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(HANSARD)

Thursday, October 26, 2006

—
Speaker: The Honourable Peter Milliken

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HOUSE OF COMMONS

Thursday, October 26, 2006

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

• (1000)

[English]

CANADIAN SECURITY INTELLIGENCE SERVICE

Hon. Stockwell Day (Minister of Public Safety, CPC): Mr. Speaker, pursuant to section 53 of the Canadian Security Intelligence Service Act, I am pleased to table, in both official languages, the SIRC annual report 2005-06. It is an operational review of the Canadian Security Intelligence Service.

The SIRC plays an important role in assuring there is an effective and independent review of CSIS's work. Canada's new government believes in maintaining vigorous programs to safeguard our national security.

The committee found that CSIS's activities were in compliance with the CSIS Act, ministerial direction and operational policies and it offered a few but important criticisms of how CSIS is fulfilling its mandate.

* * *

GOVERNMENT RESPONSE TO PETITIONS

Mr. Brian Jean (Parliamentary Secretary to the Minister of Transport, Infrastructure and Communities, CPC): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to eight petitions.

* * *

• (1005)

COMMITTEES OF THE HOUSE

SCRUTINY OF REGULATIONS

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, I have the honour to present the third report of the Standing Joint Committee on Scrutiny of Regulations. It draws to the attention of the House the frequent failure to table documents of delegated legislation in Parliament as required by various federal statutes.

The tabling of documents constitutes a fundamental procedure of the House. It ensures that members have access to the information

necessary to effectively deal with the issues before Parliament. The contravention of a statutory duty to table a particular instrument of delegated legislation constitutes a prima facie breach of privileges of the House and may be treated as contempt.

Regulation making authorities clearly need to be more vigilant of statutory tabling requirements. Careless disregard for the laws made by Parliament reflects a lack of respect not only for Parliament, but for the rule of law itself.

The standing joint committee urges regulation making authorities to review their internal procedures to ensure these requirements are not overlooked or ignored.

* * *

PETITIONS

MARRIAGE

Mr. Blaine Calkins (Wetaskiwin, CPC): Mr. Speaker, I have a petition from constituents dealing with same sex marriage.

The petition say that marriage, as the union of one man and one woman, excluding all others, is an institution and not merely a bundle of rights and benefits subject to the equality provisions of section 15 of the Canadian Charter of Rights and Freedoms; that the institution of marriage as the union of one man and one women, excluding all others, is the foundation of families and of human society and pre-dates all states, governments and Parliaments; and that the proclamation of Marriage for Civil Purposes Act, tabled as Bill C-38 in the 38th Parliament of Canada, giving recognition in Canadian law that marriage for civil purposes is the lawful union of two persons to the exclusion of all others, section 2, including persons of the same sex, is undermining the institutions of marriage and family and the well-being of Canadian society.

AUTOMOBILE INDUSTRY

Ms. Olivia Chow (Trinity—Spadina, NDP): Mr. Speaker, I have a petition that is about six or seven pages long, petitioning the government for a new automotive trade policy.

Government Orders

The petitioners say that whereas Canadian automotive assembly facilities are recognized by independent experts to demonstrate the best quality and productivity in the western hemisphere, the jobs of Canadian auto workers are being threatened as a result of expanding imports to the North American market and from Asia and Europe. North America imports over four million new vehicles per year from offshore jurisdictions and yet our exports to those same countries are strictly limited by the trade policies of those countries, such as Korea, which effectively protects their domestic markets.

The petitioners call upon the Government of Canada to cancel negotiations for a free trade agreement with Korea, which would worsen the one-way flood of automotive products into our market, and develop a new automotive trade policy that would require Korea and other offshore markets to purchase equivalent volumes of finished vehicles and auto parts from North America as a condition of their continued access to our market.

DARFUR

Mr. Gary Schellenberger (Perth—Wellington, CPC): Mr. Speaker, I have a petition from many petitioners in my riding in support for Darfur.

Over three million people are affected by the conflict in Darfur and are unable to farm or engage in their normal livelihoods. While Canada has made significant contributions to the humanitarian tragedy in Darfur in the past, much more is needed. The petitioners urge the Canadian government to respond with a rapid infusion of a significant increase in funding, both through the UN World Food Programme and matching CIDA funds to the Canadian Foodgrains Bank.

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QUESTIONS PASSED AS ORDERS FOR RETURNS

Mr. Brian Jean (Parliamentary Secretary to the Minister of Transport, Infrastructure and Communities, CPC): Mr. Speaker, if Question No. 4 could be made an order for return, this return would be tabled immediately.

The Speaker: Is that agreed?

Some hon. members: Agreed.

[Text]

Question No. 4—**Hon. Wayne Easter:**

With regard to the report "Empowering Canadian Farmers in the Marketplace": (a) what have been the specific responses prepared by the Department of Agriculture and Agri-Food to any or all of its recommendations; and (b) what have been the specific responses prepared by any other federal department or agency to any or all of the recommendations?

(Return tabled)

The Speaker:

●(1010)

[English]

Mr. Brian Jean: Mr. Speaker, I ask that the remaining questions be allowed to stand.

The Speaker: Is that agreed?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[English]

BUDGET IMPLEMENTATION ACT, 2006, NO. 2

The House resumed from October 25 consideration of the motion that Bill C-28, A second Act to implement certain provisions of the budget tabled in Parliament on May 2, 2006, be read the second time and referred to a committee.

The Speaker: When this item was last before the House, the hon. member for Trinity—Spadina had the floor. There are 14 minutes remaining in the time allotted for her remarks.

Ms. Olivia Chow (Trinity—Spadina, NDP): Mr. Speaker, this morning we notice that there is yet another international report that speaks of the need for Canada to invest in children. It is very much connected with the budget that we are debating today.

The annual UNESCO report on education in developing nations finds that the majority of countries, especially Canada, need to focus their efforts on policies that address the needs of an age group that it says is often overlooked. The report urges Canada to ensure that early childhood education is a high priority.

We know that in this budget, that is proposed for April 2007, the money for early childhood education will be eliminated. This follows a report that comes from the OECD which says that Canada is in fact at the bottom of the heap. It says that Canada has a failing grade. The report said that it is Canada's dirty little secret that we have actually tumbled down all the way to the bottom in the ranking. The report said that Canada should be investing at least \$10 billion, which is the OECD goal, and 1% of the GDP as the minimum government investment.

We are at this time a dismal .03%, which is a fraction of the OECD target. It is no wonder that Canadian productivity is slipping and that Canadian businesses and industries are worried about our competitiveness and the competitiveness of our workforce. The OECD has clearly made a link between the national investment in quality early childhood education and productivity and competitiveness and growth.

I want to speak a bit about some of the kids in this country. A few years I asked children in my riding of Trinity—Spadina what they would do to make the world a better place. A five-year old wrote back and drew a very cute picture. She said that she wished from God that there would be money to buy groceries.

If we think about it, Canada is a really rich county. We have children in Canada that are praying to God for enough money to buy groceries. This means that obviously in her house and in the houses of some of her neighbours and friends there is no money to buy groceries. This means that oftentimes this little girl would go to bed and wake up hungry and would not be able to concentrate at school.

We see this especially in aboriginal communities. There are boil water advisories. We know of kids that have to sleep in shifts because there is not enough room in the bed in their house for them to be able to sleep at the same time. There is often only one room and there are several children.

Government Orders

In this kind of situation it is inexcusable that the government in this budget would not invest in aboriginal housing and early childhood education. Any money that the government has put aside in trust is last year's budget surplus. That money came from Bill C-48. This was the NDP budget money. These are the only dollars that the government is in fact investing in aboriginal housing, foreign aid and many other critically important areas.

I particularly remember a young person from the Dene nation. She had tears in her eyes when she talked about the sense of hopelessness that she had in her area. Yet, there are so many young people with many talents and skills to offer if they were to receive the kind of support and training that they so desperately need. These are young people who want to lead their communities and set a good example. We have not given them the tools in the budget to contribute.

• (1015)

On the youth employment front, I have received many letters from people in Toronto who talk about the importance of investing in young people, especially in the summer time. We know that recently there was a budget cut of at least \$55 million. At this time we should be investing more on youth employment rather than cutting it.

I have a letter from Jacob Blomme, a concerned student, who talks about the job he has during the summer and how essential it is for him to have the opportunity to work in his field of study, so that he can make connections and be job ready when he finishes school. He knows that he is going to graduate with a \$25,000 debt, which scares him because he is going to have to pay it back himself. Without jobs and training in his field of work, it is going to be even harder for him to find a job in the future. These are the young people of our future.

I have other letters. I have one from Canadian Crossroads International, for example, that talks about hiring dozens of young interns in recent years during the busy summer months to train young people overseas as volunteers by creating and supporting networks, working with HIV Without Borders, helping to manage the international AIDS conference in 2006, and supporting fundraising and ongoing research for organizations.

There are other organizations that say they desperately need money to invest in young people. They talk about the youth employment program standing out as a bright light of hope and empowerment in their own communities.

There are youth organizations that, because of training in the arts, were able to create many jobs, like the Fringe Festival in Toronto. There is a ticketed attendance of 47,000 people and \$340,000 was given back to artists in the neighbourhood. When we invest in young people and in the arts, as a country we actually get the money back in our budget.

There is really no excuse. We know there is a surplus of \$13 billion and none of it is invested in people or the future of our youth. It is the same with the new surplus of \$6.7 billion. There is nothing invested to help people break the cycle of poverty or to eradicate child poverty. With the surplus, somehow the government feels it can tell Canadians they are overtaxed. It slashes programs and calls for tax cuts and yet our children go to bed hungry. I do not know whether members of Parliament know what it is like to go to bed hungry, but there are certainly a lot of those kids in this country.

If we look outside this country, we know that foreign aid is desperately in need of getting a boost in terms of investment. We know that more than 800 million people go to bed hungry around the world and 50,000 people die everyday from poverty related causes. That is why we absolutely have to increase Canadian aid by 18% annually and commit to a plan to meet the internationally agreed target for aid spending of .7% of our GDP by 2015.

We must also raise the annual Canada child tax benefit to \$4,900 per child and ensure that all low income kids receive the full benefit of this program because that is in fact the demand of Make Poverty History. Think of what we could do with \$20 billion. There are so many lives we could touch, but I fear the government does not get it. Perhaps it is not surprising that the government has so few women in their caucus.

The government thinks that the war on poverty is really a war on the poor. It thinks poverty is a nasty little habit that should be punished, stopped and penalized. It punishes the poor and gives tax breaks to those who do not need it. It gives the biggest baby bonus allowance to the spouses of the wealthiest people and the least to single mothers. We have a war against the poor rather than a war against poverty.

• (1020)

When we asked the government why it continued this track, why we were here day after day, it said it was because the Liberals were just as bad in the last 13 years. Imagine that. We had 13 years of Liberal neglect of important programs and the government used that as an excuse to reward the wealthy and punish the poor. This government seems determined to behave just as badly as the Liberals and to be even meaner in the neglect of social programs.

What kind of dumb ambition is that? That is the kind of ambition that we do not need in this House of Commons. We want to compete to be the best, not compete to be the worst, which is what is happening right now. Imagine being worse than the Liberals. I cannot even imagine that, but it is happening in front of me.

This House should rise together and demand better for refugees, children, senior citizens, women, aboriginals, immigrants, and for all of us. This budget is a sham. The poverty is real and more children are going hungry during this Parliament.

Mrs. Susan Kadis (Thornhill, Lib.): Mr. Speaker, I must say that I predominantly agree with the thrust of the member's statements wholeheartedly, particularly with regard to the importance of having an early childhood education program that we had set up and signed with all the provinces, as she knows.

Government Orders

While I understand she was not here at the time, it was her party that helped trigger the election, with the other opposition parties, that led to its demise, it appears. We are still fighting with every breath to ensure that does not happen to this unprecedented early childhood program, which I agree would transform the lives, in terms of poverty, particularly of children in very difficult situations in our cities.

How does she rationalize the move that led to a serious backward step in the progress that we could have made in early childhood education? Why, and I believe it was Monday or Tuesday evening, did she vote with her party to not support our Liberal motion that was condemning these cuts that are particularly going to impact the underprivileged in our country?

Ms. Olivia Chow: Mr. Speaker, I wish that this House, in the last Parliament, enshrined early childhood education in legislation. If we had done that, if this Parliament had done so under the former government, then this new minority government would not be able to just tear up those agreements with the provinces with the stroke of a pen. It would have to come back to this House to seek a vote to cancel the legislation for early childhood education. I know that this new minority government would not be able to get that kind of legislation through this House of Commons.

I urge members of Parliament, on November 22, to support a national Canadian early learning and child care act. All future governments would not be able to tear up this kind of legislation. We would have early childhood education and any funding that we set aside, whether it is the \$650 million this year or, hopefully, the \$1.2 billion next year on early childhood education, would not be cancelled by a stroke of a pen or without having a debate here in the House.

I think it is critically important to have legislation to back up these agreements because without legislation the agreements would not be able to be implemented easily. That is number one.

Number two, in the past—

• (1025)

The Deputy Speaker: Order. We cannot get to number two because we have other members who want to ask questions.

The hon. member for Edmonton—Leduc.

Mr. James Rajotte (Edmonton—Leduc, CPC): Mr. Speaker, I want to raise what we are actually debating here today. We are debating the budget implementation act. I want to actually explicitly state what we are doing in this bill and why the member is opposing this bill.

For workers, we are creating a new Canada employment credit for every worker across this country and a new deduction for tool expenses for tradespeople, which is very needed certainly in western Canada.

For students, we are creating a new textbook tax credit and a complete exemption for scholarship income. The member talked about students. This is what we are doing for students.

For public transit users, we are creating a new tax credit for public transit passes.

