their rights back, but it will only be with a Liberal government, not with the NDP or the Conservatives.

● (1545)

[Translation]

Mr. Raynald Blais (Gaspésie—Îles-de-la-Madeleine, BQ): Through you, madam Speaker, I would like to put a question to the member who just spoke about the budget. My question concerns an issue close to my heart and to the hearts of those who live in the regions.

The Bloc Québécois has submitted a rather detailed plan to the government. I would like to hear the hon. member on this. In the last Parliament, she probably showed support for a tax credit for those young people returning to work in so-called remote regions. I say so-called because who is remote from whom really? In that sense, I guess she would have liked this bill to be reinstated. What is really her take on this?

[English]

Hon. Maria Minna: Madam Speaker, most of us would support any assistance that we can give to young people in different regions of this country to access education, employment and training.

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Right now, given our economic situation, a larger percentage of young people are unemployed compared to the rest of the population. This generally happens when there is a downturn in the economy. The last time we had a recession was when I was first elected. While there was an unemployment rate of 11.5% in the country, 27% of youth were unemployed.

We all need to work together to ensure that young people in this country are looked after properly, because they are the future of this country. They are the future leaders of our country and they need a chance to get their lives on track.

Ms. Judy Wasylycia-Leis (Winnipeg North, NDP): Madam Speaker, I do not believe my colleagues in the Liberal Party really understand what is at stake here. If it was not apparent before either in the doomed economic statement of November 27 or the recent budget, then it should be clear now based on what is in this legislation, Bill C-10, the budget implementation act.

If there is any way for me to make a miracle happen on behalf of the women of this country, it would be to convince the Liberals not to sit back and support the budget implementation act which sets back the clock some 30 years in terms of women's equality. I wish I could find those words because they do not realize that what is at stake here is everything that the member for Beaches—East York fought for all these years, that I fought for, that my colleague from Nanaimo—Cowichan fought for, that the member for Trinity—Spadina fought for and, of course, that my male colleagues fought for as well.

We entered political life to make a difference. One way to make that difference was to ensure that some measure of pay equity was being enforced right across this country. I cannot believe that the Liberals are going to sit here today and let this go down the tubes. I cannot believe that they are going to let the women of this country down simply because they got boxed in by some stupid response to this Conservative budget, which does not deserve to be supported for one second of the day. I cannot believe it.

I may be emotional today, but I have been involved in the women's movement for some 30 to 40 years. When we started working in the women's movement it was not just to be patsies for the men or for a right-wing macho party like the Conservative Party. It was to stand up for women, to stand up and be counted and make sure that the laws of the land respected and reflected the great diversity of this land and the values of this country. At the heart of that is equality and justice. At the heart of equality and justice is pay equity, and what pay equity means is equal pay for work of equal value.

If the Liberals do not understand what they are doing right now, then they only need to talk to the Conservatives who at their last convention in November, in the city of Winnipeg, rolled back the clock in terms of their own party resolutions and eliminated the concept of equal pay for work of equal value. They changed the definition of pay equity back to what it was 30 or 40 years ago, which is equal pay for equal work. That resolution was sponsored by the Conservatives' own caucus. It was not an individual member who did not know what he or she was doing. It was sponsored by their caucus and introduced by the member for Kildonan—St. Paul.

How can anyone sit and ignore what is really being done to us here today? Look at the legislation. Look at what the Conservatives are doing to the concept of equal pay for work of equal value. Look at the sections under the supposed public sector equitable compensation act. The title gives the first clue. Does it say "public sector pay equity act"? No. There is a weasel word in this bill. It is a weasel word that allows the Conservatives to do what they passed at their last convention, which is to eliminate the notion of pay equity forever from this country and from women's struggle for equality. It is absolutely reprehensible and no one in the House should allow them to get away with it.

I can go back to 1985 in my province of Manitoba, when the notion of pay equity was just being developed. The women's movement was trying to convince politicians and governments about the importance of dealing with pink ghettos and women earning half of what men were making, because at that time we did not have anything that resembled equal pay for work of equal value.

• (1550)

That is a concept that looks at what is involved in a job and what a person brings to a job. It is not just about the straight job description, comparing a female car mechanic to a male car mechanic. It is about comparing jobs that are not necessarily identical but there is an equal value to the job, a certain level of skill, education, expertise, knowledge that justifies that job being paid on an equal basis to an equivalent job in the male sector, or in a male dominated workplace.

In 1985, the NDP government in Manitoba listened to the voices of women. In Manitoba we brought in the first legislation in this country on equal pay for work of equal value, called, The Pay Equity Act. It was not called the "equitable pay act", to sort of pay women on an equal basis to men. It was very specific. The Pay Equity Act states:

WHEREAS many women in the Manitoba labour force work in traditionally female occupational groups, where their work is undervalued and underpaid;

AND WHEREAS Canada's international obligations commit this country to implementing the principle of equal pay for work of equal value;

AND WHEREAS section 15 of the Canadian Charter of Rights and Freedoms guarantees individuals equality before and under the law and the right to the equal protection and equal benefit of the law without discrimination;

THEREFORE HER MAJESTY, by and with the advice and consent of the Legislative Assembly of Manitoba, enacts as follows:

1 In this Act... "pay equity" means a compensation practice which is based primarily on the relative value of the work performed, irrespective of the gender of employees, and includes the requirement that no employer shall establish or maintain a difference between the wages paid to male and female employees, employed by that employer, who are performing work of equal or comparable value—

That was the breakthrough over 30 years ago.

What do we have today? We have a government that wants to eliminate this concept from the federal statutes. It wants to take away the very notion, change the definition and eliminate any right for women to inherit what is rightfully theirs.

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Today and every day that we have raised this issue, the President of the Treasury Board, the minister responsible for Manitoba, has perpetrated a hoax on the House. He has totally misled this chamber. He has not told the truth about what exists in Manitoba. He has tried to leave the impression that what the Conservatives are doing is equivalent to this historic pioneering move by Manitoba back in 1985.

Let me set the record straight. There is no comparison between what the government is proposing and what is on the statutes in Manitoba. Instead in this federal system, under the Conservative government's proposals, there is no legislation that entrenches the notion of equal pay for work of equal value and there is no mechanism for appeals. The Conservatives are taking away the right to go to the Human Rights Commission. As my colleague from Beaches—East York pointed out, it also will fine people who actually advocate on behalf of employees who want their rights upheld. The Conservatives want to fine people maybe \$50,000 if someone in the union decides that the complaint is worth pursuing and the woman was done an injustice and therefore needs some representation. Not only do the Conservatives take it away, but they penalize people for advocating on behalf of women.

What we need in this country at the federal level is a government that does not turn back the clock on women, that does not negate a value or a struggle that was won legitimately with integrity and with all the education and research to justify and to explain that breakthrough.

• (1555)

We in the House cannot let the government take away something that has been so important to our struggle, no matter what party we belong to today. All of us, Liberals, Bloc and New Democrats, one way or another have fought for equal pay for work of equal value. I do not know about the Conservatives. Maybe there are one or two or a few among them who know what this means, what it is all about and what they are doing today, but if not, I suggest they go back and do a little research, a little reading, because what is at stake here, what they are about to do is to eliminate something that is fundamental to any notion of equality.

Manitoba's legislation is not based on the notion of equitable compensation as this bill is, but Manitoba's legislation is grounded on the principle and founded on the principle of equal pay for work of equal value. That is the system that was started in 1985, and as a result of the pervasive nature of the fact that it operates in all sectors of our society, it has gone from strictly the provincial civil service to all sectors. When it does not touch a certain sector and there is a gap, a person can still go to the Manitoba Human Rights Commission and lodge a complaint.

What the minister said is rubbish. It is absolutely not true when he suggested any comparison between Manitoba with its enlightened policies about women and the Conservative government's outdated, retrograde, chauvinistic, macho approach to decisions that have to be made on the basis of women and women's equality.

I saw it in the House today. Those members stand up and hoot and holler when someone brings forward legislation to get rid of the gun registry. Do they stand up to their Prime Minister and make all kinds

of noise on something as negative, as regressive, as outdated, as unjust as their party's decision on equal pay for work of equal value?

All I can say is that we are talking about something that is fundamental to everything we have done and worked for over the years. We cannot let it slip away. The Liberals have an obligation to look at this and understand what they are doing by agreeing to pass Bill C-10, a bill that eliminates—

• (1600)

Mr. Leon Benoit: Madam Speaker, on a point of order, the member has been here long enough to know that it is improper to use something as a prop. The member is using a document. I grant that it is a very good document she is using as a prop and it is well worth showing, but it is against the rules and I think she should stop using it as a prop.

The Acting Speaker (Ms. Denise Savoie): The member is using the actual legislation, so it would appear to be in order.

Ms. Judy Wasylycia-Leis: I guess, Madam Speaker, you could consider this a prop considering the fact that it should be put in the garbage. This is the government's bill and if the members do not want me to use it, maybe that is what they think of it. This is the bill that we are debating today. I would suggest to the member that he read it and realize just what his government is doing on the notion of equality.

Maybe I should read from it. Let us begin with page 362, the clause that begins with the establishment of this supposed new legislation that the President of the Treasury Board likes to refer to as being on an equal basis with what exists in Manitoba, the Public Sector Equitable Compensation Act.

I would like to know from the government what "equitable" means, how this is defined in law and what bearing it has in terms of equal pay for work of equal value. I would like to know, on the basis of this huge bill of over 500 pages, why we have a section that fines people who work on behalf of employees who feel that their rights are not being met or adhered to. I would like to know why in clause 399 of this bill it says specifically that the Human Rights "Commission does not have jurisdiction to deal with complaints made against an employer within the meaning of the Public Sector Equitable Compensation Act". I would like to know where one can find justice if one still believes in the notion of equal pay for work of equal value. There is no legislation that upholds the concept and now there is no way to advance a complaint with the Human Rights Commission that is founded on the Charter of Rights and Freedoms.

What is left? What are women? Are we chopped liver? Do we have no rights anymore? Where does this take us? What does the government really want to do? How does it feel about women and equality?

I do not know if I can get through to the government members on this because they obviously have an agenda that was made clear at their convention in November. They do not like the notion of equal pay for work of equal value. They are in an era way before the women's movement and women's equality. They want to set women back and negate the gains for which we fought for so many years.

However, I want to appeal to the Liberals because they were part of this struggle. Sure, there were some problems along the way. They did not advance the changes in legislation and the broadening of the mechanisms for the Human Rights Commission to pursue injustices in terms of equal pay. Sure, we did not get far enough in terms of finding a way to have the government initiate, on a proactive basis, complaints about the lack of equal pay for work equal value. Sure, it was a complaints based system and lots of problems with it, but at least we had the concept, at least the Liberals understood and at least there was some common ground but now we are about to lose all of that.

There are so many other reasons why the Liberals should oppose the bill, why they should not be making deals with the Conservatives and why the Conservative-Liberal axis is just wrong. One need only to look at pay equity or child care and the fact that the bill makes absolutely no attempt to address the very serious situation facing parents either looking for child care or women or men working in the child care field.

I want to refer to Pat Wege from Manitoba who has been working on this for about 30 or 40 years. She said:

Shame on the Government of Canada for leaving child care out of the federal budget yet again. The majority of parents need child-care services, whether they are employed, searching for a job, or need to enter retraining.

She goes on to say:

While the [Conservative] government continues to ignore the child care file, U.S. President Barack Obama is wasting no time. His economic recovery plan includes billions in additional support for the development of more early learning and child-care services.

Whether we are looking at pay equity, child care or employment insurance, especially when it comes to women who work in part time jobs or in precarious employment situations, not to have access to employment insurance when they lose their jobs through no fault of their own, is absolutely reprehensible and wrong.

I thought the Conservatives were joining us when we tried to raise in the House, when the Liberals were in government, the whole issue of Kelly Lesiuk, the famous Manitoban who fought the system because she was short a few hours and could not afford to leave her job to have another child because the EI rules were just so regressive in terms of women, especially young women who wanted to have children.

• (1605)

I could talk about the RCMP cuts and the fact that the Conservative government talks about law and order and about getting rid of the gun registry. Goodness knows why the Conservative members will not stand up for RCMP officers who need to be supported and respected. They work in dangerous situations, often in isolated communities and often on their own, and yet the government wants to roll back their salaries. Go figure. How does that make sense in this day and age?

I could talk about infrastructure and the fact that many communities in Manitoba will not be able to take advantage of the infrastructure dollars simply because the Conservative government is trying to suggest that if a municipality has already budgeted for a recreational facility or the construction of a building then it will not be eligible for any support. Does that make sense when a municipality

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is trying to pull together the resources in the first place to meet its infrastructure needs, and along comes the government and says that it is not eligible?

Why did the government not bring in the gas tax formula that we and others recommended to deal with infrastructure dollars?

Where is the support for people who are being bilked out of millions of dollars because this climate is producing all kinds of Ponzi schemes and fraud artists? Where is the support for the many Manitobans who were ripped off billions by fraud artists?

With so many areas that need to be addressed, so much left to be done, so little in terms of a stimulus kickstart package from the government and so much wrong being perpetrated on Canadians, especially women, one wonders how anyone can support the budget.

Mr. Maurice Vellacott (Saskatoon—Wanuskewin, CPC): Madam Speaker, my hon. colleague made some comments slugging the Conservative Party in respect to a sensible proposal put forward by the member for Yorkton—Melville with respect to scrapping the wasteful gun registry. It has been proven wasteful time and again in polls.

When she slugged the member about scrapping the gun registry was she stating categorically that none of her members would support that bill? I would dare say that some sensible members in the New Democratic Party, hopefully in the Liberal Party as well, and a vast number in the Conservative Party, will support that bill. Is she saying that members of her own party are not supportive of scrapping the gun registry?

First nations in her riding are negatively and adversely affected by the gun registry. Is she saying that she will not stand up with them and scrap the gun registry?

I would like to hear if that was a categorical statement or just her own personal views. Does she represent all NDP members in respect of that?

• (1610)

Ms. Judy Wasylcia-Leis: What I said, Madam Speaker, was that as far as I can tell, the vast majority of members, based on their silence and inactivity on the budget, are not supportive of the notion of women's equality. Whether we are looking at what is in the budget on pay equity or what is not in the budget on pay equity, the Conservatives want to roll back the clock.

Members of that party fail to appreciate the fact that huge numbers of women continue to die at the hands of those who use guns, who choose to single out women and who kill women. We happen to be on the eve of the 20th anniversary of the massacre at Polytechnique de Montréal where 14 women were massacred by a man who used a gun.

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Whether we are looking at the gun registry, pay equity, child care or employment insurance, we find that the Conservative Party is in absolute denial. This Parliament could take major steps toward women's equality, to ensure that women are able to give to our society their best knowing that their government will protect them from those who choose to single them out using guns to kill them, or protect them from employers who choose to treat them as a cheap source of labour. That is the point.

[*Translation*]

Mr. André Bellavance (Richmond—Arthabaska, BQ): Madam Speaker, part 4 of the budget implementation bill concerns employment insurance. I would like to hear what my colleague has to say on the Conservatives' decision to make a tiny change to employment insurance in the maximum number of weeks a person may receive benefits, that is, to increase that number from 45 weeks to 50 weeks. Of itself, it is not bad news, but it is all the Conservatives agreed to do, while the Bloc is calling for a reduction of the minimum qualifying period to 360 hours regardless of the regional unemployment rate, an increase in the weekly rate of benefits from 55% to 60%, abolition of the waiting period, and so on.

I know that when there was agreement to form a coalition, the NDP and the Liberals supported many of these measures. But nothing happened. In her speech, the hon. member said she had worked a very long time, many years, to improve the situation of women. Women, especially single mothers, are affected by these measures. In this economic crisis, women will be the ones hit hard because of the Conservative government's inaction and, of course, the Liberals' decision to support this budget.

Ms. Judy Wasylycia-Leis: Madam Speaker, I must thank my colleague from the Bloc for his question on employment insurance. He is right.

[*English*]

The government has done the opposite of what is required when it comes to an economic recession with staggering numbers of unemployed. One just needs to look at what we were up to in the month of January. We all know about the 129,000 additional Canadians out of work, leading to, in the last few months, a quarter of a million Canadians unemployed and a good percentage of them women who often are not eligible for employment insurance by the very nature of the system. Simply tacking on a few more weeks for which one can claim benefits does not address the fact that about 50% of Canadians who are unemployed are not able to get access to employment insurance. In fact, women continue to be disproportionately hit in this circumstance.

When we have worked on this issue over the years in this House, I can remember talking about this and from the years 1996 on we learned that the gap between men and women receiving benefits had almost doubled. Women over 45, who were almost at par with men in 1996, are now 13% behind. In Manitoba, that gap had grown from 9% to 20%, while in Quebec it exploded from 3% to 14%.

The nature of the work has changed and the way in which people need to secure employment has changed but the government refuses to address that fundamental issue. The budget implementation bill contains nothing that addresses that serious situation. As Lucie

Lamarche has said so many times, we are talking about a true case of misappropriation and that is something the government needs to change.

• (1615)

Mr. Wayne Marston (Hamilton East—Stoney Creek, NDP): Madam Speaker, as I listened to the member opposite from Manitoba talk about the evolution of pay equity, it took me back 35 years in an instant when I became involved with my local union. I became the president of the local union for Bell Canada workers and members will know the struggle the union had to get pay equity for the operator services group at Bell Canada.

I must say that as I sit here today and I look around this place, I see many people who have taken part in the struggle on pay equity for years.

When the member for Toronto Centre became the premier of the province of Ontario, his first speech was at our union. Part of the reception for an NDP government in Ontario from our union came from a sense that this would be a group of people who would fight for us and fight for the women in our organization, and they did. I cannot understand for the life of me why people with credentials of that nature would support this budget after a lifetime of fighting this.

I am not meaning to centre the individual out any more than anybody else in particular in the Liberal Party, but how in the world do we have this kind of a recommendation as part of a budget that is supposed to stimulate our economy and help Canadians? This will set women back 35 or 40 years.

Ms. Judy Wasylycia-Leis: Madam Speaker, if I knew the answer to that question, we would have convinced the Liberals by now to decide to oppose the bill if no other reason than it eliminates the concept of equal pay for work of equal value and sets back the struggle of women to achieve equality some 30 years.

If the Liberals are thinking about this, they should go and talk to some of the women they have worked with over the last 10, 20, 30 years, women who believed in them and believed in us, women who want us to make a difference and who know how devastating it would be to let the government proceed with its right-wing ideology, with its anti-women's equality agenda, with its old-time, out of date mentality when it comes to women in civil society.

If there were only some way we could convince the Liberals to reconsider and help us fight this, otherwise it is too late. The damage is done and we will have done such a disservice to women. Most of us will feel that the years we have been in political life, in public life, has been wasted and that we have let women down. We cannot let that happen.

Hon. Bob Rae (Toronto Centre, Lib.): Madam Speaker, I am glad to participate in the debate and appreciate the opportunity to speak.

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This is not the first time I have stood on my feet and spoken in the House, but it is the first time since my election last year that I have had the opportunity to, perhaps in a little slightly more reflective way, thank my constituents for sending me here twice, in a byelection and now in a general election, and to say how proud I am to represent the constituency of Toronto Centre. It is a riding in which my father grew up. He went to Jarvis Collegiate, and then to the University of Toronto. Had it not been for a \$250 scholarship that he received upon entry in 1932, he would not have been able to attend university.

I know many members opposite have called me many things, to which I take no particular objection. However, I am very proud of my constituency and of my association with the riding of Toronto Centre and I am very proud to represent it here today. It is a riding of enormous diversity. I know there are a great many people in the country who like to take some exception to Toronto and might have a certain, perhaps, picture or stereotype in their minds about it.

However, if I can describe it to members, my riding goes from the lake to north of Rosedale. It goes from the Don Valley Parkway, over to Yonge Street and makes a couple of other small jogs. I know many members of Parliament represent ridings that are 100, 200 and 500 square kilometres and mine is much smaller. However, it is an intensely diverse riding, where immigrants come. It is their first point of entry, their first point of staying. St. James Town has perhaps the most densely populated part of the country. Literally tens of thousands of people live within a square block. It was well known when the riding was known as Toronto—Rosedale. It includes some of the wealthiest parts of the country, in terms of its constituents. It also includes Regent Park which, as many members will know, is one of the oldest public housing developments in the country and includes some of the least well-off people in the country. We have a large aboriginal population. We have a large gay population. We represent the diversity of Canada and the diversity of the world. It is a constituency which I am very proud to represent.

As has already been referred to by some of the members who spoke earlier, this is not my first time in the House of Commons. I was first elected here in 1978, which is over 30 years ago. This is my 30-60 year in which I turn 60 and in which I celebrate my 30th anniversary of my election to the House of Commons. Next to my colleague, my seatmate, the member for Wascana, who was elected in 1974, I think I can speak with some confidence of some of the history that we have had here with respect to the country.

I want to speak about our budgets. I want to speak about Canada's recessions. I want to speak perhaps in a way that will disappoint some people because it will not be an intensely partisan speech. I want to try to reflect a bit on some of the challenges we face as a country and on the moment which we are dealing with this intense economic crisis and perhaps compare and contrast it with some of the challenges which we faced in the past. I am speaking from personal experience.

I was the finance critic of the New Democratic Party for three years and saw budgets come and go, the budget of the Conservatives and the budget of the Liberals at the time. It was a time when we were entering into a serious recession, in the late 1970s and 1980s.

● (1620)

I remind members, and in the case of many of the younger members I will tell them, that when Mr. Crosbie brought in his budget in 1979, that budget had a provision for a deficit of just over \$7 billion. It was a budget that also called for an increase in the taxation on gasoline of some 18¢ a litre, and there are some colleagues who will remember the arguments about that and how that went forward.

That budget was defeated. It was then followed by an election, in which Liberals were elected, and then the recession took hold full bore and full steam. It was a very difficult recession. It was a recession that saw unemployment in some parts of the country go to over 20% and, in the case of the national average, we went well up over 11% and 12%.

It was a budget that was accompanied by a long national debate on the national energy program, which proved to be extremely divisive and difficult for the entire country, in which we saw oil prices literally collapse, which seemed to be, from the point of view of the consumer, a good thing and from the point of view of the producing provinces, a very difficult thing. We saw a recession, which in its general impact, was shared very much across the country.

By the time the Trudeau government was defeated by Mr. Mulroney, the last Liberal budget, which was brought in by the Hon. Marc Lalonde, contained a deficit of well over \$40 billion. It was a time when people were really unsure as to whether these techniques of priming the pump would actually work, whether it would have the desired effect.

Under the Mulroney government, that deficit went down. There was a very quick transition out of the recession that took place in the province of Ontario, starting at around 1983 and 1984, something of which I am familiar because by that time I had shifted from the federal scene to the provincial scene. We saw a very steady increase in employment and in the health of the economy from 1984 to 1989 to the point where the Peterson government was able to introduce the first surplus, balanced budget in Ontario's history for over 25 years. There had been 25 years of deficits in Ontario and it had been steady deficits in Canada from the early 1970s until 1998.