For seniors, for the first time, we are doubling to \$2,000 from \$1,000 the amount on which the pension income credit is calculated.

For small businesses, something the NDP should be in favour of, we are reducing the current 12% small business tax to 11.5%, and then to 11%, and we are also increasing to \$400,000 from \$300,000 the exemption for small businesses.

This is for workers, students, seniors and small businesses. This is what is actually in the budget implementation act. This is what is in the budget. This is what is in the bill. This is why the NDP should stand and support this piece of legislation.

Ms. Olivia Chow: Mr. Speaker, I have Bill C-28 here. As I look through it over and over again, I really do not see how this bill actually deals with, for example, lowering tuition for students.

It does not increase pensions, whether it is the CPP, the GIS or the OAS for seniors.

I also do not see any real investment in public transit. We know that there is serious gridlock in a lot of cities. It has slowed down a lot of the small businesses. Their employees take a long time to go to work. They get stuck in traffic jams. People are crying out for investment in public transit so that we will be able to have better productivity and people will not be wasting their time sitting in traffic jams.

Those are the kinds of things that small businesses, seniors, students and a lot of working families are asking for.

Working families are saying that giving them a tax credit or a small deduction does not help, because, as we know, it takes a lot more than \$100 a month to get affordable child care. There is not a chance that they even can get enough money for babysitting by April 2007. Also, this money for the so-called universal child care allowance is taxed back. When I tell working families that they had better put aside some money because the money they are receiving every month will be taxed by April, they say, "Oh, my goodness".

This budget has nothing for working families that they can count on, especially as it relates to children.

Hon. Judy Sgro (York West, Lib.): Mr. Speaker, I have to say that the hypocrisy that I have listened to is unbelievable. I know it very well and I know the member very well. I know what work she did on the issue of getting child care spaces when we were both councillors in the city of Toronto. The fact is, though, that the member's party brought down and defeated the best social policy we were going to have when it came to child care spaces and early earning for our children. That party brought down the post-secondary investment and all of the increases in the GIS that we were putting forward.

We were delivering all of those things. All of them were issues that I know my colleague cares very much about. The fact is that it was her party which brought down the government so that we are not able to deliver on those policies. How can the member stand there and still promote these policies? I question how the member can talk about those policies and how much she cares when those things were all being delivered by the previous Liberal government. It was her party that brought the government down.

Government Orders

• (1030)

Ms. Olivia Chow: Mr. Speaker, I do not know what part of corruption that member of Parliament does not understand, and also the fundamental concept of democracy. I do not know whether that member of Parliament understands what democracy means. It was Canadians who voted the last Liberal government out of office. It was Canadians who voted. It was Canadians who were upset with the corruption, with the money that just disappeared into some Liberal coffers, the Liberal Party's coffers. That is why the Liberal Party has been thrown out.

Having said that, I will say that we have to come together rather than blaming each other and looking at the past. Why can we not say that? In order for us to move forward, why can we not join together and look at investing in children and making sure that a decent Canadian early learning and child care act is passed?

I want to remind folks that in 2003 there was a red book promise. There was a 2004 promise. I believe there was also a promise in 2000. There were so many promises on early childhood education that we cannot keep track of them.

Fundamentally it was Canadians who voted the last government out of office, not the New Democratic Party of Canada.

Mr. Pierre Lemieux (Glengarry—Prescott—Russell, CPC): Mr. Speaker, I would like to split my time with my colleague from Edmonton Centre.

I am very pleased to have this opportunity to rise and speak on behalf of Bill C-28, the budget implementation act, which, as the title indicates, is designed to implement certain measures outlined in our budget 2006.

On January 23, Canadians voted for change: a change in government, a change in fiscal accountability, and a change in fiscal management. These are changes to the benefit of all Canadians.

With that change came the direct support for our new government's five priorities. These priorities were outlined in the Speech from the Throne as well as in budget 2006, delivered by the finance minister on May 2.

On June 22, Bill C-13, the first budget implementation act, was given royal assent and many of our fiscal promises were fulfilled. These measures included reducing the GST from 7% to 6% and introducing a \$1,200 per year universal child care benefit for parents of children under the age of six.

We introduced other tax cuts as well, tax cuts that Canadians have not seen before. Our first budget cut taxes by an incredible \$20 billion over two years. Yes, \$20 billion over two years. Our budget offered more in tax cuts than the four previous Liberal budgets combined.

Canadians are very happy with our budget, and I am happy to say that not one of the opposition parties opposed our budget when it came to a final vote, not one. They grumbled at first, but then they studied our budget and saw the great benefit of our government's budget to Canadians. In the end, they did not oppose it, so our budget has the support of Canadians and of the opposition.

I am pleased to be here today supporting the second budget implementation act, Bill C-28. We want to keep rolling out the tax cuts for Canadians and, in doing so, show Canadians that when we make a promise, we keep it.

The action taken with Bill C-28 will cut taxes for pensioners, families, students, users of public transit, and each and every worker in Canada. These measures will make a real difference to Canadians by focusing on their priorities, priorities like lowering taxes for working families, assisting small and medium sized businesses achieve real growth, and helping tradespeople, students, families and seniors.

In short, Bill C-28 delivers on our budget and delivers real tax relief for Canadians. This government recognizes that Canadians pay too much tax. As a colleague of mine previously reported, according to the Fraser Institute, while the average family's income has gone up 1,100% since 1961, its taxes have shot up a whopping 1,600%, outstripping the growth in income.

As I mentioned, this is a new government with a new respect for our fellow Canadians. We need only look at the measures in Bill C-28 to see exactly how we are putting more money back into the pockets of hard-working taxpayers.

Working Canadians are the foundation of Canada's economic growth. However, choosing to work also means additional costs, costs for everything from uniforms and safety gear to computers and various supplies. For some, particularly low income Canadians, these additional costs can impose a barrier to joining the workforce. For others, work related employment expenses are another factor that limits the rewards of their hard work.

In recognition of this, budget 2006 introduced the Canada employment credit, a new employment expense tax credit for employees' work expenses. A credit on employment income of up to \$500 will be provided effective July 1, 2006. The amount of employment income eligible for credit will rise to \$1,000 effective January 1, 2007.

Budget 2006 also recognizes that creating an environment for more and better jobs and for strong economic growth depends on having a competitive tax system. The engines of our economy, our wealth creators, are businesses, both small and large, and they should not have to face the heavy burden of overtaxation. The businesses that feel this burden most are small and medium sized businesses. They create jobs and are the backbone of our country's economy.

In my riding of Glengarry—Prescott—Russell, small and medium sized businesses are essential. They are the economic backbone of my riding: farms, farm equipment retailers, manufacturing, industry, pharmacies, grocers, et cetera. Without their success, ridings like mine would struggle. Many of us are employed by them. Small to medium sized business is responsible for the majority of all new jobs created in Canada. Whether we live in an urban riding or a rural riding, all of us turn to small businesses for services, and our future economic growth will depend a great deal on their success.

Government Orders

•(1035)

An important way that Canada's federal income tax system supports the growth of small businesses is through a lower tax rate on the first \$300,000 of qualifying income earned by a Canadian-controlled corporation. This helps these small businesses retain more of their earnings for reinvestment and expansion, thereby helping to create jobs and promote economic growth in Canada.

With the passing of Bill C-28, and effective January 1, 2007, the threshold for small businesses will be increased from \$300,000 to \$400,000. In concert, the 12% rate for eligible small business income will be reduced to 11.5% in 2008 and then down to 11% in 2009. It is estimated that these changes will reduce government taxation on these businesses by \$10 million in 2006-07 and \$80 million in 2007-08.

There is more.

Hon. members from all ridings know that Canada is facing a serious shortage of tradespeople: carpenters, plumbers, electricians, cooks and others. Our government is taking action to encourage apprenticeships and to support apprentices in their training.

Specifically, we will help companies hire apprentices with a new apprenticeship job creation tax of up to \$2,000 per apprentice. We will create a new apprenticeship incentive grant of \$1,000 per year for the first two years of a red seal apprenticeship program and other programs.

Through these actions, our Conservative government will be investing more than \$500 million over the next two years, which will help approximately 100,000 apprentices.

We will also help apprentices and tradespeople with the heavy burden of buying the tools they need to do their jobs. Our government will invest \$155 million over the next two years for a cost of tools deduction, which will help approximately 700,000 tradespeople in Canada.

In regard to our seniors, members will no doubt agree that some seniors struggle to live on a small fixed income. As I travel throughout my riding, I often hear seniors ask, "Why does the government not do something to help seniors, those of us on a fixed income?" I am always pleased to state that this is exactly what we are doing. We are providing real tax relief to seniors.

The most important measure involves a doubling to \$2,000 from \$1,000 of the amount on which the pension income credit is calculated. A deduction for the first \$1,000 was introduced in 1975, but since its introduction the amount has remained unchanged. That is unbelievable.

It took our new Conservative government to do something for our seniors to rectify this problem. We recognize and understand the difficulty faced by seniors on fixed pension incomes. To provide greater tax assistance to those who have saved for their retirement, budget 2006 increased to \$2,000 the maximum amount of eligible pension income that can be claimed under the pension income credit, effective for 2006 and subsequent taxation years.

The measure will benefit nearly 2.7 million taxpayers receiving eligible pension income, providing up to \$155 per pensioner, but not

only that, it will remove approximately 85,000 pensioners from the tax rolls. This is real action to the benefit of our seniors.

In regard to Canadian families, they are the very foundation of our society and they play a vital role in the development of our communities. This is why it is important that we reduce their tax burden as much as possible.

One of the ways we are doing this is with the children's fitness tax credit. The health and fitness of our children is very important. As the government, we want to promote physical fitness among children and we want to do it by supporting families directly.

We take families seriously and we take physical fitness seriously. Budget 2006 provides a children's fitness tax credit effective January 1, 2007. The credit will be provided on up to \$500 of eligible fees for programs of physical activity for each child under the age of 16.

I am the father of five children. They are involved in fitness activities such as soccer, basketball and highland and Celtic dance. I am pleased to state that finally we have a government that listens to families, that works together with families and that helps families with their real expenses. This is a great tax credit for families. It encourages and supports physical fitness and it is my sincere hope that the opposition parties will support it.

•(1040)

Lastly, I would like to highlight what we are doing for students. We believe that our post-secondary students need to be supported in their hard work in pursuit of academic excellence. Currently, the first \$3,000 in scholarship, fellowship and bursary income received by a post-secondary student is not taxed, but any amounts above \$3,000 are taxed. Students do not need this. They do not need to be paying tax on scholarships, fellowships and bursaries. They need to use that money toward their education.

I am very pleased to highlight that our new government understands the financial challenges that post-secondary students face and that we are on their side. We want them to succeed in their studies by alleviating financial pressures, which is why Bill C-28 proposes a complete exemption for scholarship income received by students.

Budget 2006—

The Deputy Speaker: Order, please. When the Speaker is standing the members are sitting.

The member's time has expired. I tried to give him a signal but he never looked at the chair and I cannot give people signals if they never look at the chair.

Questions and comments, the hon. member for Yukon.

Hon. Larry Bagnell (Yukon, Lib.): Mr. Speaker, I want to set the record straight on one item before I ask my question.

The member suggested that all opposition parties were in support of the budget. I want to make it categorically clear, on behalf of all Liberals, that this opposition party totally opposes the budget. We have always opposed it and we will continue to oppose it.

Government Orders

There was a technical slip-up in Parliament and one vote slipped through. If the government wants to make a big issue out of the fact that it only received support due to a technical mistake, then that is a pretty weak case to make. Maybe it was the same type of mistake that people made in electing the Conservatives once they see the budgets and the recent budget cuts.

The member talked about the importance of seniors and the fact that they had not suggested an increase in the pension deduction since 1975, which is true, and it is too bad that they did not do that, but for those seniors who do not get the pension deduction, why did the government harm seniors by increasing their income taxes from 12% to 12.5%?

Mr. Pierre Lemieux: Mr. Speaker, in answer to the first comment the hon. member made, the records show that there was no opposition regarding our budget. I thank the hon. member for his party's support regarding it. This government pays attention—

An hon. member: It is history.

Mr. Pierre Lemieux: Exactly so. It is history. It is on the record. I thank the member again for his support.

As I mentioned, many of our seniors are on pension incomes. Our pension income action will actually benefit 2.7 million pensioners and it will remove 850,000 people from the tax rolls. It is a very strong measure in favour of our seniors.

•(1045)

Ms. Olivia Chow (Trinity—Spadina, NDP): Mr. Speaker, many seniors do not file income tax returns and many of them, through no fault of their own, do not receive the guaranteed income supplement even though they are entitled to it.

Would it not be a much better use of taxpayer money to help the poorest of our seniors by adding more funding to the guaranteed income supplement? Seniors would then have real money in their hands.

The member said that if seniors have filed their income tax returns then they should automatically receive the guaranteed income supplement. However, if seniors do not apply for it or if they do not know how to apply for it, they do not receive it. Even if they receive it, they end up getting a small amount of money.

Would increasing the guaranteed income supplement not be a better way to spend the budget surplus? This would give our seniors some income security and real money in their pocket. It would also help to have a national pharmacare program so seniors would not have to pay so much to buy the drugs they need.

Mr. Pierre Lemieux: Mr. Speaker, there are many different ways to assist seniors and we have taken a very dramatic step in assisting our seniors by doubling the amount of pension income that is non-taxable, that is doubling it from \$1,000 to \$2,000. We have also taken other measures, for example, lowering the GST, so when they spend money they are actually saving on the GST.

We are helping seniors on other matters, such as health care. One of our priorities is ensuring that health care is more readily accessible to our seniors.

I would like to talk about the surplus. We put \$13.2 billion down on the debt, thereby saving Canadians interest charges of \$650 million per year. The \$650 million per year will be reinvested for the benefit of Canadians. We have other strategies that we will be presenting in the future to further assist our seniors.