Some of my colleagues may have read in the *National Post* that I have had opportunities to make a little fun of how I have somehow given up my title of being the deficit punching bag to my colleagues across the way. All I intended by that article, which I am glad to say struck a certain note with some people, is simply this. I know we went through a period when, as a country, we made a collective decision that deficits added upon deficits added upon deficits, regardless of whether the country was in recession, whether we were in growth or whether we were in a remarkable healthy state, was dangerous territory for the economy of Canada.

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This is often not accepted as the fact, but the simple fact is all the premiers agreed in the early 1990s, regardless of political party. I can remember very vividly the conversation in which it took place. It was the night before our premiers' conference in 1992. Premiers were there from the New Democratic Party, the Liberal Party and the Conservative Party. In an informal discussion before our normal first ministers meeting, we went over the ground on what we were facing in our economies. We had a very candid discussion about how challenging it was, how difficult it was, how hard the fiscal and financial situation that we faced in the early 1990s was, the impact it was having on all of our budgets and how we had a responsibility to deal with it, because in the long term, Canada would only be better off if we could manage our public finances in a better and healthier way.

We all made the moves that we had to make to get there, and they were painful moves. They were not easy. They were difficult. When Mr. Martin became the minister of finance in 1993, the first budget was not a tough one. The second budget was a tough one.

The 1995 budget, which really started the country on the way to a steady reduction in the deficit and to an improvement in our overall financial situation, was not simply the product of the political will of the Chrétien-Martin government. It was a product of prosperity and growth taking place.

● (1625)

I know that we all like to take credit for surpluses and we all like to allocate blame for deficits, but the simple fact of the matter is that it is the overall state of the economy that by and large determines where our fiscal and financial policy is headed. That is why I have taken no joy in saying to the government that I believe it has seriously underestimated, for a long period of time, the difficulties and the challenges which it is going to face and which any government is going to face in the face of the economic change we are going through.

One of the things that I learned in 1990, when I became premier, was that the estimates one gets from finance officials when things start going wrong usually underestimate just how wrong they are going. People usually overestimate the revenue numbers and usually underestimate the costs associated with a recession.

There is no magic here. As I look around the room I would say that what is happening is so clear that it is tragic to say we should have learned these lessons long ago. The revenue situation facing the Government of Canada and the provinces is going to get worse and the cost side is also going to get worse.

When I looked at the numbers the Minister of Finance presented in his economic statement in the fall, I found them absolutely unbelievable. Literally unbelievable. I could not believe that a Minister of Finance would produce that kind of a statement just as the world was heading into this maelstrom, this hurricane.

I am not claiming to be any kind of financial guru. If I were, I would be somewhat substantially better off than I am today.

I would say to hon. members that the recession which we are going through today is of a different character than the ones we went through in the 1980s and the 1990s. They were very difficult. Certainly, the one that was focused on Ontario in the early 1990s was

very tough. Our unemployment rate went up from 5% to over 11%. We lost over 300,000 jobs in a 15-month period.

I hear the numbers coming out today, and I know exactly how bewildering these numbers can be sometimes. Statistics Canada gets it wrong, everybody gets it wrong. There is no obfuscation in this. There is no conspiracy anywhere. It is just recognizing that as human beings we do not have all the answers and we do not know exactly what is going on. What we do know is what we are facing today is even more serious than what was faced before.

I have often heard it said that a government cannot spend its way out of a recession. Actually, it really depends. It cannot do it on its own. I certainly discovered that as premier of Ontario. When facing high interest rates and cuts in federal transfers, to try to reflate from the base of one province does not work. It causes problems and challenges which we faced in Ontario.

On the other hand, what we are facing today and what we are seeing today is an unparalleled argument, not just from one government but from a whole series of governments, that something dramatic has to happen because of the credit crisis in which certain bad loans were allowed to be syndicated. Having been syndicated, they became a kind of virus which has infected the entire financial system. That is unparalleled.

There is no comparison to what we faced before. Interest rates are low, one can argue and debate this ad infinitum. The tax structure is imperfect and could readily be improved. There are serious problems with it. It is not acting contrary to the possibilities for growth and investment by and large in Canada anymore than it is in any other country.

Still we are facing the signs of a recession that is not coming quickly to a conclusion. I think it is fair enough to say that most financial experts, most economists, and indeed the head of the IMF believes very clearly that the worst is not yet over. There are still very difficult times to come.

I know the Parliamentary Secretary to the Minister of Finance accused members of the opposition of taking pleasure in the terrible numbers. I want to assure him that is not the case. No rational person would, certainly not one representing a constituency like mine, and we all represent different constituencies where this is the case.

● (1630)

[*Translation*]

We all represent ridings where we can see the difficulties people are going through. We receive people in our constituency office. We can see the scope by the number of people in difficulty who consult us, because they are in very difficult circumstances.

Honestly, the government made a pretty remarkable about face. Is the budget perfect? No, I would not say so. Would my leader or a finance minister from the Liberal Party have presented such a budget? Absolutely not. Still, does this budget provide the basis for a discussion that allows us to send it to committee? Yes, in my opinion.

I do not think it is perfect. The document poses major problems for me. However, one would have to be totally ideological to say there had been no change of opinion or policy between the economic statement in November by the finance minister, a number of months ago, already, and the budget.

• (1635)

[English]

Now I am not an ideological person. I try not to be. I try to be practical. I do not like the Conservative government. I do not like Conservative ideology. I have never made any pretense that I have. Most of them do not like me, which is the way it is.

Mr. Mike Wallace: That's not true.

Mr. Jeff Watson: We wanted you to be the leader.

Hon. Bob Rae: No, no. It is too late. It is all down in print.

It is very difficult for me to say that there has been no change from the statement made by the Minister of Finance in November and the budget that has been presented. Is it perfect? No, it is not perfect. It is not a perfect document but it is a basis for discussion, which is really what we are doing. We are sending this to committee. The committee will have an opportunity to discuss it.

In the few minutes that are left to me I want to raise the issues that I want to discuss. I am very concerned by the cuts in science, research and higher education. I wrote a report for Premier McGuinty on the importance of that sector and I am disturbed that the Government of Canada has not moved in the right direction.

I believe there is a fundamental question about employment insurance. It is a tax. People pay the tax. The minister said today that the 20% of people who pay the tax will not qualify for employment insurance under any scenario. I want to find out more about who those people are and why she thinks that is equitable and fair.

I want to deal with the question of pay equity because I want to listen very carefully to what my friends in the New Democratic Party are saying. I want them to have a look again at the legislation to see whether there is not a way of resolving what I do not believe is a vast ideological chasm between the legislation and what we all think needs to happen.

I am concerned about what has happened to some provinces and in particular about the treatment of provinces that feel the changes that have been made in transfers have been made in a way that is not fair. I am very concerned about the question of the affordability of infrastructure. The government needs to have a practical look at the actual debt level of many of the cities, municipalities and provinces across the country to understand what impact it is going to have on the take-up rate. Is there not a better way to get those transfers to the municipalities? It seems to me that is a critical question.

I want to close on the question of pensions. If there is any public policy area that I do not believe the House has discussed in sufficient detail or with sufficient knowledge, it is the question of pensions. We face a tremendous challenge in the private sector. We face not just the people whose pension funds are underfunded as a result of what has happened, we also face the fact that there are literally millions and millions of employees who do not qualify for pensions and who

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do not have pensions. We have relied on CPP and RRSPs. There are a great many Canadians, in the millions, who do not have any RRSP money and are going to be left in great difficulty in retirement.

Those are questions and issues that I think need to be dealt with in the budget. Should the budget be defeated at this stage? I do not believe that it should and I hope that my reflections will give the House a chance to move this bill into committee and have it discussed in greater detail.

[Translation]

Hon. Jean-Pierre Blackburn (Minister of National Revenue and Minister of State (Agriculture), CPC): Madam Speaker, I want to follow up on the comments of the hon. member for Toronto Centre, who said that there were considerable changes between the economic statement and our budget. If there had not been any changes, it would have shown we were out of touch with reality. In just a few months, the global recession has had a very negative effect on our country. The budget had to take these extremely important events into account.

We started with a budget running a surplus of nearly \$1 billion only to quickly find out it was all melting away. The expected deficit was now nearly \$1 billion. When a government starts with a budget forecasting such a surplus and ends with an expected deficit of \$34 billion for the next year, something major has happened.

Our government believes it is important to support Canada's economy at a time when the private sector is reducing its investments. We are an exporting country. Our businesses are seeing people buy less of what they produce. They are forced to cut production and even let employees go. It is important, therefore, for our government to offset this decline in the private sector through massive investments in infrastructure. We are going to invest \$12 billion in it over two years.

We have also provided support for the automobile industry, just as we are helping the forestry sector by providing a tax credit for people who renovate their homes. When people renovate their homes, economic activity increases and this helps companies in the manufacturing and forestry sectors that produce all kinds of products used in renovations. We are also encouraging people to buy their first home by providing another tax credit. There is an array of measures here similar to those on the employment insurance side.

The hon. member for Toronto Centre and his party felt that this was a good approach to take. A budget is never perfect, of course. We cannot do everything, but at least the hon. member has recognized the efforts we are making to try to support Canada's economy, our employers, our working people and the disadvantaged.

• (1640)

The Acting Speaker (Ms. Denise Savoie): I would like to give the hon. member for Toronto Centre a chance to respond to these comments, if he so desires.

Hon. Bob Rae: Madam Speaker, you are right in saying that it was more of a comment than a question.

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All I can say is—and this is my personal opinion—that you continue to underestimate the impact this global recession is having on Canada. The numbers that you have presented, given the—

The Acting Speaker (Ms. Denise Savoie): I would ask the member to address his comments to the chair.

Hon. Bob Rae: I am sorry, Madam Speaker.

I would like to say to the minister that the government is continually underestimating the problem. That could be the reason we keep saying that the proposed measures may not be enough to deal with the problems.

Mr. Raynald Blais (Gaspésie—Îles-de-la-Madeleine, BQ): Madam Speaker, I listened with great interest to the speech by the member for Toronto Centre. I was wondering exactly how he would try to win us over.

He says that he has serious issues with the budget, and I would like to hear him talk about these issues in detail, given that he agreed from day one to support this government, which, a couple of weeks ago, was in complete denial of reality and is still in denial today. In particular, there are no measures to help the unemployed who have lost their jobs, are losing them today or are at risk of losing them.

I would like the member for Toronto Centre to enlighten us as to the serious issues he has with the budget. And how can these issues not be serious enough to keep him from supporting the budget?

Hon. Bob Rae: Madam Speaker, I am not trying to win anyone over here. I have lived through three recessions and I saw what happened in a recession. I simply want to share my experience and give the House a few things to think about.

Frankly, I am not satisfied with the measures proposed by the government, but I cannot say, as the hon. member just did, that there is absolutely nothing in this budget to help unemployed workers, as that is not the case. One cannot say things that are simply not true. We must say what is true. We can say that the measures are insufficient, that they can be improved and that amendments can be made.

Based on my experience, if the government is open, the committee stage allows the opportunity to make amendments that can meet people's needs and address their problems.

• (1645)

[*English*]

Ms. Olivia Chow (Trinity—Spadina, NDP): Madam Speaker, why is the member afraid to make amendments to this budget bill?

It would allow maybe another unemployed person in Toronto Centre to receive employment insurance. Right now not one additional person will be eligible because of the clauses in this bill.

Why would the member not move an amendment to exempt municipalities such as Toronto from matching the funds on infrastructure? Toronto has already put in \$1.6 billion and cannot match any more funds, so it cannot really access the infrastructure funds that are in the budget. Why would the member not move that amendment?

Why would the member not move an amendment to cancel the cuts to science and green technology?

Regarding clause 399 of the bill which amends the Canadian Human Rights Act with respect to pay equity complaints, why would the member not delete that clause right now?

Hon. Bob Rae: Madam Speaker, I hope I have some time to respond at least to one of the issues, and that is the pay equity issue which was raised by my friend from Hamilton East—Stoney Creek as well as by my friend from Winnipeg North.

I would ask them to have a look at the legislation, because the member for Winnipeg North said that it got rid of the notion of equal pay for work of equal value, but in clause 394, the preamble states:

Whereas Parliament affirms that women in the public sector of Canada should receive equal pay for work of equal value.

That is what it says. It is right there in the bill.

I am not convinced it is altogether the right thing, but the government has made the obligation to live up to the principles of the act a proactive obligation of the employer to make it a provision of collective bargaining and build it into the collective bargaining process, and make the Public Service Staff Relations Board responsible for the legislation, and not make it a long legal process that takes 10 to 15 years and goes to the Canadian Human Rights Commission. It is giving the Public Service Labour Relations Board the power and the authority to deal with the question. I am not saying this is perfect. I am happy to listen to the criticisms and the concerns.

My colleague from Hamilton East—Stoney Creek put the pressure on me and pointed out all the great things that our government did between 1990 and 1995. Ontario had the most progressive pay equity legislation in the world in those years, but we also insisted that it was the Pay Equity Commission that should take responsibility for supervising and overseeing the conduct of collective bargaining and the approach and the improvements that were made.

We cannot say that the old system was perfect because the old system federally has put a tremendous obligation on individuals and on unions to take complaints to the Human Rights Commission that have nothing to do with the collective bargaining process and that delays things for a very long period of time.

I would say to my colleagues in the New Democratic Party that I have not changed my ground at all. I believe that Parliament should be committed unequivocally to equal pay for work of equal value. Let us just see if we can improve this legislation to make sure that we take account of all the provincial experiences that have taken place, that we take account of everyone's experience and see if it cannot be improved.

I can assure the member for Trinity—Spadina, who is my neighbour, that we will be looking very carefully at the provisions she has mentioned to see whether or not there are improvements that can be made. That is why we are there.

[*Translation*]

Mr. Serge Cardin (Sherbrooke, BQ): Madam Speaker, I am very pleased to address the House, technically a second time on the budget, since we are debating the implementation bill.

First of all, I would like to say that I will be sharing my time with the hon. member for Terrebonne—Blainville. I therefore have only 10 minutes to convince the Liberals, and perhaps a few Conservatives from Quebec, that the budget is less than perfect.

It is clear—and it always has been—in Conservative philosophy that taxes must be lowered and spending must be cut—often essential spending—and after that, everything will be fine. That is the game and that has been the Conservative way since the dawn of time.

However, when a Conservative government—especially this one—faces an economic crisis, it no longer has any idea what to do. The Conservatives completely lacked vision. They were unable to predict this economic crisis and they failed to implement the necessary strategies at the right time. Of course this means assistance to manufacturers, to the softwood lumber sector, to older workers who lose their jobs and to all unemployed workers.

So, in an economic crisis, action is essential. Policies to be implemented must be effective the next day. There was a certain casualness preventing those who were penalized yesterday from benefiting right away. No time must be wasted in stimulating the economy. There is clearly an infrastructure program, but it has been talked about for years and was not implemented as thoroughly as it should have been. So, who is ready tomorrow to break out the whole arsenal of equipment in order to start work on infrastructure? Plans and specifications have to be drawn up, submissions made. That slows things down. Even if the municipalities were prepared to speed up their investment, would labour be available? This is something that was needed, but the timing needs work. To jump start the economy, this might not have been the first priority.

You know that after the October 14 election—what I would call a huge consultation—the Conservatives decided to present a throne speech and an economic statement, which nearly bowled the opposition over. The Prime Minister knowingly confronted the opposition, and what had to happen, happened. Afraid of losing power, naturally, he sought to have the House prorogued. That led to more months of waiting and inaction.

The Prime Minister returned with his budget, but it remains clearly a Conservative budget. It has a slightly red cast, because the wicked wolf had his eye on Little Red Riding Hood. And Little Red Riding Hood decided that, since it was a reddish budget, it was acceptable, even though, since then, the Liberals have been speaking against most of the measures.

We heard a speaker from the Liberal Party say there were some fairly positive things regarding employment insurance. It cannot be said that there is nothing. The Liberals are leaving themselves some manoeuvring room in order to support the budget.

Let us take a closer look at employment insurance. Perhaps 90% or 99% of the elements are missing from this reform or from the investments in employment insurance, but they find one point of interest and latch onto that.

In short, there was nothing in terms of employment insurance to help people who lose their jobs and who need it immediately. In addition to meeting an everyday need, it also provides a minimal stimulus. Given the number of jobs lost since the Conservatives

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arrived—over 80,000 in Quebec alone—it might have had a significant impact.

● (1650)

There are some major oversights in this budget, such as the environment. Many organizations have complained that the budget included next to nothing to bring about improvements with respect to greenhouse gases. Even the ecoAuto program was not renewed. Under sustainable development, not-for-profit economic organizations were abandoned. Under culture, the government did nothing more for artists. Under education, which we know is so important, transfers were not increased even though education has such a major influence, if not in the short, then certainly in the medium term.

The budget also ignored the guaranteed income supplement for the poorest seniors despite these tough economic times. There is no plan for older workers, most of whom cannot retrain. The manufacturing and forestry industries were also left out. Other oversights include struggling businesses, women and women's groups, international aid recipients, and social housing for families.

There is also some serious encroachment, beginning with the federal government's intention to interfere with Quebec's jurisdiction over securities. The budget also proposes going over the Government of Quebec's head and making direct loans to municipalities. Under education, the government is putting up \$50 million over two years for its foreign credential recognition initiative.

I want to spend a little more time talking about some issues, such as employment insurance. As the Liberal member just said, employment insurance benefits have been extended by five weeks. Another relatively dangerous proposal, in my opinion, is rate setting. In its Canada Employment Insurance Financing Board Act, the government gave the board the authority to set rates. Now, however, the government is doing this itself, which rules out adding anything to employment insurance to help people who lose their jobs.

The Bloc Québécois made some brilliant suggestions, and so have others. We suggested the waiting period, reducing the number of hours required to 360, and certain eligibility criteria because, in many cases, people are not even entitled to benefits. Adding five weeks will not help people in the short term. We also wanted the government to increase the rate from 55% to 60%.

What about seniors? Did the Conservatives bother to include them in their October 14 consultation? I will quickly read a press release about the federal budget issued by the president of the Sherbrooke AQDR:

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“The president of the Sherbrooke AQDR, Association québécoise de défense des droits des personnes retraitées et préretraitées, Ms. Thérèse St-Cyr, believes that the federal budget ignores seniors. In fact, the throne speech refers once to seniors when indicating that the budget will take into account the needs of the most vulnerable. The budget refers to seniors three times. The first time is in relation to tax relief which, according to our calculations, will total between \$100 and \$300 per year per person, depending on income. Seniors are referred to a second time in connection with social housing. We estimate that 75 social housing units for seniors will be renewed in the next two years in the Eastern Townships. This is quite inadequate given that the needs are far greater. Finally, the budget refers to older workers affected by plant closures and job losses. Amounts will be allocated for training. These are good intentions but will not provide income. In light of this information, we declare that the federal budget ignores seniors.”

With regard to social housing, if Sherbrooke's seniors are only entitled to 75 social housing units, just imagine what they will get from the rest of the budget. Even though the government has allocated money for housing, it is seriously inadequate. It means that there is no social housing for others in the Eastern Townships.

• (1655)

Therefore, the government has abandoned the most vulnerable, the most disadvantaged. It would have helped a great deal if—

The Acting Speaker (Ms. Denise Savoie): We shall now proceed to questions and comments.

[English]

The hon. member for Saskatoon—Wanuskewin.

Mr. Maurice Vellacott (Saskatoon—Wanuskewin, CPC): Madam Speaker, my hon. colleague is a thoughtful man and he used a very quaint and interesting analogy about *Little Red Riding Hood* and the wolf. He also included himself as the wolf, waiting at the door to pounce. I would be interested to know who else does the hon. member include when he compares his party, and I assume himself, as the wolf ready at the door to pounce? Is the NDP included? Are the Liberals included as well in that imagery of the wolf ready to pounce at the door?

• (1700)

[Translation]

Mr. Serge Cardin: Mr. Speaker, once upon a time there was an old grandmother who was devoured by a wolf. For his next meal, the wolf had his eye on Little Red Riding Hood. The member sees that wolf almost every morning when he shaves. The Conservative ideology truly makes me think of that and the story of Little Red Riding Hood. As for Little Red Riding Hood, the member even agreed that the Liberal Party felt overwhelmed and did not want to go into an election and therefore agreed to let the wolf have his way. Those who remember the story know that someone eventually came to rescue the poor grandmother.

We in turn would like to rescue the Quebec economy. We feel that the measures proposed by the Conservative government are inadequate. The government thought it saw the light at the end of the tunnel, but it turned out to be the oncoming train that broadsided it. The economy is not recovering; rather, it is continuing to decline.

[English]

Mr. Francis Valeriote (Guelph, Lib.): Mr. Speaker, when I was elected on October 14, at that point in time I already had no confidence in the Prime Minister, but I came to this Parliament nevertheless to try to make it work. I did not consider at all taking every opportunity to use it as a vote of non-confidence.

On November 27, when the Conservatives presented that fateful budget and following prorogation, we were told to return to the House and the Conservatives were told to return to the House with a more meaningful budget. During that period of time I learned from the people in the riding of Guelph that I was to come here and work, work toward a solution and not just say no, no.

I am not entirely pleased with the budget either, nor is anyone in the Liberal Party, but we are nevertheless prepared to work, work. Is there anyone in the riding of my friend who has said to him “go and work, work instead of just saying no, no?”

[Translation]

Mr. Serge Cardin: Mr. Speaker, my constituents sent me to Ottawa to represent their interests, and to tell the government and the Liberal Party what they should do.

We all know that there was a solution. The Bloc Québécois had given its blessing to the Liberals and the NDP to form a coalition. Now the Liberals have backed out. Why? For two reasons. The first is perhaps because the Leader of the Opposition knew that the Governor General would say no to a coalition government that was heavily influenced by all the recommendations made by the Bloc Québécois, the only party that made any recommendations to the government. Or else, or as well, there was a last-minute phone call. If the Governor General had accepted a coalition government with the Bloc Québécois' blessing, there were probably calls from Bay Street. That meant he had to back out. In order to have any credibility, he had to back out in order to continue or to begin receiving funding. This is strangely reminiscent of the former Liberal Party leader, who unfortunately capitulated to the Conservative government so many times that he also lost quite a bit of credibility during the election campaign.

To sum up, there is a new coalition, the federalist coalition, influenced, of course, by Bay Street.

Ms. Diane Bourgeois (Terrebonne—Blainville, BQ): Mr. Speaker, today we are discussing Bill C-10, which, if passed, will implement the budget that was tabled a few days ago.

First, this budget is full of smoke and mirrors. It is a sham. It throws a lot of money around, but it does not help individuals. This budget will help some multinationals, but will leave seniors, women and individuals in the lurch. Even though part 1 of the bill does contain various measures targeting personal taxes, a person will have to earn \$85,000 or more in 2008 to get a \$317 tax break. That is not even a dollar a day. In addition, not everyone earns \$85,000 or more. On average, people earn between \$40,000 and \$60,000 and will therefore save about \$200 or \$235 for the year. That is not a huge tax cut.

As well, people who have children and earn \$2,000 more than their current salary can be sure their child tax benefit will not go down. But when someone is trying to make ends meet, works hard or does overtime, he or she will make a lot more than \$2,000.