I would like to underline that Bill C-28 takes direct action to benefit seniors, especially those on fixed pension incomes.

Mr. Laurie Hawn (Edmonton Centre, CPC): Mr. Speaker, it is a great pleasure to speak to Bill C-28. This budget is full of good news for the people of Canada and the people of Edmonton Centre. I intend to highlight the benefits that it will have in my community.

I am very proud to represent the constituency of Edmonton Centre. This is a time of great economic growth in the province of Alberta, but that growth also comes with great challenges that must be met if we are to enjoy the benefits of growth. The vibrant and diverse people of Edmonton are up to this challenge, and I am pleased to see in this budget that the government is giving them the tools that they need for this task.

First, I would like to talk a little about the constituency of Edmonton Centre. The riding includes the downtown core as well as some of the oldest residential neighbourhoods in the city. It includes part of the scenic river valley, one of the oldest municipal golf courses in Canada, and the oldest municipal airport in Canada, Blatchford Field.

A tour of the riding will show us the Alberta legislative buildings, as well as the Royal Alberta Museum, the Art Gallery of Alberta, the Citadel Theatre, the Francis Winspear Centre for Music and the historic Hotel Macdonald. There are corporate headquarters, along with a thriving small business community and the World Trade Edmonton Centre.

We have two of the busiest hospitals in the city, as well as two of the largest post-secondary institutions in the province. There are new condo developments in historic old houses. There are many shops devoted to antiques, as well as many private galleries showing off the best that western Canadian artists and artisans have to offer.

Edmonton's menu of fine restaurants rivals any city in Canada. There are industrial areas and beautiful parkland. The area is as rich and diverse as Canada itself. There are many seniors' residences alongside condos where young families are moving to bring up the next generation.

There has always been a large immigrant community in Edmonton Centre. Where once Ukrainians came to build better lives for themselves and their children, we see the same thing happening with new Canadians from China, Vietnam, Somalia, Sudan and many other places around the world.

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I would like to touch upon the importance of students and the measures that the government has taken for their benefit. At schools, like Grant MacEwan Community College, I am extremely pleased to note that post-secondary students will now have their entire scholarship, fellowship and bursary incomes exempt from income tax. For many of these students, that money represents their entire income and this will free them from having to juggle a part time job while studying for exams. More than 100,000 students will be affected by this measure.

Another institution that is important to Edmonton is the Northern Alberta Institute of Technology. This school is the largest supplier of skilled trades and apprentices in the province and supplies fully 17% of apprentices for the entire country.

Several measures in the budget will apply specifically to students at NAIT. I have been to many forums at NAIT and I have been fortunate to be part of a major funding announcement for new programs and services. I have talked to the students at these events and have listened to their concerns. People accept that tuition fees are part of getting a good quality education, but one of the single biggest costs associated with getting an education and which affects the students' standard of living is the cost of textbooks. It is for that reason that budget 2006 has instituted a new textbook tax credit. This will help students where they need it most, and this credit applies to both full time as well as part time students.

Apprentices are critical to the future of the Alberta economy and, in fact, Canada's economy. There is a surge in demand now and this government is moving to ensure that that demand is sustainable. That is why we have introduced the \$2,000 job creation tax credit. Eligible employers will now receive a tax credit equal to 10% of the wages paid to qualifying apprentices in the first two years of their contracts, to a maximum of \$2,000 per apprentice per year. This helps maintain a supply of apprentices by ensuring that people look at this training as a stable opportunity for future jobs. It will also encourage employers to grow their businesses with a steady supply of skilled labour.

Once the students leave NAIT, they will also receive a benefit from this budget in the form of a \$500 deduction for tradespeople's tool expenses, as has already been mentioned. This measure recognizes the cost of tools beyond the \$1,000 that is covered by the new Canada employment credit and provides yet another helping hand exactly when and where it is needed.

Successful students are vital to our future and are represented in the budget by several measures, but I also want to highlight another segment of our population that needs a helping hand.

Our senior citizens have lived and worked through some of the darkest times as well as the brightest. They have raised families. They have fought Canada's wars in the cause of freedom. They have started and run businesses and they have paid a lot of taxes. For too many of them, however, life is a struggle, being caught between the rock and a hard place of a fixed income and a rising cost of living.

• (1050)

It is for this reason that the initiative to raise the maximum amount of pension income, which can be claimed as pension income credit, is so important. Since its inception 30 years ago, the credit has been

\$1,000. Recently we measurably increased it to \$2,000, affecting 2.7 million taxpayers and taking 85,000 taxpayers off of the tax rolls altogether. Those people have worked so hard so we can enjoy our prosperity. It is critical to know that 85,000 pensioners will no longer face the burden of income tax due to this budget, and I am extremely pleased to be able to say that.

Another new credit in the budget will help seniors, but it will also help students and all of us. I am referring to the \$500 public transit pass credit. One does not have to spend a lot of time in Edmonton Centre to see how important the public transit system is to that community. Whether it is students making their way to college or school, seniors shopping for groceries or businessmen heading for downtown, the Edmonton transit system covers all parts of the constituency and is relied on by a very large number of people.

This new credit will increase ridership and, thus, also increase the frequency of services. It will also reduce the amount of air pollution that is caused by the large number of cars on the road. This is a tangible measure to conserve our environment and protect the health of Canadians and its value will be felt by those who need it most.

The budget has measures to help out the thriving small business sector in Edmonton. Small and medium enterprises are the real engine of our economy and they need a clean and sustainable supply of fuel on which to run. That fuel is capital and our new government wants to keep their tanks full.

Specifically, the government is reducing the current tax rate of 12% on qualifying small business income to 11.5% in 2008 and to 11% in 2009. In addition, we are increasing the amount of income a small business can earn before it has to pay federal tax from \$300,000 to \$400,000 as of January 1, 2007.

I take great pride in going back to the riding to tell business owners that we are listening to them, that we understand their concerns and that we are taking steps to help them solve their business problems and develop even more jobs and prosperity. Some of these small businesses are companies that provide tax advice to people who are fighting the high cost of living and the high cost of taxes at the same time. They are the ones who have known for a long time that there is an inherent advantage to being a small business owner when the tax man comes knocking.

There are many more deductions that people can claim and a variety of options for lowering the overall tax burden. Those who receive regular employment income rather than owning a small business have always suffered in comparison, but budget 2006 recognizes that unfairness and treats the problem properly with the Canada employment credit. The new credit covers things like personal computers, stationery, uniforms, clothing and a long list of items that people sometimes are required to purchase for their work. If they were small business owners, this would all be deductible as the cost of doing business.

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Now the people who earn employment income will be recognized as well. Every Canadian who receives employment income will get up to \$500 for the 2006 calendar year and \$1,000 for 2007. This benefit will be felt by all working Canadians, especially the low income earners who face barriers in the form of work related expenses.

This budget makes a difference. It is targeted and focused on helping those who need help while providing much needed tax relief for all Canadians.

The seniors and students in my riding will see a significant difference in their cost of living when these tax measures take effect. Working Canadians will take home more of their money at the end of the day. Small businesses will be able to grow without extra penalties and be able to increase employment. In short, this budget is good news for Canada, good news for the province of Alberta and good news for the riding of Edmonton Centre.

I am privileged and proud to be part of the government that has delivered this budget to the people of Canada and I encourage all opposition parties to help us in making the bill become law as soon as possible.

•(1055)

Mr. Pat Martin (Winnipeg Centre, NDP): Mr. Speaker, maybe my colleague from the Tories can help me to understand part of the thought process that went into the making of the budget. A lot of us were shocked at the \$1 billion worth of cutbacks that were announced recently. Yet when the Conservative Party introduced the budget, there was no mention of the lost revenue associated with offshore tax havens.

How can the Conservatives justify the cutting, hacking and slashing of \$1 billion out of relatively small increments from many important little programs and turn a blind eye or have wilful blindness to the fact that tax fugitives are denying the federal government up to \$7 billion per year of lost tax revenue in offshore tax havens, such as Barbados?

I know the previous government tore up 11 tax treaties for different countries in which people could hide their money. They call it tax motivated expatriation. We call it sleazy, tax cheating loopholes. It left only one, the very tax haven where the former prime minister has his dummy companies and enjoys this tax haven status.

Why would the Conservative Party not close the door on this outrageous and egregious violation of principles and ethics called offshore tax havens?

Mr. Laurie Hawn: Mr. Speaker, part of my response is we inherited a 13 year old elephant. It cannot be eaten in one sitting.

Perhaps the member for LaSalle—Émard's company still derives benefit from work that perhaps has been left undone. I cannot say what will come in the future and all the measure the government will take. I do know there will be a succession of Conservative governments over the next many years. Those governments will continue to address issues as they come up. The government will continue to address the needs of Canadians.

With respect to the billion dollars in savings that was recently announced, a lot of that money, as I am sure this member surely knows, was money that was never committed to anything in the first place. It was money that was idly sitting by and doing nothing. That money has been redirected to programs that will help all Canadians, average Canadians, everyday Canadians.

The \$650 million that the government will save next year and every year after in paying down the national debt will also go to helping Canadians. This is what the Conservative government is all about and it will be all about this for many years to come.

Hon. Judy Sgro (York West, Lib.): Mr. Speaker, I remind the member that he is talking about a \$13 billion surplus left over from the great work of the previous Liberal government. He is also talking about a good economy and a strong country.

In 1993, when the Liberals replaced the previous Conservative government, they inherited a \$42 billion deficit. It took an immense amount of time and work on behalf of Canadians and our government to regain the proper resources it needed to reap the benefit.

How does the member justify the recent cuts? The government has taken \$17 million out of the adult literacy program. This program has tried to help people who clearly want a hand up, not a handout. These people want to improve their life and contribute to the productivity of Canada.

The government cut the Status of Women program and the court challenges program. These programs helped people to move voices and various agendas forward.

How does the member justify those kinds of cuts when the government has a \$13.2 billion surplus?

•(1100)

Mr. Laurie Hawn: Mr. Speaker, if the member wants to talk about history, we can go back and talk about what the Conservative government started with the legacy left by Pierre Trudeau. It is not a pretty legacy.

If the member wants to talk about cuts, these cuts were made to programs that were not delivering a return on the investment.

The government is committed to adult literacy. This is evident by the \$81 million it is spending next year to address literacy. No actual literacy programs have been cut. An example of the cuts is an organization in Manitoba. It was receiving \$353,000 a year in Canadian taxpayer dollars. It was delivering \$10,000 a year in what could be loosely called a deliverable in terms of bursaries. That is not a very good return on investment.

The \$2.5 million that was saved from administration in the Status of Women programs will be reinjected into actual programs that will actually help Canadian women. The Conservative government is about actually helping Canadians, not supporting administrative programs that create jobs for people who, frankly, should go out and get a real job.

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Hon. Judy Sgro (York West, Lib.): Mr. Speaker, it is always so interesting to participate in these debates and hear how everybody has their own terms and their own thoughts about what are successful programs and what are not. Our whole intent, as elected officials, is to help Canadians and ensure our country continues to be productive. We all have choices to make on what we consider are priorities.

I am pleased to have a chance to speak to Bill C-28 today and to tell members why I cannot and will not ever support the bill before us. Frankly, it is nothing short of being a disgraceful, selective document that panders to the very narrow electoral base of the Conservatives. As such, I believe it is bad for our country.

Yesterday marked the 13th anniversary of the 1993 election, when the Liberal Party won government from the Mulroney Conservatives. Our Liberal government eliminated that deficit of \$42 billion and balanced our budget, finally, in 1997, with the help of Canadians and with the leadership shown by the government. We went on to record eight consecutive balanced budgets and restored the nation's AAA credit rating.

I would remind members that we were at a point of almost bankruptcy and were being referred to as a third world country. I also remind members of the amount of work that Canadians had to do to get us out of that debt and to put our country on a balanced footing.

We slashed the federal debt, both as a percentage of the economy and in absolute dollar terms. Canada's debt to GDP ratio dropped by 50% over our government's tenure. We achieved the best fiscal record of all the G-7 group of world-leading economies and the best of any Canadian government since Confederation in 1867. We are very proud of that.

Prior to this past spring, the federal Conservatives last balanced a budget in 1912. We wonder what the future will hold as we go forward.

However, I will go back to the present situation.

The minority Conservative government inherited the best fiscal situation in Canadian history and it is failing Canadians now by neglecting the future challenges in putting forward this visionless budget. It is a simple case of some sort term gain and long term pain for our great country, which we have all worked so very hard to build over the last 13 years.

Budget 2006 has done nothing to bolster Canada's productivity and make it more competitive on the world stage. David Crane and other senior newspaper columnists talk about how important it is to have that productivity agenda moving forward. There is nothing in the budget that relates to that or is going to be investing in those areas.

The budget neglects to make any significant improvement and investments in education and innovation. Our Liberal government had a concrete vision that would have put us at the forefront of competitiveness and innovation. This lacklustre and visionless budget contains virtually nothing in this regard.

Another example is our last fiscal budget update provided \$2.5 billion for university research, which is an extremely important area

for our country. The Conservative budget provides \$200 million, which is less than one-tenth of our commitment. Under the Liberal government, the best and brightest were flocking to Canada, due to our sound investment in research and development.

How will Canada compete on the world stage, in the future, with a visionless budget? How can Canada continue to nation-build when it has a government and its budget that cares more about politics and how to score points than sound fiscal management?

The minority Conservative government is continuing its legacy of failing Canadians through our post-secondary education system, forcing the provinces to go it alone and abandoning our students across the country. I remind hon. members that our students are our future.

Prior to the Conservatives and the NDP forcing the last election, the Liberals had made significant commitments in the November 2005 fiscal update, including \$4.1 billion toward post-secondary education.

● (1105)

The Conservatives offer a measly Canada textbook credit, a \$500 annual credit for textbooks. One wonders what that really means in dollars. This is worth exactly \$77.50 per year for students who spend \$500 or more on textbooks.

The Liberal Party had proposed a fifty-fifty plan to pay half of the tuition in the first and last years of post-secondary programs, which would have been worth thousands of dollars per year to students and would have been of enormous benefit to Canada and to Canada's future. Seventy-seven dollars and fifty cents will do nothing to increase access or decrease student debt.

Simply stated, the Conservative government has failed to make post-secondary education a priority.

The Liberals know that we must invest in our students and ensure that they have the tools they need to succeed in life. I am very pleased to remind hon. members that Liberals actually care about Canada's students, and I think our past practice has shown that.

In fact, in our 2006 election platform, we had proposed to expand Canada access grants to cover all four years of study and to develop a fifty-fifty plan, which would have paid for half of the tuition of all Canadian students for both the first and the last year of study. We proposed to conduct a comprehensive review of student assistance, to provide additional funding for Canadian students who study abroad, and to make a 50% increase in funding for graduate scholarships. These were all important initiatives, as I am sure all of my colleagues would agree.

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These Liberal initiatives were very popular in my riding of York West, especially York University, which, I am very proud to say, is in my riding. This exceptional school prides itself on the pursuit, preservation and dissemination of knowledge. It provides excellence in research and teaching in pure, applied and professional fields, testing the boundaries and structures of knowledge. This community of faculty, students and staff is committed to academic freedom, social justice, accessible education and collegial self-governance. I am very proud to represent it.

Another failure of the Conservatives is their transit credit, which is another selective tax measure designed to cut greenhouse gas emissions, which we all want to see done, by increasing public transit ridership in the cities. However, a small price decrease in public transit does nothing for ridership. Those who use transit will continue to use it because it is convenient for them. Those who do not use transit will not suddenly run out and buy a transit pass for a \$12 a month tax break. I wrote the book on cities and urban transit issues, so I know that this \$12 will do nothing to increase ridership.

The Canada employment tax credit is essentially a \$1,000 increase in the basic personal exemption, but it applies only to employed taxpayers. I favour an increase in the basic personal exemption for all Canadians, so that seniors and stay at home moms could benefit as well.

But budget 2006, while proposing this selective tax break, decreased the basic personal exemption, effectively hiking income taxes for all Canadians. The minority Conservative government's budget actually raises income tax rates in the lowest tax bracket, which it clearly denied while this was acknowledged by others.

Despite the government's claim to be helping Canadian families, it has raised the tax rate from 15% to 15.5% for the lowest income Canadians. Clearly, the lowest income Canadians are not the priority of the new minority Conservative government. I think it is nothing short of disgraceful. Low income families need our support, yet the government is quietly raising their taxes and giving tax breaks to companies.

The budget fails to provide real tax relief for low income and middle income Canadians. Eliminating Liberal income tax cuts in favour of a 1% GST cut has been panned by every serious economist in the country as a plan that will benefit higher income Canadians at the expense of those who need it most. The Conservatives are actually increasing income taxes, which means that many people who got a refund for 2005 will end up paying in 2006.

The children's fitness credit sounds wonderful but, like the textbook tax credit, it is not actually worth \$500 per year. Tax credits are multiplied by the lowest bracket rate, giving this measure a final value of \$77 per year. Parents across the country know that it costs a lot more than that to enroll children in much needed sports programs.

• (1110)

The Liberal government's great achievements as a nation builder are also at risk with this flawed budget. Canada remains an exciting and prosperous country, but we must look forward for an agenda with a renewed national purpose. Thanks to the efforts of my previous government, this country can afford a national housing program. It can afford a universal child care program. It can afford

investment in research and development to ensure our future priorities.

This budget is unfair and inequitable and increases taxes on the lowest income Canadians while the richest few would benefit. The Conservative government's first budget fails to address the real needs of Canadian families, abandons fiscal responsibility and fails to provide an economic vision for the future. If the government continues down this road, it will undo all of the good work that we did to put Canada at the head of the G-7 and, in the end, only the wealthy will benefit while those most in need will be left behind.

Many of the provisions in Bill C-28 underscore the selective and narrow governing style of the minority Conservative government. It has become frighteningly clear that the government is completely willing to sacrifice our long term economic health for potential political gain. This is clearly unacceptable to Canadians.

I cannot support this budget at this time. It would be wonderful if the government would stand back and try to make some of the changes that clearly need to be done to be more reflective of the Canada we want to see.

Mr. Laurie Hawn (Edmonton Centre, CPC): Mr. Speaker, I listened with interest to my colleague's remarks. I would comment first that it was probably the policies of Brian Mulroney, which he had the courage to bring in, and the unlimited powers of taxation that had more to do with balancing budgets than anything else. I can balance a budget if I have unlimited powers of taxation any time.

The Liberals talk about us buying something. I would suggest that the track record would show that it is not our party that buys votes. What we have been trying to do with this budget, I think successfully, and certainly Canadians seem to agree, is that we are actually buying the future with things like reducing the debt and so on.

I would ask my hon. colleague a question on a much more human level. We hear all the rhetoric back and forth all the time about people who do not care and so on. Does the hon. member honestly think that there is a single member in this House on either side, in any party, who does not care about Canadians, or that I do not care about my children, or my grandchildren, hopefully yet to come, or my parents and grandparents or my neighbours? Does the member honestly believe that people on this side do not care about the welfare of Canadians?

Hon. Judy Sgro: Mr. Speaker, I think we all get into politics because we care about people. The question becomes what our priorities are, what we think are investments.

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Evidently what we think is an investment is quite different from what you think an investment is. I think we have to make sure that we are investing in our companies, in our economy and in our productivity and innovation, but we also have to remember that there are a lot of Canadians who have not had the opportunities that many of us may have had and that we need to be investing and giving a hand up to many Canadians so they can go on to be very productive. That comes back to what we invest our money in.

When you talk about the balanced budget, you had an opportunity in the Conservatives for nine years—

• (1115)

The Deputy Speaker: Order, please. Two or three times the hon. member has referred to the hon. member for Edmonton Centre as “you”. I let it go hoping it would come to an end. It does not appear to be coming to an end, so please refer to the hon. member as “he” and address your remarks through the Chair.

Hon. Judy Sgro: Mr. Speaker, I will try to make sure I do not violate that in the future. I thank you and also for the apology on both sides. It is nice to know that there are people in the House who apologize easily when we do things that may upset others.

I think the whole question is that when the Conservatives were in power they had nine years and never produced a balanced budget, and we ended up getting in with a \$42 billion deficit to deal with. The question is priorities. I would suggest that the Conservatives have theirs, the Liberals have theirs and so do the NDP, but I believe that we are going forward in a positive way with a balanced approach to help all Canadians.

Ms. Olivia Chow (Trinity—Spadina, NDP): Mr. Speaker, in 1989 in the House of Commons there was a unanimous vote to end child poverty in 2000. Perhaps the hon. member remembers that pledge, yet after years of surpluses we still have 1.5 million kids living in poverty. In her city of Toronto, approximately one out of three kids is living below the poverty line. The majority of people using food banks like the Daily Bread Food Bank and FoodShare are in fact children.

I heard a long speech about how we need to care about the people who are most vulnerable. I have a question. Why is it, given surplus after surplus during all these years, that there has been no significant investment to lower the rate of child poverty? In her mind, I wonder if this budget seems, like it does for me, to have continued the same tradition of taking all the surplus to pay down debt rather than invest in children.

How would the Liberals have done anything differently? It seems to me that it is the same pattern of taking all the surplus and dealing only with debt rather than investing in children.

Hon. Judy Sgro: Mr. Speaker, I have to say that there were a lot of things that the previous Liberal government did while in office. There was \$130 billion from decreasing taxes. Our goal has always been to achieve. Our goal would be to eliminate poverty, and the intention has always been to work toward that.

It is very multi-faceted, but when the NDP clearly shares a lot of our vision, one has to question how much better Canada would have been today if the Liberals had stayed in power with our child care programs, early learning programs and all of the investments we

were making. We would have been far better off had we stayed with the Liberal government in power rather than having the NDP defeat our government.

Mr. Pat Martin (Winnipeg Centre, NDP): Mr. Speaker, I want to focus on one thing my colleague raised. That is the low income seniors' pensions. My mathematics show that the pension cheques for low income seniors for this six month period are lower. They actually got a cut in pay due to the basic personal exemption being lowered.

The government actually lowered the basic personal exemption for seniors, from \$9,200 to \$8,600, I think, which means that those seniors are paying taxes on more of their earnings. Therefore, I have people walking into my office with their pension cheques from August to September and those cheques are \$10 a month lower.

Has the member noticed similar trends in that the first thing the Conservative government did with its first budget was to give low income seniors a cut in pay?

• (1120)

Hon. Judy Sgro: Yes, Mr. Speaker, I have heard about that and I would suggest that we will be hearing a lot more from many of the most vulnerable in society, who look to government to assist them.

I was very pleased that we were increasing the GIS to many of the seniors in 2006, 2007 and 2008, and even with those kinds of increases, our seniors will continue to struggle. Many of them are having to live on \$11,000 a year and are having intense difficulty doing that. They find themselves asking for family assistance. We need to be investing more.

Again, I have to say to the hon. member, had the Liberals stayed in power, clearly we would not have to be dealing with that issue.

Hon. Shawn Murphy (Charlottetown, Lib.): Mr. Speaker, first I want to clarify a comment that came from the member for Edmonton Centre. He attributed some of the financial success this country has had over the last 13 years to Brian Mulroney.

I remind the House that when Mr. Mulroney left office in 1993, we had a deficit of \$43 billion, interest rates were close to 12%, unemployment was at 11.1% or 11.2%, and the debt to GDP ratio was 73%. Had he been in power another 35 minutes, I think the country would have been bankrupt.

However, that is not my question. My question for my colleague deals with some of the cuts that we have seen. The \$5 million cut to the Status of Women was very unfortunate, although from a global perspective it was not that significant, but perhaps what is more troubling is the directive that the government would no longer finance any group that advocated for the equality of women in Canada.

Does my colleague have any reason as to why this directive was issued? What effect will it have on those groups across Canada that do successfully advocate for the equality of women in this country?

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Hon. Judy Sgro: Mr. Speaker, the Status of Women did a lot of advocacy work on behalf of women and on behalf of many people across Canada. The fact that it will have its budget significantly cut will eliminate a lot of the organizations out there that were working on not only women's issues but on family issues. That is just one sample of what we will see in the future of what are the priorities of the government.

Removing the word "equality" from the mandate changes things very significantly as to what groups will receive funding and what groups will not. Many of these groups do not receive a lot of money, but again, it is almost sometimes a token to say thanks to some of these groups that are doing advocacy work on a bare bones budget. If they get a few thousand dollars from the Status of Women to focus on issues dealing with the needs of women, it is something we should be proud of.

Last year an independent organization recommended to the previous government that the Status of Women budget should be increased by approximately 25% so it can meet the needs of the many groups and organizations that needed that assistance.

[*Translation*]

Mr. Pierre Paquette (Joliette, BQ): Mr. Speaker, I am pleased to take part in this debate on Bill C-28, an act to implement certain provisions of the budget tabled in Parliament on May 2, 2006.

As hon. members know, the Bloc Québécois supported this Conservative budget, essentially because the Prime Minister and his government promised to correct the fiscal imbalance in the next budget, which is expected in February or March 2007 to cover 2007-08. Those were the circumstances in which the Bloc Québécois gave its support.

The budget also contained provisions that addressed issues raised historically by the Bloc Québécois, such as the tax credit for public transit. I remember that a member from the Chicoutimi area—from Jonquière, to be exact—had introduced a private member's bill along those lines. We are glad to see that Bill C-28 includes a tax credit for public transit. There is also a textbook tax credit, something the Bloc Québécois has consistently called for, to give students the easiest possible access to textbooks. In fact, we would like to go ever further. I will come back to this.

Lastly, there is the tax deduction for microbreweries. I would like to pay tribute to the extraordinary work done by my colleague and friend from Saint-Hyacinthe—Bagot—I cannot say his name, but he knows who he is—who led the charge on this issue, which I also helped to promote and which was finally addressed in the last budget. I congratulate him on this work and on this success, which is due primarily to the efforts by the Bloc Québécois to convince the other parties, especially the Conservative Party when it was in opposition, that this request was worthwhile. I will come back to this as well.

Because of these provisions, we are going to support Bill C-28. I will describe the bill very briefly, because the people following this debate at home must sometimes be wondering what it is about. It is extremely technical—always a bad thing—but that is the way budget bills are. Nevertheless, it will affect the daily lives of a huge number of Quebecers and Canadians.

The bill has five main provisions. The first implements a series of tax measures for individuals. For example, it implements credits for apprentices and tradespersons. I want to point out that this is something the Bloc Québécois has been seeking for a long time. Our member from the North Shore introduced—a number of times—a private bill along those lines. It also increases the non-refundable credit for persons receiving a pension, implements a public transportation credit, which I talked about earlier, and increases the refundable credit for medical fees. This is the first main provision, which affects individuals.

The second main provision is on extending benefits to businesses. For instance, it extends to fishing businesses a number of benefits that already existed for agribusinesses. There are various measures in this second section on businesses, capital gains, the transfer of a business to other members of the family and anything to do with agribusiness tax benefits. That is the second main provision, which affects businesses.

The third main provision in Bill C-28 implements various tax measures for businesses, but on other levels. Among the measures in this bill, we find the abolition of the surtax on the revenue of Canadian corporations and an increase of the amount a small business can earn if it wants to benefit from a tax credit. This last item is particularly interesting. Tax equity has not yet been achieved in the federal tax system. This is true for individuals and businesses alike, as we have realized. The purpose of this last measure in particular is to correct, but not entirely, this unfairness in the tax system for small and medium sized business, which, I would like to remind hon. members, are the lifeblood of the Quebec and Canadian economy.