Economists agree that tax cuts are not very effective. On page 239 of his budget, the Minister of Finance himself says that this tax cut will be ineffective because it is a weak economic stimulus, compared to money for low-income households or infrastructure investments.

Another measure is not so bad. The Conservative government is increasing the old age credit for seniors, who could get \$150 more. All in all, individuals could get \$300. Seniors who do not earn \$85,000 could get a tax cut of about \$100, \$300 at most. That is not really much help for individuals.

There is also no help for forestry or manufacturing companies. The government likes to boast that it is helping companies, but our manufacturing and forestry companies are not turning a profit. How are they supposed to use tax credits to invest in their company? They cannot. They cannot get a tax abatement because they are not turning a profit, so this does not help our companies.

Something that comes as a real surprise is the Minister of Finance's position on his commitment to get rid of tax havens. People are not stupid. Companies make money here in Canada, then put that money into accounts in other countries. Those companies should be paying taxes here so that we can have more equitable distribution of wealth. Unfortunately, in 2007, around the time when the Minister of Finance said that he was about to take action against tax evasion, he put together an expert panel, ostensibly to examine the minister's ideas for tackling tax evasion.

● (1705)

All of a sudden, people realized that the panel was reversing the minister's decision and persuading him to blindly accept its recommendations not to do anything about tax havens because, it said, our companies had to be able to deal with international competition. I find that more than a little strange. Honest, hard-working taxpayers, whether they live in Quebec or elsewhere in Canada, find it appalling that these companies are granted tax exemption and can send their money elsewhere. Unfortunately, members of other parties in the House voted for this. People are appalled.

I want to draw my colleagues' attention to the single securities commission. We know that, in Quebec, the securities commission falls exclusively under provincial jurisdiction. According to this budget, the government plans to use this bill to set up a Canadian securities regulation regime transition office. That, too, is pretty strange. Quebecers, among others, find the current Conservative government's position disrespectful, and they are wondering just how much their Liberal Party colleagues will put up with. This is a matter of provincial jurisdiction.

One group is proposing that a federal securities regulation agency be created. The report proposes various things, including various mechanisms to implement the project without agreement from Quebec and the other provinces. This expert panel is also proposing that the federal government use legal recourse. But, in response to questions in the House, the minister stated that we would have the

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freedom to choose whether to join a single securities commission. Does it seem that we will have the choice?

We know that in the end they will force our hand. Our companies that want to do business will also have to join this single securities commission, even if they already belong to the one in Quebec. I wonder when it will stop, this poaching that ends by forcing them to be part of a single securities commission. I find it perverse.

This is another trap in the budget. The Conservatives have a habit of that. This is the second time that one of their budgets has quietly passed another small element.

● (1710)

Of course, the Bloc Québécois will strongly oppose this single securities commission. Even Quebec's National Assembly came to a consensus. I do not understand how the Quebec members of the Conservative and Liberal parties can accept this when even their own National Assembly is against it. They will have to explain themselves sooner or later.

The question of infrastructure also has some traps. Our municipalities have to pay as much as the federal and provincial governments. Each will pay one third. This is not clearly stated in the document, but the municipalities have to be aware of this.

This budget proposes a collection of amendments and measures that the Bloc Québécois will vote against because they do not take the National Assembly's consensus into consideration.

● (1715)

[*English*]

Ms. Olivia Chow (Trinity—Spadina, NDP): Mr. Speaker, the budget has no new funding for a child care program.

I know Quebec is blessed with a \$7 a day child care program but will it not need more funding in order to have fewer children on the waiting list as it expands its good system?

Is it not a betrayal of working families to not provide one extra penny for children when both the UNICEF and OECD reports stated that Canada was at the bottom of the list in how little it invests in child care and early childhood education? Had it not been for Quebec, we would probably be way beyond the bottom of the list. We probably would not even be on the list.

Is that one of the reasons that the member is refusing to support a budget that is shortchanging working families?

[*Translation*]

Ms. Diane Bourgeois: Mr. Speaker, I would like to thank my NDP colleague for the very perceptive question. I would point out that she states in her preamble that Quebec is a leader in terms of day care. Quebec is still fighting to obtain equalization transfers, money which we are entitled to receive.

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With the current budget, we will lose \$1 billion in equalization payments, an amount we probably could have used to expand our day care system.

I find it unfortunate that women in the rest of Canada do not have a day care system such as ours. Women and women's groups are calling for one. But there exists an ideology that prefers to give money to women—small amounts of money—to keep them at home so that they do not pay into a pension fund and do not have some freedom.

If they were truly listening to citizens and to women, they would give them day care centres and the budget would include measures to enable women to have some freedom of choice and to train day care professionals such as those in Quebec. It would be another means of keeping the economy going.

Mr. Serge Cardin (Sherbrooke, BQ): Mr. Speaker, in her speech, the hon. member referred to women and women's groups. She touched on the subject. Just now, she answered a question from a member from the NDP dealing more specifically with day care centres, and so on.

Given that she once was the president of an organization which, as it happens, works with women, could my hon. colleague expand on the subject, on what is included and what is missing in the budget in terms of pay equity? That has been a long-standing problem that we would like to see go away.

Basically, the only place at the federal level where there is pay equity is in this House. The Conservative government cannot dispute that fact, because women MPs earn the same as men MPs. I would like to hear my hon. colleague on that.

Ms. Diane Bourgeois: Mr. Speaker, I thank my hon. colleague from Sherbrooke. Pay equity is usually an issue men dare not touch. The fact is that women are on an equal footing with men and do exactly the same work, while there are often tasks that men would not perform.

That having been said, one ongoing measure in this budget which is despicable is the lack of automatic recognition of pay equity. We have pay equity in Quebec. That has gone a long way to helping women.

I think that including pay equity in a package deal of negotiations is just rotten. It ignores the important work that women do in Canada. And women will make the Conservative Party pay for that.

• (1720)

[*English*]

Mr. Gerard Kennedy (Parkdale—High Park, Lib.): Mr. Speaker, it is a pleasure to speak today because this debate concerns ordinary Canadians. I do not think this is just noise for this Chamber. What happens as a consequence of decisions made here will make a visceral difference. That is probably not something we could have said for fact a few years ago in the sense that a wide swath of Canadians will be touched by what happens or does not happen in this House in the next short while.

I am speaking today, not so much in favour of Bill C-10, but out of the necessity to put forward some of the practical matters in it. On the preponderance of things that need to get done, we would rather

start with this flawed bill and work in a different way, a way that I think many Canadians, when they are paying attention and when the things that happen here do matter to them, would like to believe this House is capable of.

To be truthful, there are things that we do not yet know about this bill in terms of how it will affect Canadians. However, I think it is important to lay things out for people, as I did a short time ago in my riding at a budget breakfast. A short time after the government's budget, I explained it to people in Parkdale—High Park at an early morning discussion to get their feedback. I think people came to a similar conclusion. They did not believe the budget addressed the needs of the country at this particular time. People have concerns, not so much about the motivation, but about the Conservative's conviction when it comes to the particular set of measures, whether they believe, in their heart of hearts, in these measures and whether they will prosecute in the interests of Canadians with all their being? I think very few Canadians believe that to be the case.

Frankly, some of the Conservatives who believe or have been led to believe that could happen regardless are upset about it. There is no doubt reason to look skeptically at Bill C-10 and the measures that it would put forward.

However, to get a perspective and a perspective that a surprising number of Canadians share in the sense of paying real attention to what is going on in this House is the difference between November, when the government said that its priority was to remove \$5 billion from the economy and when it gave us all manner of prose and poetry about how it felt the economy was doing just fine and that it could actually cut government spending to the current point of running a deficit that most people thought was going to happen.

Mr. Speaker, before I continue, I would note that I will be splitting my time with the member for Scarborough Centre. He will probably have better words of wisdom to add to this perspective but it is an essential one.

People appreciate the kind of distinction we are drawing here, between a government changing its mind and outlook and being dragged there, no doubt, by some fairly extraordinary circumstances. I think another member of this House talked about the road to Damascus being like the highway that serves Toronto, the Don Valley Parkway being filled with Conservatives trying to change their mind, disposition and outlook on the economy. I think that is a relatively accurate thing. Whether they are driving those cars, being towed along or will actually get there concerns Canadians. It is a serious matter because the lives of Canadians hang in the balance.

One of the things I do agree with, which was mentioned by members of the other parties, is that this is not the budget in itself that will help vulnerable Canadians. For a time, I had the privilege of running food banks in Canada, a little too long ago for my liking in the sense that we started with emergency measures during a boom time in Alberta. I do not want to scare the members from there but those were the conditions that begat the first food bank in this country, and then we were in the grips of not one but two different recessions.

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What this budget fails to recognize is the dignity of Canadians. It fails to put dollars into the hands of breadwinners in terms of mothers, fathers and families so they can sustain their dignity. What we should have learned from the last couple of recessions is that when those dollars are there, they will be best spent by those families. They will fall a little less further, get up that much more quickly and promote and look after themselves in a way that I would have thought the members opposite would have agreed but they could not bring themselves there.

The measures targeted for the vulnerable are light. The budget contains some money to build housing for seniors and it adds some additional weeks to qualify if one is on unemployment insurance, but it does not hit at the heart of the matter of the people who would not otherwise qualify. Many people in Parkdale—High Park work in temporary jobs and they are already feeling the pinch.

• (1725)

If there are members opposite who, perhaps because of their geography or their communities, doubt whether this recession is really taking a bite, I would like them to visit some of the people and families in my riding who have lost the hours and who have the least secure jobs. If there is ever going to be a reference point for us in the House, it should not be just the voting middle class. It has to be the people for whom many of the measures, institutions and programs exist. It is those who, through no fault of their own, need to depend on the measures of government for at least a short period of time.

What this budget misses in its entirety, because it has been wrestled out of a philosophy that does not quite get this point, is that if people are treated with dignity, they will do the best possible for themselves. They will live in poverty for the shortest period of time possible, but that, I have to report, is not how far we have been able to drag this government. That is not where it has gone.

That remains a measure to which the House needs to dedicate itself. It needs to find a means to bring forward provisions other than the ones being debated today. We need some of these other measures to come forward, even with the half-hearted and unmotivated, almost grousing, kind of enthusiasm from the members opposite, because many Canadians depend on the government continuing to function.

We want to address the value of this particular set of measures. We want to talk about how these measures will actually make a difference in people's lives. The way we will get to the value is the function of the House. Through committees, parliamentary officers and a variety of means, we have put the government on probation, because we recognize not only that it does not have in its target the general well-being of Canadians and Canadians who will be hurt or harmed by this recession, but also that it needs to be on a very short leash. It is not just benign reports, but a whole process of bringing forward to Canadians the actual implementation.

Last year the government did not spend \$8.8 billion on infrastructure. It gave \$1.5 billion back to the treasury over the last two years, and what it announced went disproportionately to its own ridings. It is not that the government that does not believe in government is suddenly converted to one that we can have faith in. It is because it recognizes that it weakened Canada ahead of this recession through the changes it made, going from minus \$5 billion to plus \$18 billion and paying for \$16 billion of its deficit, as the

parliamentary budget officer reminds us, which was a deficit built on some of the injudicious decisions it made. Tax cuts made in an untimely and non-targeted fashion lessened our capacity. However, that extra \$18 billion needs to get out to the people who need it.

Infrastructure gives us cause for significant concern. In this area I do not just represent my constituents, but try to act as an infrastructure assurance office for the entire country. We will ensure that we get the information out of not just the minister and the ministry, but out of the government as a whole. There are a variety of programs that cut across ministries, such as programs in industry and Indian Affairs. The government has said a number of things, and we need to make sure that a double value is obtained.