The fourth main provision or series of legislative changes is on lowering the tax rate on capital property for Canadian banks. I will come back to that another time.

Finally, the fifth main provision is on a series of measures to lower excise tax on the first 75,000 hectolitres of beer brewed in Canada in order to stimulate the growth and emergence of microbreweries.

• (1125)

Members know that this is a very buoyant industry in the regions. This is true of Quebec, but it is also true of the rest of Canada. However, our industry is facing ferocious competition from foreign microbreweries, especially American ones, which are not so much on the micro side. They may not qualify as macrobreweries, but almost. These are breweries producing millions of hectolitres of beer each year, while ours produce less than one million. We called for a reduction in excise tax for these businesses, like the one most of our competition is benefiting from in Europe and the U.S. As I indicated, microbreweries are not the same size over there than they are in Quebec and Canada. It would therefore be important that ours have a comparative advantage.

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I will not expand any further on that. I will not be able to address all the measures contained in this bill, which, as hon. members can see, is pretty thick. Nevertheless, I will focus on those measures I saw as the most worthwhile or interesting, which I mentioned at the beginning of my speech.

The first tax measure for individual taxpayers described in this bill is a deduction for tool expenses for apprentices and tradespeople. As I said, the government is allowing expenses to be deducted up to a maximum of \$1,000 or the lowest of \$1,000 or 5% of the apprentice's income over the year. If 5% of the income comes out to less than \$1,000, the deduction will be 5%; if it comes out to more than \$1,000, then the maximum deductible amount for tools will be \$1,000.

Permitting the deduction of those tools is an important step because, as a rule, these people are self-employed workers who live on incomes that are extremely variable. Some apprentices and tradespeople who work for companies are required to buy their tools at their own expense. For example, in most of the garages where our cars are repaired, the tool kits belong to the tradespeople and mechanics. They have to pay for those and, even if they sometimes are on salary, that represents an extremely significant expense.

The maximum will be \$1,000 for apprentices and \$500 for established tradespeople. This is a measure that we have been demanding for a long time, as I mentioned. Once again, it is late in coming but at least it is there. Tradespeople will be able to benefit from it in coming years.

This tax measure also increases by \$1,000 the maximum non-refundable credit to which pension recipients are entitled. The maximum non-refundable credit will now be \$2,000. This is obviously a positive measure but it does nothing to correct the poverty in which many of our older people find themselves. In particular, this does not respond at all to the demand that the Bloc Québécois has made many times. Again, I pay tribute to our former member for Saint-Maurice—Champlain, Marcel—

An hon. member: Gagnon.

Mr. Pierre Paquette: Marcel Gagnon. I can mention his name because he is no longer a member here. He really sounded the alarm about the fact that thousands, if not hundreds of thousands, of older people were not receiving the guaranteed income supplement and that the federal government was dragging its feet in promoting awareness of this program. Several thousands of them were able to correct the situation, but there are still tens of thousands of people who have not been informed of their rights.

For our part, we would have preferred that this measure be accompanied by a real campaign to make this program known to older people who are entitled to the benefit. At the same time, we would have liked to have seen a retroactivity rule so that those people who had not received the supplement because they did not know about it could obtain the payments of which they had been deprived. Once again, these people have had to face the bureaucratic indifference of the federal government.

Still dealing with individuals, they have created a non-refundable \$1,000 tax credit for employment income. For 2006, the amount will be \$250; it will be increased to \$1,000 for 2007. A non-refundable

public transit tax credit has also been established. I spoke about that previously, and I will refer to it again later because this is an extremely important measure in the campaign against greenhouse gases.

• (1130)

The Bloc Québécois would have preferred a refundable tax credit, because we know that people who use public transit—not all of them, but many—do not have their own cars, have low incomes and therefore do not pay taxes. This is a first step, but we should improve this measure in a future budget by making the tax credit refundable.

A tax credit has also been introduced for textbooks, as I mentioned. This credit will be up to \$65 a month for full-time students and \$20 a month for part-time students. Considering the cost of textbooks, I think everyone will agree that this is an extremely beneficial measure for students. It will also help to reduce student debt—though obviously not as much as might be liked.

All in all, this is a positive measure and in the future, other measures should be added, in order to improve the situation of students, who, particularly in the Canadian provinces, may incur a lot of debt. As we know, Quebec has a system of loans and bursaries needing improvement, because the government in place, led by Mr. Charest, skewed it by transferring to loans a whole series of items formerly covered by bursaries. Some corrections will be made in this respect, I am sure, once the Parti québécois resumes power in the coming months.

And that goes for student debt, too. Very clearly a substantial transfer for social programs and post-secondary education will be required in the next budget. The Bloc Québécois imposed this condition, prior to lending its support for the upcoming budget.

With the Standing Committee on Finance, I have been able to travel all across Canada. Yesterday we were in Quebec City. Everyone acknowledges that a transfer of \$4.9 billion is needed, including \$1.2 billion for Quebec and some \$550 million for universities and CEGEPs in this province. This measure is aimed at individuals, but it does not deal with the whole problem of student debt.

Another measure consists of raising from \$767 to \$1,000 the refundable supplement tied to medical expenses; this was simply indexed. This measure, aimed at people who need special care is positive, all in all. Let us hope, though, that it is not a way of fostering development of the private sector, which already plays a large part in our health system.

As I said earlier, these are the provisions that affect individuals. We feel that the most important of these elements are the tax credits for public transit, textbooks and tools. The Bloc Québécois made all of these suggestions in the past in private members' bills that we introduced but that were never passed. I would emphasize that these are only first attempts that ought to be improved upon in coming budgets.

I mentioned the tax credit for public transit. We must also ensure that tradespeople can benefit from a \$1,000 deduction for expenses related to tools. In some trades, tools must be upgraded regularly because of changing technology. Lastly, with respect to the tax credit for textbooks, we think it would be logical for the federal government to abolish the GST on books, which are a cultural product that must be as accessible as possible.

Because of the positive elements in this first area, the Bloc Québécois will support Bill C-28.

With respect to businesses, specifically fishing businesses, as I said before, the Bloc Québécois has always supported Quebec fishers. We are keenly aware that the number of new people going to work in the fisheries sector is dwindling, just as it is in agriculture. This problem will get worse over the coming years. The fishing industry is vital to the survival of several of our regions, especially in coastal areas. The government's proposed measure encourages the intergenerational transfer of fishing businesses. We will support it. However, we will continue to demand greater tax benefits for the transfer of agricultural and fishing businesses to individuals outside the family.

Of course the emphasis should be on transfers within the family, but, as we all know, children of farmers and fishers may very well opt not to follow in their parents' footsteps.

● (1135)

There should also be tax credits for businesses that are transferred outside the family circle in order to keep them going. This is important for the economic vitality of our regions and the occupancy of the land, which is a consideration that deserves greater attention.

It would not make any sense to allow regions to empty out even though they have good potential for economic development if just given a little help to do what needs to be done. It would not make any sense to empty out these regions only to discover that social costs in the large urban centres are going through the roof because of the ensuing rural exodus. We should attend, therefore, to the occupancy of the land, and this is a measure that does so. As I was saying, though, it should be expanded.

Finally, food security is very important to Quebec. Quebec is virtually autonomous in regard to food. Some crops, of course, do not grow very well in Quebec, for example oranges. However, enormous progress has been made with products that can be adapted to the Quebec climate.

For example, in my riding of Joliette, we used to have a flourishing tobacco industry. The reduction in tobacco use—obviously a good thing—and the decisions made by multinational corporations to purchase more from emerging countries like Brazil and China have resulted in nothing less than the closure of this industry over the space of only a few years. Of the 56 farms that existed in 2000, only three still produce tobacco. The others had to be converted to other crops.

The federal government created a \$12 million conversion assistance program for Quebec. This is a step in the right direction, but it is not enough. When farmers change to a new kind of crop—for example melons, Chinese cabbage, asparagus or cauliflower—

they are not always successful because their land is not necessarily suitable or because certain crops are very difficult.

There may be a period of trial and error therefore. I want to take advantage of this opportunity to say that our tobacco producers in Quebec—although it is true of Ontario as well—need more assistance in converting their land because we do not want to lose these agricultural areas.

As for corporate taxation, I will focus mainly on small and medium sized businesses, because, as I mentioned earlier, they have become, in a sense, the victims of the fiscal imbalance and inequity. We would therefore fully support an increase in the sales figure that would allow small and medium sized businesses to have access to a lower tax rate.

Our 2000 election platform included the following demand:

Corporate taxation should be reformed to ease the tax burden of small and medium-sized companies to help them become more competitive on international markets.

That is exactly what we stated in our party platform in 2000.

Small and medium sized businesses, by their very nature, are often the starting point for new ideas. They are also better adapted to the reality of the regions. Consider the following example.

We know that businesses in the softwood lumber industry are growing larger and larger in terms of production volumes. This is true in western Canada and the United States, and in emerging countries and the Scandinavian countries. Quebec has focused on development in which the regions have their place within the chain, but the only way to guarantee their competitiveness is by ensuring that smaller sawmills have a certain specialty and orders that cannot be filled by the larger businesses. This will therefore require a great deal of work in research and development.

Furthermore, we would have liked to see the government add a surtax on oil industry profits in Bill C-28. Yesterday, we began to see some results. Sky-high profits were taken straight from consumers' pockets because of the absence of competition in this sector.

As a final point, we also called for a reduction in the excise tax on volumes of beer brewed under 75,000 hectolitres. This would allow these businesses to remain competitive within the domestic market and to think about developing external markets.

Accordingly, for all these reasons, and despite the shortcomings I mentioned, the Bloc Québécois will support Bill C-28.

● (1140)

[English]

Mr. Pierre Lemieux (Glengarry—Prescott—Russell, CPC): Mr. Speaker, I rise on a point of order. As you know, earlier this morning I had the pleasure of addressing Bill C-28 in the House. I have reviewed the bleues and I noted that as I was speaking to Bill C-28 I mentioned that our tax initiatives regarding seniors would remove 85,000 pensioners from the tax rolls.

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I was then asked a question by the hon. member for Yukon and inadvertently responded that it would remove 850,000 pensioners from the tax rolls. I would like to correct the record as it pertains to my response in that our tax measures for seniors and pensioners will remove 85,000 pensioners from the tax roll.

The Deputy Speaker: I thank the hon. member for his point of order. I thought he was rising on questions and comments but we will take it as the point of order that was intended.

We will now proceed to questions and comments. The hon. member for Winnipeg Centre.

Mr. Pat Martin (Winnipeg Centre, NDP): Mr. Speaker, the point I would like to make is that minority Parliaments usually offer good opportunities for opposition parties in that we actually have the balance of power. In fact, we could have effected meaningful change to the 2006 budget if the Bloc Québécois had not walked outside. The leader of the Bloc Québécois walked out of the chamber five minutes after the budget was tabled and said, "I like it, we will take it, it sounds good". At that very moment all negotiations ceased. There was no longer any opportunity for the three opposition parties to collaborate and make this budget better because the ruling party had its partner. All it needed was one dance partner and it had it within five minutes.

My colleague is a trade unionist. He comes from a trade union background, as do I. Both of us have probably negotiated dozens of collective agreements in the trade union sector. Will he not accept that it is a bad negotiating strategy to give up in the first five minutes of a negotiation and say, "Whatever you offer, I will take it", even though it is completely deficient in this area, that area and the other area, all for a pig in a poke, all for a promise that fiscal equalization will in fact be addressed? My mind reels at the lost opportunities.

I will ask the member about one specific example. He knows full well, as he and I have harped on this in the past, that the government loses \$7 billion a year to tax havens, tax motivated expatriation, sleazy, tax cheating loopholes. Tax fugitives from Canada hide their assets offshore so they can avoid paying taxes in Canada. It is an atrocious thing.

In this budget the finance minister could have terminated or torn up the remaining tax treaty in this country and put \$7 billion of revenue back in the coffers of Canada that he could have perhaps used to deal with the fiscal imbalance, but, no. We lost the opportunity to even raise that as an amendment. We could have amended this budget to make it a damn good budget written by the opposition parties and the Bloc decided to sell us out by walking out the door and accepting it at the very first opportunity.

● (1145)

[*Translation*]

Mr. Pierre Paquette: Mr. Speaker, I thank the hon. member for his comment. It gives me the opportunity to remind the House that everyone voted in favour of the budget bill. As I recall, when the Chair asked if anyone wanted to put the question, no one, even on the side of the Liberals and New Democrats, rose to do so. We have all voted in favour of this bill, unless the hon. member can tell me otherwise, saying that they had a moment of inattention and forgot to rise to put the question, but I do not think so.

The people from the NDP, like those from the Liberal Party, are intelligent people. I believe it was a deliberate move to prevent an election from being called. An election call would be no problem for us. In Quebec, the polls are looking very good right now for the Bloc Québécois, with over 44% support. The Bloc would be winning back seats it has lost in the Quebec City area.

We negotiated with the Conservatives. Perhaps our priorities are not the same as those of the NDP or the Liberals. Two Conservative government promises were important to us in the budget. First, the fiscal imbalance has to be addressed by the next budget. We want to know what steps will be taken to solve this problem—which has been acknowledged by the Conservative government—the timetable for arriving at a solution, and the extent to which the fiscal imbalance will be corrected. I can assure my colleague that, if this is not in the next budget, the Bloc Québécois will vote against the budget. We are not afraid of an election. It would not have bothered us if one had been called this past fall because of the Kyoto protocol. I hope my colleague is of the same opinion.

We have negotiated resolution of the fiscal imbalance and an assistance program for older workers. The assistance program for older workers introduced by the Conservative government does not meet our expectations. However, we obtained a commitment at least insofar as the budget is concerned. I remember that this was negotiated in advance. Since the leader of the Bloc Québécois had obtained what he had asked for from the government and the Prime Minister, five minutes later he was able to say that the budget was satisfactory.

The member knows quite well that it is impossible to amend a budget. The proof is that the NDP, to support the Liberal's budget, negotiated another budget, Bill C-48. They did not change or amend the first bill regarding the budget tabled by the Liberals, but they voted in favour of it when the budget was presented, even when the Liberal Party had lost all credibility in the eyes of the public in Quebec and Canada as a result of the sponsorship scandal.

I feel that the Bloc Québécois made responsible decisions; it will do so in the future. I can assure the member that the Bloc Québécois will conduct tough negotiations with the Conservative government. If the results of these negotiations are not what we believe to be in the interest of Quebecers, we will vote against the next budget.

● (1150)

[*English*]

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, I often think that we should be debating not only what was in the budget but also what was not in the budget. I think the member will agree that in the throne speech the number five priority of the minority Conservative government was to bring in wait time guarantees. Just to remind all hon. members, that undertaking was basically that should the wait time benchmarks not be met, the health care system would transport patients to other provinces or even to the United States to get those services to meet those wait times.

Government Orders

The budget does not include any new moneys for the wait times guarantee, zero. The latest reports in the media today are that the wait times in the other non-priority areas actually have increased while the resources from the health care system without additional money have gone to the five priority areas that were agreed upon with the provinces.

I wonder if the member would care to comment on whether or not the minority Conservative government has not only not delivered on that promise but in fact has provided absolutely no undertaking to assure Canadians that this really is a priority of the government.

[*Translation*]

Mr. Pierre Paquette: Mr. Speaker, I thank the member for his question. This all goes back to the fiscal imbalance. If you have read the same reports I have, you will have seen that the provinces whose wait times have increased are the ones experiencing the greatest financial difficulty. Alberta and Ontario are doing relatively well. Quebec and the maritime provinces are having more difficulty.

The answer to his question is putting the necessary cash into correcting the fiscal imbalance. This would enable Quebec and the Atlantic provinces to fix their problem areas. When we do not have any money, we cannot just print it, as R  al Caouette and the Social Credit Party suggested years ago. This problem is very real.

The federal government must correct the fiscal imbalance in its next budget to the tune of the figures I have already mentioned: \$3.9 billion for Quebec, a large part of which would go to health care, as well as to post-secondary education, fighting poverty, and the Government of Quebec's other responsibilities, such as infrastructure and culture.

To correct this problem, we do not want the federal government to interfere in provincial areas of jurisdiction and in Quebec's affairs. We want it to acknowledge its financial responsibility by transferring the money and correcting the fiscal imbalance. Then we will see whether the provinces can meet the needs of their people. They will always be accountable to their people, not to the federal government.

[*English*]

Ms. Olivia Chow (Trinity—Spadina, NDP): Mr. Speaker, why are the hon. member and the Bloc walking away from Quebec children by agreeing with this budget which clearly is taking about \$800 million from the early childhood education agreement with Quebec? That was what was due. I have heard the leader of the Bloc say in this House that \$800 million was needed. That was the agreement. By supporting this budget in fact the Bloc is walking away from the \$800 million that was originally agreed to.

We know that a lot of Canadians care about making poverty history. Just this week over 5,000 Canadians made submissions to the Minister of Finance saying that we must deal with child poverty in Canada and child poverty elsewhere. There are 23 million people around the world who took action by standing up against poverty. In Canada alone, 50,000 Canadians want real action on poverty.

In this budget, there is really very little on foreign aid. There is very little on the child development fund. That \$800 million is now no longer there because of this budget. How could the Bloc party agree to this kind of budget?

●(1155)

[*Translation*]

Mr. Pierre Paquette: Mr. Speaker, as I said earlier, we had set out a number of conditions which the Conservatives have met in tabling the budget. It is somewhat similar to the situation where the New Democratic Party voted in favour of the Liberals' main estimates before the election. There was nothing in that budget to improve the plight of children or to correct the fiscal imbalance. It is true that the NDP also got Bill C-48, which provided for social housing and transfers for education. But at the time when the NDP voted in favour of the main estimates, the budget it voted for contained no social elements.

We had set the following condition: for us to vote in favour of the last budget, the subsequent one would have to correct the problem of fiscal imbalance once and for all. That would help children in Quebec and across Canada. Out of the \$3.9 billion requested, \$285 million would be earmarked to remedy the Conservative government's decision to renege on the \$800 million deal for child care. So, that is included. Another condition was correcting equalization as a means to combat poverty in general and child poverty in particular.

I will conclude by saying that reforming the EI program so that it really provides an adequate social safety net is something else that can be done to remedy child poverty. The Bloc Qu  b  cois cannot be said to have been dragging its feet on that issue.

[*English*]

Hon. Shawn Murphy (Charlottetown, Lib.): Mr. Speaker, I rise today to participate in the debate on Bill C-28. I will confine my remarks during the early minutes in my limited time on the \$1 billion in cuts that were made mainly to social programming here in Canada that were all part and parcel of the budget.

Most Canadians share my view that these cuts were directed at the most vulnerable people, groups and organizations in Canada, and the most vulnerable regions in this country. The cuts were based very much on ideology. Today's editorial in the *Vancouver Sun* accurately describes the nature of these cuts and the direction of the minority Conservative government. In actual fact, Barbara Yaffe introduced a new term into the lexicon of this assembly. I agree with her proposition that the government is suffering from a rare disorder called "ideology restrictus". That is the problem here and I am not sure there is a known cure for ideology restrictus.

I agree with the thesis of the article that normally, when a minority government is elected, it is elected on a certain base. Once it gets into power, it attempts to broaden that base and reach out to other groups, individuals, organizations, so that the government can be the government of all Canadians in all regions of the country. With this particular minority Conservative government, that in fact did not happen. In fact, it is becoming narrower and narrower.

Government Orders

The Conservatives are narrow casting to their own group. Canadians have seen that very clearly from the \$1 billion in cuts to social programs that were recently announced by the minority government. I want to speak about these cuts and how they affect these groups, individuals and organizations in this country and how devastating and cruel these cuts will be and the very unpleasant effects that will result. Before I do that, I want to put the cuts into context.

I agree that sometimes a government has to reorganize its priorities. There are certain times when tough decisions have to be made. Simply because a program was funded 10 years ago does not necessarily mean that the program has to be funded in perpetuity. I agree with that. A government should on a daily basis be looking at and prioritizing its agenda, programs and initiatives. However, I want to put this into context because it is very important.

In 1993 when the Conservative government under prime minister Mulroney lost after nine years in office, this country was in devastating financial circumstances. Interest rates were close to 12%. Unemployment was in excess of 11%. The annual deficit of Canada was \$43.1 billion, and I said billion, not million. The debt to GDP ratio was at 73%, its highest level ever. Unemployment was increasing. The World Bank had basically given up on this country. I believe that Canada was headed for bankruptcy.

In that case there were some tough decisions. There were cutbacks that were necessary. Through good government and with the necessary control of the fiscal monetary levers available to the government, Canada's success has been startling. We all know the results.

● (1200)

Canada has had eight consecutive surpluses. Interest rates are at an all time low. Three million jobs have been created over the last five or six years. Whatever context we want to use, whatever we want to compare it to, whether it is debt to GDP ratio, jobs created, interest rates, et cetera, the country, when compared to the G-8 or any other countries in the OECD, has been ranked one, two or three and it has certainly been very successful.

That was the context back in 1993. In 2006 when this Conservative minority government came it power, it inherited a surplus of \$13.2 billion. That was just a little contextual background leading up to these devastating cuts that were made to certain vulnerable Canadians and announced last month.

The first one I want to talk about, in the whole scheme of our \$210 billion budget, perhaps does not amount to a significant amount of money, I found very cruel and devastating. It is the \$5 million cut to the budget of the Status of Women. Coupled with that was the pronouncement of the government that it would no longer consider any applications for funding to any women's groups that advocated equality. In my riding, and I believe the riding of every member from across Canada, it will have a devastating effect because that is what a lot of these groups do, and they do it successfully. Their job is not done.

I want to quote from a release from Kirstin Lund who is the chairperson of the Prince Edward Island Advisory Council on the Status of Women. She says:

If Canadian women are equal, how is that they made just 62% of men's incomes in 2003, even though they made up 47% of the workforce? If Canadian women are equal, why is it that 43% of all children living in poverty live with a single mother? If Canadian women are equal why are there over six times as many female victims of sexual assault as male victims? Why are female victims of spousal violence more than three times as likely than male victims to fear for their lives? And why do women make up 84% of all victims of spousal homicide?

This question has been asked of the Minister of Canadian Heritage in the House a number of times and people are very upset. This group is upset. Groups right across Canada in all 308 ridings are very upset. The answer I have heard over and over again from the minister was that the government considers women to be equal and it was not necessary. Again, I find that totally unsatisfactory. I do hope that as we go forward this particular cut, more important, this particular restriction, will be lifted and we can go back to the way it was funded in the past.

The second area I want to talk about goes back to my original premise that these cuts are focused. It is like a rifle. They are targeted at certain groups. They are targeted at the illiterate, women, aboriginals, youth, poor people and environmentalists, as well as certain groups within society that this particular minority government, for one reason or another, just does not like and does not feel that it represents.

The second cut that was announced by the finance minister was the \$17.7 million from the budget under the literacy skills program. As everyone in the House and most Canadians are aware, this is a very serious issue. Most studies indicate that over 30% of all adults have certain literacy and numeracy deficiencies and until some form of remedial action is taken, they cannot participate in the knowledge economy. In the province I come from, Prince Edward Island, under this program the provincial government received approximately \$325,000 of annual funding for a literacy program. There was another voluntary alliance, the Prince Edward Island Literacy Alliance, which received approximately \$100,000.

● (1205)

It was not a great amount of money, but it was to be used to coordinate a lot of volunteer organizations that were working in the communities each and every day dealing with this literacy issue. They were doing very good work. That is gone now. This money was leveraged to the volunteer sector and the government's response was that the sector was not doing its job and was not successful. The government needs to tell that to the groups and volunteers who were involved and to the people who benefited from those programs.

I want to quote from the executive director of the Prince Edward Island Literacy Alliance, Catherine O'Bryan, who said:

Why isn't our government concerned with the betterment of all Canadians? This cut comes at a great expense to the very people who struggle to participate fully in the community—the message from this federal government is clear: People with low literacy skills don't matter.

Government Orders

I would like to quote a statement in the *Globe and Mail* of October 5 made by the President of the Treasury Board in response to those people who have friends and relatives who have some degree of literacy problem and are concerned about these groups, individuals and organizations. He said:

I think if we're spending \$20 million and we have one out of seven folks in the country that are functionally illiterate, we've got to fix the ground-floor problem and not be trying to do repair work after the fact.

That was a quote from the government. That was the response to those groups, individuals and organizations that are so concerned about this important problem.

Another cut was made which I do not believe has sunk in yet. It is going to affect the tourism industry which has been struggling over the last couple of years. A whole host of factors have been working against it: the price of gas has gone up, the Canadian dollar has risen significantly over the past six or seven years, security issues restrict a certain number of visitors crossing the border into Canada, and the lack of international marketing.

A whole ménage of factors have driven down the number of tourists, especially international tourists. I am talking about the \$78 million cut from the visitor GST rebate program. This program allowed international visitors to get a rebate on the GST they paid on goods purchased here in Canada. This is going to make us much less competitive on an international basis.

Two particularly important segments of this industry that are going to be affected are the bus tour business and the international convention business because this rebate is built right into their budgets. If a bus tour is coming up from New York City and it is going to spend seven days touring Quebec, Atlantic Canada, and Ontario, the GST rebate is built into its budget. When it loses that rebate, that basically makes our product 6% less competitive than it was before this cutback was announced.

It is my position that this cut was not well thought out. The Canadian Tourism Commission, all the provincial industries, and all the tourism groups, are dead against this cut. I do not think this was actually thought out and it is going to make us less competitive. This is just one more nail in the industry's coffin.

I understand the finance committee has voted to review this particular cut because it is very concerned about it too. I hope that after the finance committee has done a thorough review on the issue and hears from members of our tourist industry from all provinces, the government will reconsider this particular cut.

•(1210)

Another cut that was made and I do not know why this was made, it was a small amount of money, but there was a cut made to the museums assistance program. It was not big bucks but this small amount of money was leveraged through the volunteer sector and a lot was accomplished with a very few dollars.

In my province seven museums received between \$20,000 and \$24,000. From a Government of Canada context, that is not a lot of money. However, they were able to take this money and most museums were also able to access one student under the youth employment strategy which I am going to speak about in a few minutes because that was another cut we have seen.

They were able to leverage those two programs and keep open their very small community museum. It is not a lot of money, but the effects of the cut will be devastating on these seven communities that had community museums. Hopefully, they will continue to open, but it is going to be a real struggle. We, representing all Canadians, have to ask the question and that is, why? Silence. Why would the government do it?

The court challenges program was ideologically based. This was a program that allowed certain groups and organizations to challenge a particular law, especially with the enactment of the Canadian Charter of Rights and Freedoms. We did not have any judicial interpretations, how it would be interpreted by our courts. There were certain groups and organizations that took advantage of it. It changed certain laws. It changed the way it responded.

An example from the east coast of Canada was the whole Marshall initiative dealing with native rights in the fishery. A lot of the Acadian groups made certain challenges to determine what was their right under the Canadian Charter of Rights and Freedoms to access schooling for their children, what cluster had to be reached and what criteria had to be formed. This was tremendous for these groups and organizations, but again, that is gone, out the window totally.