[*Translation*]

It is very important to understand that all members of this House have a duty. Their duty is not only to rapidly spend the money made available through this budget implementation bill, but also, and this is important, to get value for the money. It is really very important that all members in this House recognize this very important and meaningful responsibility.

[*English*]

Because we are borrowing this money, we have to make certain that we get the double value we are seeking. Yes, it is money that can be used to stimulate the economy, but it can also be used to begin fulfilling a role in building a better Canada and in building some of the new competitive advantage. That is also going to have to be built in.

Just as we have to make sure that the vulnerable are not going to be missed, we are going to have to make sure that a government that lacks vision and imagination and has no view of the future is forced to focus on the things that will leave us stronger. That is what will justify our borrowing money to get this implemented.

Our competitive advantage is made up of the people we have. In the government's consideration, people had taken a place second to its own political machinations. It threw this country into a 60-day delay. Were it not for that delay, the disposition of the House and of the members on this side of the House would be decidedly different. We have decided not so much to give the government the benefit of the doubt as to give the people of Canada more than the benefit of the doubt. They, with timely assistance, will help us pull through. They are prepared to link up in new ways across government, industry and labour to find ways to make Canada work, despite the government's intentions.

• (1730)

Mr. Ted Menzies (Parliamentary Secretary to the Minister of Finance, CPC): Mr. Speaker, I listened with interest to my hon. colleague's eloquent speech in the House. We just finished debating on a panel out in the foyer.

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I take some of his comments to heart about the fact that we need to get on and work with this. That is very important, so important that we proceeded before Christmas, though Christmas and after Christmas in a prebudget consultation like we have never had before.

The finance minister had asked every member of Parliament to talk to their constituents, to meet with their local chambers of commerce to find out what Canadians thought we should do. We waited intently and patiently for a response from the Liberal Party. We appreciate the fact the party is supporting the budget. However, did all Liberal members go out to meet with their constituents, like their constituents would have expected them to do? We received no written recommendations or suggestions from the Liberal Party, or the NDP for that matter.

Mr. Gerard Kennedy: Mr. Speaker, I appreciate the hon. member's recognition that there may be some things to hear from this side of the House. However, very clearly, the passage of the bill, should it happen, does not negate the anti-democratic behaviour of the government. It walked away from the House, locked the doors and cancelled the finance committee. It is the committee that holds hearings across the country, records what citizens say, listens to the people and brings it back for due deliberate consideration. It is hard to understand why the parliamentary secretary, who should be responsible for that aspect of the democratic process, would be party to a annulling it, to deprecating it and saying that the Conservatives can do a better job without the committee.

It is an important principle for people to have access to how their tax dollars are spent. It was taken away from them this year. We are saying that the government has not done that great a job with the budget, but there are elements there and, I hope I heard this, a tone that the government is prepared to work hard in the future to make up for that fact.

Mr. Claude Gravelle (Nickel Belt, NDP): Mr. Speaker, the member opened his statement by saying that the bill was flawed. He is right. The bill is flawed, but his party is still supporting it.

The bill is flawed in many ways. First, is the employment insurance. If the Liberals had only asked the government to amend the five week addition at the end of the employment insurance and put two weeks at the start and three weeks at the end, that would have been a good amendment, but they did not ask for that.

I do not know how the women in the Liberal caucus can sleep at night with the pay equity portion that they are prepared to support. They should be ashamed.

I have not been a member for very long, but I watched the news this weekend. I did not know why the Liberal amendment was so weak, but when I heard the report that the Harper government had dropped the \$3.5 million lawsuit-

The Acting Speaker (Mr. Barry Devolin): Before I go to the member, I remind my colleague that he is not to refer to members of Parliament by their given names.

The hon. member for Parkdale—High Park.

Mr. Gerard Kennedy: Mr. Speaker, I appreciate what the hon. member is saying. I understand members of the NDP had a position long ago about how the budget would look and that they would be against it.

I take the point on employment insurance. However, we have put the government on probation for the outcome of the budget, not just the measures in it, but to ensure the outcome is there and that people are adequately protected.

I look to the other parties in the House to support measures to strengthen the kind of reporting, the kind of information we need so we know what has happened. In a way we are all on probation to go beyond our political posturing and find ways to make the House measure and keep track of these dollars and see where the deficiencies may lie.

We hear mixed messages from the government today. It may be open to more things or it may not. It had better be because there are dates coming, March 23, in June and in December. If the Conservatives are not and if they want to see what Liberals will do, then they might get their chance. Probation means real measures, real progress or an alternative where the government does not continue.

•(1735)

Mr. John Cannis (Scarborough Centre, Lib.): Mr. Speaker, I am delighted to have this opportunity to add my voice to this debate on the budget implementation bill, Bill C-10.

As I open my remarks, I want to go back to when the debate started this morning. My good friend, the parliamentary secretary, in his very eloquent speech, said that the government wanted to move this thing forward fast and it would not put up speakers. I would like Canadians to know that what he was really saying was he did not want anyone to put up speakers so the bill could be expedited and moved along.

We get paid by Canadians to be here and to debate these issues, and that is important. My heritage is Greek. Some years ago an ancient Greek by the name of Solon founded democracy. He believed in debate. It is through debate that we can move democracy forward.

If we do not have the opportunity to debate the budget implementation bill, how will we analyze what the flaws are? We cannot just take it for granted. I am going to get into some specifics.

In the morning, when I began feeling really frustrated, I went out for a walk, I cooled off and thought my good friend for Parkdale—High Park would start off and I would move forward.

Why did we choose to support the budget bill? For Canada and Canadians. Our constituents told us that we could not afford to spend an extra half a billion dollars plus for an election, when the result might probably be the same. It is the last thing they needed right now. We agreed with them. We agreed we had more important things to address as opposed to going back to the people.

We wanted to put up speakers to explain to Canadians what was happening. There are areas in the budget with which I am very pleased, and I will outline them, but there are areas about which I have concerns.

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There is significant investment outlined for social housing, infrastructure and for first nations, which makes me very happy. There is targeted support for low and middle-income Canadians through the expansion of the child tax credit and the working income tax benefit. I am very pleased about that as well. There is investment in regional development agencies throughout the country.

We have grave concerns. That is why our amendment has put the government on probation. I believe the government will be reporting three times, and we will see if it delivered.

Today a friend of mine told me to read page 24 of today's *The Hill Times*, which states "Infrastructure money hasn't flowed, says Federation of Canadian Municipalities". It is not the Liberals who are complaining, it is the cities. Earlier today they referred to 1967, centennial year, where we had infrastructure unfolding right across the country, hockey arenas, community centres, and it was all wonderful. You remember very well, Mr. Speaker, and we were young at that time, it was a different country.

It was not the country we live in today. We did not have the billions of dollars in debts and deficits that are outlined here and the cities were functioning differently at that time. My parents were maybe paying \$500 a year in property taxes. Seniors today are having to pay \$4,000 and \$5,000 in property taxes. They cannot afford any more tax increases. The cities do not have the ability to put up their one-third. The provinces are finding it difficult, as well. That is not how the program worked in 1967.

We hear what is going on in the United States. I have not heard President Barack Obama talk about one-third, one-third, one-third. If ever there were a time for a government to step in, if ever a nation needed help, it is now.

The area I come from, the former city of Scarborough, has a need. There are potholes like crazy in our streets, and there are unbelievable numbers of complaints. It is the greatest city of Toronto. What is happening? We are downloading to who? Through property tax increases, maybe so the cities can come up with the one-third, one-third, one-third.

I am concerned primarily because in the past the government, with all due respect, has made a lot of announcements. This is not Liberal bias. According to the papers and the statistics, the government is not delivering the programs. Let me give one an example.

● (1740)

When we were in government in 2006, we announced funding of \$25 million for the necessary infrastructure for the Canada film festival. I was there with the former senior minister, the member for Eglinton—Lawrence, Susan Kadis, a former member, Tony Ianno, the former member for Trinity—Spadina, and several others. We cut the cake, pictures were taken and we announced the funding. The funding was confirmed in that Liberal budget.

In the last election the Conservatives announced this funding. They saw me in that picture. This funding was announced almost three years ago. This is the concern I and my constituents have. There is a lot of talk, but one has to deliver. This is the kind of accountability we are talking about on behalf of Canadian taxpayers.

Under the picture, which shows the Minister of Transport, Infrastructure and Communities and his assistant Chris Day, it says, "best estimate" the department currently has is that \$3.6-billion of the funds have been", and this is the key word, "allocated".

The Conservatives told us that this money had already been given. The key word is "allocated". This is a quote from the executive assistant, Mr. Day. What does that mean? Allocated means it could come on the 35th of the month or maybe the 37th of the month five years from now.

The parliamentary secretary has asked why the Conservatives do not have input from the Liberals. We took a difficult situation in 1993 upon ourselves as a Liberal team and made those tough decisions, as a party, and we allowed Canadians to judge us accordingly.

The Prime Minister has said that he is an economist. He said during the election that he ran his own business, but he did not know what business he ran. He compared himself to our member for Markham—Unionville, who is an economist. He has hands on experience. He worked for a bank. I would like the Prime Minister to tell me where he applied his economist experience. This is the time he should be proving his experience.

We did not go out knocking on anybody's door. We made those decisions on our own. We consulted right across the country. Before our budget, all my colleagues held extensive consultations. I held them in Scarborough with my other colleagues from Scarborough. We brought information. We were receptive to input from the opposition, but these are different times. These are times that call for bold and tough decisions. These are times that call for pulling up our socks and being honest with Canadians.

I will tell the House of concerns that people have brought to my attention.

For example, the United States today is talking about green jobs, a green economy. Every day when the Minister of Human Resources answers questions in the House, she says that the government has invested money in training for future jobs. Have those future jobs been identified? Before investing in training, the jobs need to be identified. I have a human resources background. Before I go into the water, I want to know that I can swim.

The minister talks about retraining people. For what jobs are we retraining? We have heard the government talk about high-tech jobs, but we have also heard about high-tech companies laying people off right, left and centre. Bombardier was mentioned the other day.

The government has talked about investing in the Canadian Space Agency. That is wonderful. How many people will be retrained to become robotic engineers?

If the Conservatives have identified these new jobs, then I ask them to please let us know so I can inform my constituents who are getting laid off as well.

It boils down to credibility.

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A friend of mine knew I was going to speak today so he brought me an article that was printed in the *Toronto Star*, on Sunday, October 5. I know I cannot use names because I do not want to be reprimanded. The article headline reads “[the Prime Minister's] tactics mislead voters”.

Canadians are worried about that. As much as we want to give the government the green light on its budget, to a degree there is a gut feeling that we are being misled somewhere. That is why it is important for speakers to get up in the House. That is why this debate is important, so we have the opportunity to express our views on behalf of our constituents.

● (1745)

Mr. Wayne Marston (Hamilton East—Stoney Creek, NDP): Mr. Speaker, I want to correct the record. A little earlier the Parliamentary Secretary to the Minister of Finance said that the NDP did not offer any proposals on this budget. Our leader, the member for Toronto—Danforth, met with the Prime Minister and explained to him very clearly the outline of what we believed should have been in the budget.

When I returned to this House, I came back here following the election planning on working hard for the constituents I represent, as did every member of this House. We will all recall that day when the budgetary update was tabled in the House and the glee with which the finance minister presented it. Here he was, looking at a situation where he thought he could finally nail the Liberals. That is what he was up to. There is no doubt. Then we wound up with a prorogation.

Earlier today, now that we are back, I hear the member for Parkdale—High Park talk about working together and how things are flawed. I just want to say what the constituents back home are saying. They are saying that this business of probation is just nothing more than Liberal spin because the government just cannot get the job done.

Mr. John Cannis: Mr. Speaker, I know there was not a question, but there was something I picked up that is very important. The member said that when the finance minister came back and presented his budget, he said it was to nail Liberals.

Let me clarify for the record, the Conservatives were nailing democracy, not the Liberals. They were nailing the NDP as well. They were taking away, through some of those proposals, the ability for democracy to unfold. The NDP is upset because the Conservatives said it did not offer proposals.

Let me close with this. I know the NDP is going to say that we are upset still. We are not upset. We have overcome it, on behalf of Canadians.

When the NDP did make proposals for our budget of 2005 for housing, post-secondary education, infrastructure, seniors, the environment, et cetera, and we accepted them, the NDP reneged on it. It betrayed Canadians. So we find ourselves today where we are and the NDP should not complain.

Mr. Mark Holland (Ajax—Pickering, Lib.): Mr. Speaker, one of the concerns that I have, and I think he raised it in his speech but I wonder if he could elaborate on it, is the fact that a lot of the spending that has been promised simply has not happened and when it does happen, it is in a way that is highly partisan and not in fact

targeted where it needs to be; that is, on stimulus. We can use the most recent example of infrastructure where we see over three-quarters of the money going just to Conservative ridings. We can point to other examples where infrastructure money was not spent or, in the area of which I am a critic, where we are seeing the money that was allocated for crime prevention not being spent.

Given the fact that the Conservatives were really dragged, kicking and screaming, to the position where they were forced by the opposition parties to introduce the budget they did, I wonder if the hon. member could talk about what measures he would like to see and maybe about the amendment to ensure the Conservatives are held to account.

Mr. John Cannis: Mr. Speaker, I will be very brief. The Prime Minister rode the wave on credibility and fairness. The amendment that the Liberal team has put forward is to hold the government to account three times a year. We want to see if indeed that money is being well spent, and he is right. The Conservatives have left unspent \$88 million for disaster relief and crime prevention. That is a shame when all this money was allocated. The problem is applications, stumbling blocks, nitty-gritty, timeframes, et cetera. When an area has a need, when we need to hire more police officers, there should be no obstacle.

I believe that the Conservatives should implement certain proposals in terms of taking certain bugs out of the system so that there are no foul-ups like other programs in the past or that indeed the money goes where it is supposed to go and is spent where it is supposed to be when they allocate these moneys. The frustration that people feel, and I used the program for the Canadian Film Festival earlier on that my colleague brought up as an example, is what is we are talking about.

If we have allocated the money for, let us say, a recreation facility, or if we have allocated the money to hire more police officers, for example, or if we have allocated the money for a disaster area, get that money there. People cannot wait. We do not want another Katrina issue, where money was announced by Mr. Bush and a year and a half, two years later, people were still hurting.

We want action now. The nation needs action now. The world needs action now.

● (1750)

Ms. Olivia Chow (Trinity—Spadina, NDP): Mr. Speaker, there are 750,000 children living in poverty, 1.5 million Canadians cannot find decent housing, and 130,000 were thrown out of work just in January alone. This is the worst financial collapse in history and the planet is in crisis. What does it take for this country to change direction?

We had hoped for a budget that would bring about a green economic recovery where no one is left behind, a budget where funding for those who dedicate their lives to educating and taking care of our children in early childhood education centres would finally be a priority, where working parents could rest assured that they would not have to add their names to a waiting list as soon as their children were conceived in order to secure a child care space.

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There are parents like Susanne in my riding who said, "I'm currently on 25 child care wait lists. I have been on many since 2007 when I was only a couple of weeks pregnant. I have put down many deposits to get on the wait list. I have toured the child care centres. I follow up regularly and with only a couple of months left in my maternity leave, I still do not have day care. My husband and I are already planning to take time off work, which is not really affordable right now". Susanne is desperate.

We had hoped that those who have diligently paid employment insurance through their entire working lives would be able to get back that money when they need it most without having to become destitute first.

Yes, the New Democrats have a vision of a country where our artists and cultural institutions that enrich our lives would at last receive the funding they deserve and the image of the starving artist would be a myth.

In these tough times we need green jobs that would promote wind, solar, geothermal energy that would offer us a unique opportunity to save our planet, create jobs, burn less and save money. Yet, we have nothing of the sort in the Conservative-Liberal alliance budget.

We thought that these dreams would at long last become a reality when the Liberals signed on to the requirements we placed in the coalition accord, but I guess the Liberals were just too afraid to take charge. My colleague is right. They backed out and instead they support a Conservative budget that they said is flawed. They refuse to change the direction of this country. They have given up hope. They would not want to take charge.

Perhaps there is a reason. I remember in 2000 the former Liberal government came to Toronto and said, "Here is all this money for Union Station". Not a penny of it came to Toronto. The Liberals promised millions for the waterfront. Not a penny of it came. Perhaps that is why the Liberals are afraid to take charge. That is why they do not want any change. They have given up hope.

The New Democrats are not about to do the same. We are striving to push for more action. We are striving to push for a real budget that would not leave anyone behind.

We do not believe that the 325,000 unemployed workers, this year alone, are really too lazy to find jobs. In Toronto, seven out of ten unemployed workers do not qualify for employment insurance after having paid into it all their lives. Are they benefiting from a lucrative system, I ask?

We heard from the Minister of Human Resources and Skills Development who said on January 30, "We do not want to make it lucrative for them to stay home and get paid for it". It reminds me of a former government, the Mike Harris government. The same finance minister of that government said that these unemployed mothers are at home and just drink beer and watch TV. They are lazy and they do not want to find a job.

That is the same kind of ideology that is now saying that there will not be one extra unemployed worker who will get employment insurance in this country. These unemployed workers are being ripped off because they contributed. It is an insurance program. They

put their money in and now they need it back. Instead, they will not get it

• (1755)

Members should remember that 65% of women are still ineligible for employment insurance. When we talk about the most vulnerable, the unemployed workers who are left out and left behind, they are by and large women.

That is why New Democrats believe there should be a standard 360 hours eligibility across the country, and the unemployed should get at least 60% of their earnings for up to \$600 a week, for a much longer period of time than what we have now. Perhaps the minister needs to experience unemployment herself to truly understand what an increasing number of Canadians experience when they try to navigate the broken EI system.

Here are more reasons why the Conservative-Liberal budget deserves a failing grade.

There is no action to cap huge credit card interest rates and transaction fees. Working Canadians are struggling to pay their mortgages and put food on the table. Canadian consumers paid over \$4.5 billion in hidden credit card fees last year alone. We all pay at the check-out counter to cover the cost of these corporate credit card benefits, even if we do not have one. It is totally unfair.

New Democrats want the banks to be required to prove, through independent audits, that their credit card and other interest rates and fees do not amount to gouging, with a public report issued by the Financial Consumer Agency of Canada.

If we look at the environment, Canada lags behind dramatically when it comes to spending on the environment. The budget plan includes funds for clean energy; however, the Conservative-Liberal definition of clean energy includes nuclear and even coal-burning energy, and untested carbon capture technology.

What this budget bill does do is eliminate proper environmental controls for new infrastructure programs and projects. Degrading our environment is fine as long as maybe private companies can make money because right now the private sector is supposed to be building these public infrastructures, or else there would not be any matching funds.

Speaking about greed, this budget continues to reward big companies such as Imperial Oil, which had a 22% profit increase last year. All these companies will receive \$60 billion in corporate tax cuts, so for every \$60 going to companies, \$1 goes to the unemployed. Those are completely wrong priorities and this is what our country does not need right now.

Government Orders

Green industry will get a cut in funding. The funding to advance science research also has been cut. Much of the infrastructure funds that have been talked about at length in this House would not flow to cash-strapped cities because they cannot afford to cost share it. The city of Toronto, for example, needs at least \$7 billion to purchase new street cars and implement its plan called transit city, but it just does not have those kinds of funds to match the federal funds.

We talked about the most vulnerable. The most vulnerable are the kids who go to bed hungry. Many of their parents right now earn less than \$20,000. In this 500-page budget, not one single penny will go to these families that earn less than \$20,000. They will not qualify for the increase in the national child benefit supplement or the Canada child tax benefit.

● (1800)

The poorest kids get absolutely nothing. What a shame. How could the Liberal Party say that it meets its test of protecting the most vulnerable? If the kids are in families that earn less than \$20,000 are not the most vulnerable, who are the most vulnerable? I just do not understand the Liberals' logic.

Campaign 2000, a campaign to end child poverty said:

This is macho-economics that leaves women and children off the lifeboat in this recession!

With the lack of purpose for action in this budget, it's certain that rates of child and family poverty will increase and the federal government will be left with no capacity to respond. [The Minister of Finance] may have purchased new shoes for this budget but it's about time he found his soul.

This is a soulless budget because it does nothing for children. Taking care of children should be our first duty. There is not one single penny in this budget to support child care or early learning. Already both UNICEF and the OECD have said that Canada ranked last in our investment in early childhood education and we continue to do the same in this budget, even though investing in children is good for Canada, good for the economy.

The report by Dr. David Butler-Jones on the state of public health in Canada notes that for every dollar invested in children during their early years, government saves \$3 to \$9 in future spending on health, criminal justice and social assistance.

It is good for the economy. It is good for our children. It is good for our productivity. It is good for working parents. However, the budget has nothing in it for early learning and child care.

There is also no action to improve public pensions or shore up employers' pension plans. There is hardly anything for seniors.

The budget ignores the skyrocketing tuition and debt loads for post-secondary students. They cannot find a job. It is difficult and they do not have the money to pay their student loans right now. Why are we not looking at forgiving the interest and the principal for the time being? That means university graduates will still be saddled with thousands of dollars of debt as they enter a shrinking workforce.

What is in the budget is punishment. There is punishment for students, making it more difficult for obtaining student loans by putting an overwhelming onus on students to provide documentation, while making it easier for the minister to retroactively punish students. Imagine that. The government is punishing students in this

time and as part of the budget implementation bill. I do not know how punishing students can stimulate our economy.

Working mothers are feeling the pinch with this Conservative-Liberal alliance budget. They are being left out in the cold with no options. One mother wrote to me:

I can't afford to pay for afterschool programs for my kids, plus put the 2 youngest in fulltime daycare while I work 9:00am-5:00pm, because I will be charged over \$500 a week. I can't quit my job because that makes absolutely no sense...I moved in with my sister to help me get on my feet and if I don't work I can't save to get a place of my own. I can't afford to pay the regular rates for daycare because it takes my whole pay. What is a mother in my situation to do?

I was always proud to say Canada is a country of equal opportunity, the best place to live. However, it seems like I have to swallow my words because it has become so hard to live in Canada. Rent is too much, pay is too low, childcare expenses too high, tuition too high, not enough assistance for honest working people and disappointment every way you look at it.

This budget does nothing to help that working mother.

● (1805)

Shame on those members who are standing idly by and voting in support of this sadly inadequate budget. As they watch thousands and thousands of families fall into a cycle of desperation, despair, unemployment and poverty, I hope they remember the words of single parents, working families and unemployed workers who cannot get ahead because this budget offers absolutely nothing for them.

Ms. Yasmin Ratansi (Don Valley East, Lib.): Mr. Speaker, I thank the hon. member for her analysis of the budget and what she thinks is a failure of the government to implement anything with regard to social programs.

I would like to remind the hon. member that when the Liberals were in power and brought in the budget with the cities agenda, the agenda for child care and the agenda for Kyoto, it was the NDP that joined hands with the Conservatives. The NDP members are the ones who threw away the chance for the vulnerable. That budget had a cities agenda which the cities had demanded and a child care agenda involving 125,000 child care spaces. These were provisions which their leader had asked for and got in the budget.