The youth employment strategy was also cut. Again this was a small program that communities, groups, and non-governmental organizations were allowed to access and that they could lever. Every member of Parliament is fully aware of this program. Probably 70 or 80 students from each riding on average were able to access the youth employment strategy. It was a very low budget program.

If it were a non-governmental organization like a community museum, like the Canadian Cancer Society, or the heart foundation, they would be able to access students, not for the full summer but I believe the maximum was 8 weeks or 12 weeks. They were only paid a limited amount of money, around \$7.50 an hour and an NGO would get 100% financing and private enterprise would get 50% financing. There has been a 60% cut in that program.

Again, I just have to shake my head. I ask why, what are we doing here? We had a \$13.2 billion surplus. In most instances this was a young student's first entry into the workforce. It was so important for these young people and again, for no reason, just thrown out the door and everyone here is shaking their head.

There were other programs like the Canadian volunteer initiative. When we look at all these cuts, they were made to the most vulnerable people living in Canada. What scares me the most is that the finance minister announced there are another billion dollars of cuts coming next year. There have been accusations over the past that the Prime Minister has a hidden agenda. I disagree with that proposition. The agenda is clear, the agenda is obvious, and the agenda is very disturbing.

•(1215)

Mr. Pat Martin (Winnipeg Centre, NDP): Mr. Speaker, I represent the riding of Winnipeg Centre, which was formerly represented by Stanley Knowles, a man who many concede to be the architect and the father of our old age security system and guaranteed income system.

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I can only say that, given what my colleague has told us today and what my own research shows, Stanley Knowles must be doing flip-flops in his grave to take note that after nine years of budgetary surpluses and now, after a huge budgetary surplus by the present government, old age pensioners, especially low income old age pensioners, will actually get a cut in pay.

Has my colleague come across the same research that I have found? I will read from Revenue Canada's basic personal exemption page. It says that the basic personal amount deduction will be reduced on July 1, 2006, from \$9,039 to \$8,639. That is not a reduction in taxes or a tax cut. That is reducing the basic personal exemption, which means that those seniors will be paying taxes on more of their meagre incomes at a rate of 15.25%, which is also a tax increase. It used to be 15% flat and now it is 15.25%. That tells me that seniors will be paying \$61 a year more in taxes than they were before.

Does my colleague concur with this? Could he also explain how, in all good conscience, low income pensioners should actually get a cut in pay in an era of record surpluses?

Hon. Shawn Murphy: Mr. Speaker, I suggest that many people would be spinning in their graves if they could see what has gone on in this assembly over the last year and a half.

As the member across is aware, when the previous government was in power it presented, I thought, a good budget to the House with the very strong input of and consultation with the New Democratic Party. We had the Kelowna accord, which was being financed, and that was the work of all 10 provinces, every aboriginal group and the federal government. We had the Kyoto accord and we had tax cuts, especially for low income people.

Canadians would have had the advantage of all those programs but something happened along the way. The New Democratic Party supported a motion to defeat the government which sent us into an election. We all know what happened to the Kyoto accord after the election? It was gone. What happened to the Kelowna accord? The tax cuts were reversed. That was the day the New Democratic Party lost its soul.

A lot of people would be spinning in their graves if they knew what the learned member and his colleagues did that day. It was an unfortunate day for lower income Canadians and for all Canadians.

● (1220)

Mr. Pat Martin: Mr. Speaker, I will not take the bait. I will not even bother correcting my colleague. It was the people of Canada who threw out the Liberal government, not the New Democratic Party. I will simply go to a question of some substance.

Would the member agree that it is morally and ethically reprehensible to allow Canadian companies to set up offshore tax havens to avoid, through wholesale tax avoidance, paying their fair share of taxes in this country?

In the context of this budget, why did his party and his government put up with this year after year, where tax fugitives can set up dummy companies in Barbados to avoid paying their fair share of taxes in Canada? By what pretzel logic did his party think that was good for ordinary Canadians or low income Canadians who may have been able to redistribute that \$7 billion into meaningful

programs? Could it be that it was his own prime minister that was one of the main beneficiaries of this outrageous, sleazy tax loophole of offshore tax havens? Why did his government tolerate that? Why did it not fix it when it had the chance?

Hon. Shawn Murphy: Mr. Speaker, the member has raised this issue on numerous occasions in the House and I actually do not believe he understands the Canadian tax system.

However, the member is quite right. If a Canadian company or an individual is avoiding taxes on income earned in this country by any means, it is reprehensible. However, the way the tax system works is that people pay their taxes in the jurisdiction where the income is earned. If Bombardier has a plant in Northern Ireland, it pays on the income earned at that particular plant in Northern Ireland. Most countries have tax treaties so companies can deduct that, but that is how the system works.

However, people do not avoid taxes. If income is earned in Canada then the company or the individual is obliged under our law to pay the tax in this country. If they have an operation in Singapore, Northern Ireland, Great Britain, Scotland or the United States, they must, under the laws of those countries, pay the tax in that particular jurisdiction, all subject, of course, to the tax treaties between the respective jurisdictions.

Hon. Robert Thibault (West Nova, Lib.): Mr. Speaker, the member from Charlottetown hails from a very historic and important part of this world. Charlottetown has the great distinction of being only about four hours drive away from western Nova Scotia. It is, like all of Atlantic Canada, very proud of its history. We have thousands of volunteers working to ensure we preserve our culture and history.

Atlantic Canada has many small museums, places around which people are able to exercise that function and they volunteer countless hours, but they need assistance and that assistance often comes in multiple ways. One is that students get great experience by working in those facilities when they are in university, right after high school. They are able to work in the summer to assist the communities, assist the volunteers and get the work experience needed to ensure they have a successful future and a good career in the work life after university.

These museums need assistance from senior levels of government in their operating and capital funding. They were pleased when they received a letter from the Leader of the Opposition then and Prime Minister now that there would be additional federal investments. Instead, they see themselves being hit twice and hit very hard. First is that the federal government, rather than increase the funding levels to museums, it reduced it. That was in the first round of cuts. Where will the second go? We do not know.

Second, we saw this past summer that there were a lot fewer student employment jobs and we have seen the budgets cut further. They know they can look forward to a lot less assistance in the future, both from the students and the volunteer organizations.

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Would the member from Charlottetown like to comment on those points?

Hon. Shawn Murphy: Mr. Speaker, I will comment on those points because they are important. I did explain it briefly before but I will elaborate.

The member is quite correct. Many small communities right across Canada with populations of 1,000 or 1,200 do have small museums. They are often small museums that perhaps talk about the history and the artifacts of the given communities. These communities do not need big budgets to operate the museums. They are operated on a shoe string budget, basically by a volunteer board and volunteer members, but they were able, fortunately, to leverage some federal financing.

I am aware of seven museums in Prince Edward Island that received around \$20,000 in total, which is not big dollars. Many of them accessed the youth employment strategy where they could hire a student for the summer months. In some cases the museum was only open during the summer months. The student was paid \$7.50 an hour and everything worked. It was not a lucrative job but it was a good job. The students met visitors and the community had pride in the museum.

The limited funding was accessed but, as the member pointed out, the assistance program has been slashed and the youth employment strategy has been slashed by 60%. It will be very difficult for the small museums to operate in the future, which is very unfortunate.

• (1225)

Mr. Dennis Bevington (Western Arctic, NDP): Mr. Speaker, I will be splitting my time with the member for Hamilton East—Stoney Creek.

With the fiscal capacity that the government has, the budget was an opportunity to invest. It was also a time to invest because, of course, for 13 years we experienced the rather penurious actions of the previous Liberal government toward the people of Canada. While it reduced the fiscal deficit, it increased the human deficit in Canada.

Toward the end of their time, the Liberals softened, but not completely. I know that in 2005 the New Democratic Party had to fight very hard in that budget to ensure the Liberals did not get away with another tax cut for corporations and that they invested that money in people. That was very good and that is working.

Even within this budget and within Parliament today, the two parties of the right, because that is what they really are, are living off the good avails of the New Democratic Party and the work that it did in 2005. They are dining out on it. We do not want to forsake them of a good meal but they should remember who the cooks were.

In this budget, instead of investing more in the needs of Canadians, the Conservative government decided to squander another \$7 billion in corporate tax cuts and to keep the subsidies to oil and gas companies. Even with that, it is currently running a bigger budget surplus than the Liberals did.

Just into this fiscal year, it is \$2 billion ahead of its estimates. What did it turn around and do? It announced a billion dollars in cuts to programs that were in place all over the country, this little bit of

money that was handed out under the Liberals in a variety of very serious areas, such as literacy, women, museums and health. The Conservatives must have sat in their caucuses and decided on how many programs they could cut a few dollars from and make them work even less than the Liberals did.

I want to talk about the tobacco control program that was cut for aboriginal people. In the Northwest Territories, prior to 2000 we had a smoking rate of 45% in our population. Over the last four years we have managed to bring that down to less 35%. That is a direct and positive result of our Government of the Northwest Territories putting money into it. The federal government also put money into the program because, of course, half our population is aboriginal.

We had the very successful butthead program in the schools which discouraged every child from taking up cigarette smoking. That is gone now. There was no consultation and no recognition of the importance of these programs. I am sure the territorial government will try to do something to replace it, but that is a loss.

The sale of tobacco in Canada contributes \$8.8 billion in taxes to federal, provincial and territorial governments. It is very important that we reinvest in the opportunities to reduce tobacco use. Just because we are on the dole with tobacco taxes does not mean that we should ignore our responsibility.

I now want to talk about the corporate tax cuts that the Conservatives have proposed.

• (1230)

Across the country, corporate taxes in provincial hands have been spiralling downward. Provinces have to compete with each other for corporations to establish offices in their jurisdictions and pay their corporate taxes in those jurisdictions. The provinces are in a race to provide the lowest corporate tax rate to attract the companies to do this. Private individuals, of course, cannot afford to relocate just simply to get a lower personal income tax rate, but corporations can manage this quite well.

The responsibility for an across the board corporate tax rate lies with the federal government. In reality the federal government is the best agency to collect corporate taxes and should be the agency to collect those taxes, but over the time of the Liberals and the Conservatives, we have seen this denigrated to such a great degree.

We see the Conservative budget as crafted to meet the needs of the oil patch, not working Canadians. There are a few crumbs for working Canadians and everyone appreciates those. However, it is only a sleight of hand to take attention away from the billions in tax giveaways to big corporations, particularly oil companies, making obscene profits on the backs of hard-working Canadians and on the backs of our grandchildren as well, who will not have the share of the non-renewable resources that we are giving up now.

In the natural resources committee meeting earlier this week, we had presentations from CERI, the Canadian Energy Research Institute, which indicated that by 2020, if the expansion of the oil sands has taken place as outlined and if the cost of oil is \$40 U.S. a barrel, which is \$62 today, oil companies will make approximately \$1 trillion by 2020 from the oil sands, on an investment of \$100 billion.

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The government's share of this will be less than 15%. We will see the escape of enormous amounts of resources and dollars out of our country and out of the hands of Canadians who need them so much. We need a government and a budget that speaks to the future of our natural resources, and that is quite clearly the case.

Another study was done recently in my territory by an independent group on the Mackenzie gas project, a project that Imperial Oil has indicated is marginally economic. Its study shows, and this was verified by economists and was done by an economist at Pacific Analytics out of Victoria, B.C., that the after-tax rate of return on this project will exceed 25%, and the oil companies are calling this a marginal project in Canada.

The project will deal in the hundreds of billions of dollars, with rates of return of this magnitude, yet they will be subjected to the lowest royalties and corporate taxes. All of this comes down very favourably for them. What does it do for Canadians, for our children and our grandchildren as we move along and require dollars for infrastructure and other things? It does nothing; it is squandered. This is why it is so important that we understand how our tax system works and that we stand up for Canadians.

We did not see this in the budget here and that is a shame. It is a crying shame that we do not see a move to ensure that the resources of our country serve the people of our country.

• (1235)

Hon. Robert Thibault (West Nova, Lib.): Mr. Speaker, would the member comment on the question of the ideological bend toward the tax and budget cuts, especially when we look at the \$1 billion supposed savings that the federal government put forward?

Let us look at where and how the government made these cuts. Let us look at something like the court challenges fund, which permitted communities, collectives, individuals, church groups to go to court with funding assistance from the federal government, if they had a valid case, to ensure that their rights were respected. Does he see it as I do, as a back door approach to stymie the Charter of Rights?

Does he agree that ideologically the Conservative government does not agree with the charter, does not believe that the charter should limit the powers of government, that it should be able to do anything it wants, even as a minority government, and that Canadians should not have access to assistance to defend or promote their rights in test cases before the courts?

I have a similar question with regard to the Status of Women. Its budget was reduced and with what remains it is limited in its activities. It cannot grant money to organizations that do research or advocacy. It cannot do advocacy work for women. I do not see that it leaves much more than the exchanging of brownie recipes.

Could the member comment on those points?

Mr. Dennis Bevington: Mr. Speaker, as someone from the Western Arctic, I am very pleased to comment on those.

The fundamentals of the \$1 billion in cuts to these programs were not so much ideological as emotional. We have an emotional reaction to things that really make no sense to any Canadians. I cannot say how the inner workings of the Conservative caucus managed to come up with these cuts. I do not understand it. To me it

was emotional, "I don't like this, I don't like that, let's grab some here, we don't like those people so we are going to do this".

As to ideology, there is a mirror to what the Liberal Party did through the 1990s with the budgets, such as reducing corporate taxes, passing the burden on to Canadians in different ways, selling out on resources. I do not see much difference, ideologically, between the Conservatives and the Liberals on this.