Now with respect to this budget, which is a hodgepodge of a lot of things, is the member trying to put the vulnerable back into an election? Does she want to spend \$360 million on another election so that money would not go to the vulnerable?

Ms. Olivia Chow: Mr. Speaker, let us be honest about this. There are two choices. One is to have an alliance with the Conservatives. The other is not just about an election; an election is not necessary. The member probably heard the scholars, constitution lawyers and professors who said that if the House were to fall, there is a very good likelihood the Governor General would ask the coalition to govern. There is a very good chance that would happen. Why is she hiding behind this whole notion of having an election? I do not believe there would be an election because we just had an election.

Government Orders

One of the reasons the New Democrats will not support this budget is that it does not do anything for the most vulnerable. I do not understand why the Liberal Party would not make a substantive amendment to increase the number of people who would qualify for employment insurance, an amendment to take out the clause which removes pay equity claims from the Canadian Human Rights Commission and an amendment that would not require cities to match the infrastructure funds. I do not know why they would not put forward these kinds of amendments.

[*Translation*]

Mr. Roger Pomerleau (Drummond, BQ): Mr. Speaker, I listened very carefully to the speech given by my hon. colleague from Trinity—Spadina. She talked about when the Liberals were in power. As everyone will clearly recall, at that time, they did more or less the same thing as the Conservatives are doing today. They reduced the debt—which the Conservatives are not doing—but they did so by pillaging everything in the employment insurance fund, after they excluded from the system half the people who should have been eligible for benefits. That is what the Liberals did.

They can criticize the Conservatives all they want today, but my colleague knows very well that they rise every day and vote alongside the Conservatives and support their budget. It is because the Liberals continue to support them that the Conservatives can do what they are doing. Thus, that is its own coalition.

My colleague knows very well that stairs must be swept from the top down, and not the other way around. Neither of these two political parties tackled the tax havens that allow the richest people in our society to continue to line their pockets. I would like to know what my colleague from Trinity—Spadina thinks about that.

• (1810)

[*English*]

Ms. Olivia Chow: Mr. Speaker, it is absolutely true that it was the former Liberal government that changed employment insurance so that a person now has to work 900 hours. It used to be only 180 to 300 hours. Remember back in the 1980s? People who qualified for employment insurance would get 75% of their earnings, not 55%, which is what it is right now. People could get three-quarters of their earnings. That amounts to more than \$600 a week, not \$447, which is the maximum amount now. There were dramatic cutbacks. At that time I was helping people fill out their application forms, the five questions with “yes” or “no” answers. It was much easier to qualify. They actually got it for a longer period of time. It was not demeaning. It was simpler. They received much more money than they put in. That system worked a lot better.

The member is absolutely right. It was under the former Liberal government that all of that changed and \$54 billion of employment insurance funding was pocketed by the federal government. Workers' money was taken away and given as corporate tax cuts to big companies like Imperial Oil. We are not surprised because, after all, we are dealing with a Conservative-Liberal alliance and, ultimately, in many ways those parties work the same way, which is really unfortunate for this country.

Mr. James Rajotte (Edmonton—Leduc, CPC): Mr. Speaker, I would like to pose a couple of questions to my hon. colleague speaking on behalf of the NDP.

Our government has introduced two programs specifically on which I would like her to comment. The first is the working income tax benefit that especially helps people moving from social assistance into the workforce. It helps them over what has been called the welfare wall so that they do not lose as many benefits as they typically do in moving to the workforce. The second is the registered disability savings plan.

I would like to know specifically whether she supports the introduction of those two programs which our government has brought forward. I would also like to know whether she supports the extension of the working income tax benefit in this budget, as well as extending the deadline for registered disability savings plan contributions which is also in the bill we are debating today.

Ms. Olivia Chow: Mr. Speaker, there is no reason that unemployed workers should go on welfare in the first place. A lot of them have a little savings. They should not have to use up all their savings, sell their trucks or cars, spend all their retirement savings or cash it out in order to qualify for employment insurance.

They should not have to go on welfare, speaking of the welfare wall. There is very little funding for welfare. It was cut so severely throughout the 1990s by the former Liberal government that there is hardly any funding left. Yes, of course, making sure that people can keep more of their funds when they work so they will not be deducted from welfare is a good idea.

A lot of unemployed workers cannot find jobs right now. By the time they go on welfare, they are trapped in a cycle of poverty because they spend so much time trying to fill in their welfare forms, justifying it, continuously finding ways to prove it and they get into a cycle of despair.

The way to go is to reform employment insurance so that unemployed workers will have their dignity. Many of them do not want to go on welfare even though they are desperate.

• (1815)

[*Translation*]

Mr. Bernard Bigras (Rosemont—La Petite-Patrie, BQ): Mr. Speaker, I am pleased to rise today to speak to Bill C-10, the implementation bill for the recent budget.

I will be sharing my time with the member for Rivière-du-Nord, who will probably speak tomorrow.

It is impossible for those of us on this side of the House to vote in favour of Bill C-10. This budget implementation bill is just as lacking in vision as the budget speech of January 27.

Government Orders

This bill lacks vision. We would have expected this Conservative government to present a real economic recovery plan. Not just a plan to stimulate the economy but a visionary plan leading to the creation of new jobs that are greener, forward looking, have value added, are innovative and more modern. Not a short-term or medium-term economic recovery plan but an economic plan with a more structured and modern approach to the 21st century.

These are not the expectations of the Bloc Québécois alone. They are also the expectations of the citizens of Quebec and of Canada. The proof is in a survey conducted between January 22 and February 1, when we were debating in the House whether to accept or reject this budget. What did the survey tell us? It indicated that no less than 93% of Canadians wanted the federal government to put in place a green job creation program to address the economic crisis. That is quite something.

What does it mean? Unlike the government opposite, Quebecers and Canadians know full well that protecting the environment boosts the economy. They understand that the economic crisis we are going through should not prevent us from tackling another crisis, that of climate change. Why? Because not only will climate change wreak havoc socially and environmentally, but also economically.

For example, while in New Delhi on Thursday, the Secretary-General of the United Nations, Ban Ki-moon, said that failure to combat climate change would result in worldwide economic and social disaster. Failing to take action against climate change will have negative environmental, social and economic effects. Consider what is happening in Australia, where forest fires are destroying a huge swath of land and floods are wreaking havoc in another part of the country. There is no better demonstration of the major social, environmental and economic consequences that climate change will have over the next few years.

The government has no choice but to embark on a major transition from a traditional economy to a greener one. How? The government should have addressed Quebec and Canada's economic future by focusing on three elements.

First, it should have made renewable energy a major strategic focus of Canada's economic development. Renewable energy development, which creates jobs, should be at the heart of Canada's economic and technological development.

● (1820)

It was not for nothing that our colleagues to the south introduced an economic plan that will double renewable energy production over the next few years. Reinvesting in renewable energy will stimulate the economy and create jobs. Rather than give \$5.9 billion in tax breaks over two years to the oil industry, this budget should have called for tax breaks for the renewable energy industry. That is what we should be debating with Bill C-10 today, following Germany's lead.

In Germany, they decided to give tax breaks not to the oil industry, but to the renewable energy industry, which created 90,000 jobs there. That would have had positive economic consequences: new jobs and a more sustainable, more modern economy.

Second, the strategy should have been to focus on energy efficiency, beginning with institutional buildings, as the U.S. has

decided to do. We have to set goals for ourselves. The American plan calls for improving the energy efficiency of 75% of federal buildings. The U.S. has decided to go ahead with such a program for environmental reasons, and also to create jobs. Let us look at another continent: Europe. A 20% increase in energy efficiency would create about one million jobs, according to the United Nations Environment Programme. Reinvesting and improving energy efficiency in institutional and residential buildings would create jobs.

The U.S. also plans to build two million homes in the next two years, whereas the goal in the budget and the budget implementation bill is to renovate and improve the energy efficiency of a mere 250,000 homes.

We have the wherewithal to come up with a real green plan, not because we are environmental romantics, but because we believe that a green plan is the basis for a future economic plan. What should the government have done? First, the government should have established greenhouse gas emission caps in order to put a price on carbon and to say we have economic tools at our disposal. The government should have put in place emission caps to enable companies that have reduced their greenhouse gas emissions to trade on international markets with Europe or the U.S., where carbon credit exchanges are being set up. Canada needs to put a price on carbon and sell emission credits.

Second, the government should have taken measures such as introducing tax incentives, reinvesting in renewable energies, creating energy efficiency improvement programs and developing appropriate transportation infrastructure. The government needs to do more than just subsidize bus passes, as the commissioner said. We have to reinvest in our transit infrastructure in order to build not only sustainable transportation, but a more sustainable, forward-looking economy that creates not only jobs, but green jobs.

● (1825)

Mr. Jean-Yves Laforest (Saint-Maurice—Champlain, BQ): Mr. Speaker, I commend the tremendous competence and passion show by my hon. colleague, the environment critic for the Bloc Québécois. He has been truly dedicated to protecting the environment for many years.

The member told us that the Conservative budget did not really provide any economic stimulus that focuses on renewable energy sources. He provided several examples. I would like him to clarify a term for us. The renewable energy sources he is talking about, which he has often talked about, often refer to non-polluting or less polluting energy sources than those the Conservative government likes to focus on, by protecting big oil and gas.

I would like the hon. member to expand on this term, which in my opinion, should be much more prevalent.

Mr. Bernard Bigras: Mr. Speaker, when it comes to energy, this budget and the budget implementation bill are focused on two things: first, oil companies, and second, nuclear energy. The budget reinvests \$350 million in nuclear energy. Oil and nuclear power are not renewable or green energies.

It is a serious mistake to use this kind of energy when we do not yet have the technology to deal with the waste it produces and when this energy is not accepted by society. The best example is probably Chalk River. This government fired the president of the Canadian Nuclear Safety Commission, Ms. Keen, just because she raised the issue of nuclear safety and said nuclear power carried risks. Ms. Keen was right, and all this government did was throw her out. That is how this government thinks, especially about nuclear power.

Ms. Monique Guay (Rivière-du-Nord, BQ): Mr. Speaker, I also want to congratulate my colleague. I was in charge of environment for many years. We can see that he is definitely in charge of his file. He is pushing for a healthy and unique environment. We should have this kind of environment in Quebec and in Canada.

I will broach another subject that he knows a lot about, and that is not going well at this time. In my riding, large companies such as Bell Helicopter and Bombardier, announced huge lay-offs last week,

Government Orders

and the two-week waiting period has really added to the workers' unhappiness. The fact that the benefit period for employment insurance has been increased by five weeks does little because, in the meantime, the majority of people looking for work may have found it. It is the two-week waiting period that really hurts them. As well, there is the issue of the measly 55% of their salary when they only make \$20,000 or \$25,000 a year.

There is also the whole question of pay equity for women. We have worked for years to have the same salary: equal pay for equal work.

I would like to hear my colleague's thoughts on these two subjects, which are a priority for us in the Bloc Québécois

Mr. Bernard Bigras: Mr. Speaker, my hon. colleague is quite right. I would remind the House of the fight led by the Bloc Québécois in recent years regarding this aspect of the employment insurance program. We were calling for real reforms to employment insurance to allow women and young people access to benefits. Those workers will be the victims of the current economic situation.

This government must propose real reforms to employment insurance. So far, it has failed utterly to do so. And who stands to lose? Certainly not the oil companies, which have received \$5.8 billion in tax exemptions over the past two years. The losers will be the workers who paid into employment insurance and who are entitled to receive benefits.

● (1830)

The Acting Speaker (Mr. Barry Devolin): It being 6:30 p.m., this House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24(1).

(The House adjourned at 6:30 p.m.)

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