This is a question that is open to all Canadians. Is there a difference on the broad brush ideology between the Liberals and the Conservatives? I do not see it. Although, on the other hand, emotionally, the Conservatives were frustrated in many ways with some of the minor things the Liberals did and took out various programs. The court challenges program was an emotional reaction, much like we see on some of the crime bills coming up. People will use this as retail politics. They play on the emotions of people rather than speaking to the needs of Canadians.

• (1240)

The Acting Speaker (Mr. Royal Galipeau): The hon. member for Winnipeg Centre. There is one minute for both the question and the answer.

Mr. Pat Martin (Winnipeg Centre, NDP): Mr. Speaker, could my colleague speak a little more about something I learned from his speech? That is the government seems hell-bent and determined to get oil and gas resources out of the ground as fast as humanly possible and give it away to foreign ownership for which we will only reap a minor benefit while we are giving away a legacy, our children's natural resources. Their birthright is flying out of our country at record speed and we are barely getting any royalties or revenues from it. Is that good business?

The Acting Speaker (Mr. Royal Galipeau): The hon. member for Winnipeg Centre has left his colleague with 20 seconds.

Mr. Dennis Bevington: Mr. Speaker, 20 seconds is not nearly enough time to touch on the damage being done by over-exploiting resources, whether it is to the service industries in Alberta that cannot hire anyone any more, whether it is to the—

The Acting Speaker (Mr. Royal Galipeau): The hon. member for Hamilton East—Stoney Creek.

Mr. Wayne Marston (Hamilton East—Stoney Creek, NDP): Mr. Speaker, I am pleased to rise today and speak to Bill C-28 and express many of the concerns raised in the Hamilton community around the budget.

This spring's budget saw the Conservative government essentially continue the Liberal income tax cut. The government added cuts to the GST and business taxes. It simply left what I would argue would be the most important social responsibilities to the province.

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On the spending side, the government has all but turned its back on the Kelowna accord with aboriginal people, with only modest funding for housing. The government's decision to go beyond the GST cut and to proceed with further personal and corporate tax cuts is troubling. This will cause a significant shrinkage in government's fiscal capacity to invest in the aspirations of ordinary Canadians. It betrays their hopes in many ways.

The Prime Minister has talked at length about being inclusive. He has all but ignored the call by the provinces for substantially increased federal funding for post-secondary education. Post-secondary education in Canada has been subjected to public cuts in funding for over 20 years. This has led to higher tuition fees and higher student debt.

The government has substituted tax incentives and individual credit measures and has taken away funding for direct programs. This is unconscionable when the government is sitting on a budget surplus of \$13 billion. Much of that \$13 billion was hijacked from the EI fund as far as I am concerned. It has chosen instead to throw away a chance to give real relief to our post-secondary students and to their parents.

On May 2 of this year, George Soule, national chairperson of the Canadian Federation of Students, responded to the spring's budget announcement and said:

Tinkering around the edges of the tax system is not going to increase access to college and university. This government should be restoring the billions of dollars that were cut from post-secondary education transfers during the past decade so that tuition fees can be reduced.

In my opinion the budget bills of 2006 very much follow the failed Liberal legacy of building on ineffectual patchworks of short term band-aid solutions, with no long term plan to enhance access to quality, lifelong training and learning opportunities. A lifelong learning strategy would finally reinvest in our colleges and universities and it would increase accessibility. I said earlier that there is a student debt crisis in our country which is unconscionable.

Tax credits are no substitute for restoring core funding to post-secondary education. Tuition has almost tripled since 1992. It is becoming increasingly out of reach for even middle class Canadian families, much less ordinary hard-working Canadians. The student debt crisis averages over \$21,000 per student. In some cases it reaches \$50,000. Imagine trying to enter the workforce carrying that burden. Instead of reinvesting in core funding and tackling the student debt crisis, as the NDP did in Bill C-48 in 2005, the Conservatives simply tinker with taxes.

Tax credits in budget 2006 will cost \$185 million a year to help those students who already have \$3,000 a year in scholarships. That money could have been used to pay the full tuition for 38,000 students, those students in greatest need. Budget 2006 will increase the amount of debt by allowing more students to borrow more money. That only helps the banks. It is absolutely terrible.

Another area of concern in the budget is housing and homelessness. Day in and day out in the House we hear question after question on SCPI and they are deflected by the minister. What is in the budget? The Conservative money in the budget was money that was already committed to be spent in the NDP budget, Bill C-48

from last spring. The Conservative money actually falls \$200 million short of Bill C-48.

• (1245)

Accountability? There is no mention in the budget of who will oversee the funding and ensure the money is spent by the provinces on much needed affordable housing.

Previous Liberal governments allocated a substantial amount of money to the provinces and territories, around \$474 million, but this money was not spent. It was not spent because of the failure of the Liberal government to gain a consensus with the provinces on how to do that. That is one of the major failures of the last 15 years in regard to social housing in this country. There is no mention in the budget of a national housing plan that would ensure that affordable housing is available in the long term.

Speaking more to my riding, in particular the city of Hamilton, there was a study done called "On Any Given Night". On any given night, 399 men, women and children stay in emergency shelters in Hamilton. There are over 4,200 active applications for social housing in our community. Over 2,400 women and children stayed in a violence against women shelter during 2004 and 2005. Twenty-one point nine per cent of renter households spend more than 50% of their income on housing. It is only thanks to SCPI, which we fear is in jeopardy, that the infusion of funding for shelter beds in Hamilton was meeting the needs of single men for the very first time.

I would like to refer to a report from the social services committee of the city of Hamilton. Again, speaking to the committee's concerns around SCPI, it said:

Whereas, having a safe, secure home is a basic human right; and

Whereas, children and families are the fastest growing segment of Canada's homeless population eroding efforts by municipalities and others to nurture healthy, stable communities; and

Whereas the City of Saint John's, the Federation of Canadian Municipalities (FCM) and other organizations across the nation have recognized that homelessness and the lack of affordable housing is a national concern requiring long term solutions; and

Whereas, the National Homelessness Initiative was established by the federal government in 1999, investing \$1.2 billion over the past six years in local solutions that address homelessness; and

Whereas, the National Homelessness Initiative is strongly supported by local organizations and the Government of Ontario and is recognized as an international best practice by the United Nations; and

Whereas, the National Homelessness Initiative will expire on March 31, 2007 unless the new federal government acts soon to renew the program;

THEREFORE, BE IT RESOLVED THAT the City of Hamilton urges the Government of Canada to renew and expand the National Homelessness Initiative, and calls upon municipalities and provincial and territorial governments across Canada to add their voices in support of this important program.

The concern for SCPI, the concern for our homeless, our families in jeopardy is at the forefront of the concerns of municipalities and municipal governments across this country. It is the concern of representatives in this House, but it does not seem to me to be the concern of the federal government. I cannot understand for the life of my how it can turn its back on homeless Canadians.

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In closing, these are concerns that have been expressed to me by the constituents of Hamilton East—Stoney Creek and I am pleased to put them before the House this day.

● (1250)

Hon. Robert Thibault (West Nova, Lib.): Mr. Speaker, I listened attentively to the member from the New Democratic Party and I believe he is genuine in what he is suggesting.

I would have to excuse people who would suggest that the NDP is less than genuine on these questions, because they would remember in a past parliament when the NDP had some negotiating position. When the Liberals were in power in a minority situation that party negotiated the advancement of Liberal priorities on education, on housing, on homelessness. A \$4 billion package was put together, but prior to its implementation, the NDP voted to remove the government. The New Democrats voted in favour of a motion of non-confidence. The motion was not on any budget measure. The NDP voted favourably on the budget measures. They did not vote the government out on the budget, but they supported a specific motion of non-confidence. When they had the power in that they had negotiated a deal to assist students, to assist on the homelessness issue, when there was a historic child care agreement with all the provinces, which the NDP members have always said they favour, they chose to go to an election.

Throughout the election the member's leader said, "Lend us your vote". Perhaps the member is fearful that those who lent the NDP their vote will now recognize the cost of that vote: losing Kyoto, losing child care, losing assistance to students, losing assistance to homelessness and housing. Is the member fearful that come the next election, people may want to exercise their votes properly to advance what all Canadians believe in?

Mr. Wayne Marston: Mr. Speaker, it is very interesting that day in and day out in this House we hear that somehow the NDP cost the Liberal government its place. I would suggest that the judgment of the Canadian people during the election campaign was that they were tired of the arrogance from that party, and we are hearing more of it here today. That group of people while in government had five surplus budgets and crassly promised day care in each election to get votes, and never delivered on that promise. I repeat what I said to other members when this was raised before. It is time for that member to speak to the rest of his caucus about the fact that it was not the NDP who booted the Liberals out of office; it was the Canadian people. Canadians spoke very clearly.

Do I agree with how the new government is functioning? Absolutely not. We stand here day in and day out as the loyal opposition and raise the issues of Canadians with respect to the new government. But I will say one thing. I believe that the Conservative government is not as arrogant or as fundamentally corrupt as the last government.

Mr. Pat Martin (Winnipeg Centre, NDP): Mr. Speaker, I thank my colleague from Hamilton for pointing out these things. In his introduction the member said that people who study these things will recognize the fact that the previous Liberal government was the most right-wing government in Canadian history. The most notable thing about the Liberals was their cutting, hacking and slashing, even during periods of record budgetary surpluses, to the point where it was not just irresponsible, it was cruel. The Liberals caused a sum

total of misery around this country the likes of which should go down in the history books and never be forgotten. We must remind ourselves to be vigilant because people like that will come along from time to time and do such damage to our social safety nets that it will take years to even get back to where we started.

My colleague from West Nova is too good an MP to really believe the speaking notes he was handed when he walked in here today which told him to attack the NDP because an election is coming.

Mr. Wayne Marston: Mr. Speaker, in response to the member for Winnipeg Centre, I recall that in 1995 the Canada health and social transfer was cut. That took billions of dollars out of education and health care across this country. I also remember being a labour activist in the community of Hamilton that was devastated by the free trade agreement that happened as a result of the previous Conservative government. We lost some 500,000 jobs in Ontario because of that free trade agreement.

I recall that in 1995, 85% of the people who applied for employment insurance were funded. It dropped to 27%. That is disgusting.

● (1255)

[*Translation*]

Hon. Robert Thibault (West Nova, Lib.): Mr. Speaker, it is a pleasure to be discussing this bill. It is very important, because it shows the government's budget measures and the impact they can have on the daily lives of all Canadians, from sea to sea to sea.

We can support a number of these budget measures, because some are good. I especially like the measures designed to help fishers transition from one generation to the next, take retirement and sell their fishing gear and licence.

These are good measures, even though we would have liked the government to go further. During the election campaign, we had talked about measures that would have provided slightly more money and assistance for fishers. Still, the Conservatives have put forward good measures.

[*English*]

On the question of the fisheries, we would have gone further. Rather than half a million dollars of capital gains exemption, we suggested that there be \$750,000 and unlimited intergenerationally, but I have to admit it is a great improvement what is proposed in this budget at half a million dollars intergenerational and half a million dollars outside of the family. It must come in concert with other measures in the fisheries, in resource sectors, in all areas of the economy. When we look at this budget measure, it is not just what we see in it that we have problems with; it is what we do not see. We look at the opportunity that has been missed.

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When the Conservatives came into power they inherited the best financial position of any government in the history of this country. In 1993 when the Liberals came into power, there was a \$42 billion operating deficit. There was a mounting national debt that was sucking the lifeblood out of this country. Interest was being paid internationally to foreign countries and foreign investors from the taxes of Canadians in increasing amounts every year, meaning that we could provide less and less service to Canadians. Tackling the deficit was not easy. It meant some very difficult measures.

Reasonable people can argue on whether those measures that were taken were the correct ones and whether the priorities were right. We can come up with various answers. What we cannot argue, what we have to agree on if we are honest, are the results. The deficit was brought under control. Surpluses were established. The national debt was reduced. Investments were made for ordinary Canadians and communities in working with the provinces. We improved and increased the competitiveness of Canadian industry. We continue to benefit from that.

The NDP would scream because tax measures assisted industry and corporations. I am pleased with those measures because the Canadians I know work for businesses, they own businesses, or they want to develop some. In order to compete internationally, which is what Canadian businesses do, they have to be competitive.

The previous government did more than that. It reduced taxation by \$100 billion. The vast majority of that \$100 billion was to the benefit of lower and middle income Canadians, average Canadians, all our friends on main street saw their earning power go up.

We removed what is called bracket creep, where if a person's salary went up a little bit, he or she might be in an adverse financial position. We reached historic agreements to advance society within this country. Look at the Kelowna agreement where provincial governments, the federal government and the native communities would work hand in hand knowing they had the financial resources and knowing they could apply the solutions to the problems community by community and not with just one cookie-cutter approach. That was quite historic.

The child care agreement was very historic. We had to negotiate over a long period of time with 10 provinces and three territories to find a way to improve early childhood education and child care in the communities, while respecting provincial jurisdictions, respecting the desires of Canadians, respecting the needs of parents and respecting the potential of the children. It was only the start and there is a lot more to do. And to think that the Conservative government with the current financial situation would start by cutting that. Why did the Conservatives do it? Complete ideology. We heard over and over in this House the baseless rhetoric, the complete ideological nature behind this cut. That was very unfortunate.

I come back to the fishery. Small craft harbours was an area where funding was reduced when we made those deficit tackling measures. That was very difficult for the communities and we continue to live with some of those difficulties. But when the financial situation of the country improved, the Liberal government added \$20 million a year for five years, \$100 million toward small craft harbours.

● (1300)

The member for Halifax West as fisheries minister and I as fisheries minister were able to assist the communities in upgrading their stock, but the job is not done. There is still a lot of work to do.

What do we see now with the new government, which has the best ever financial position of this country, having inherited that from the Liberal government? It eliminates that funding. It make cuts to fisheries and oceans at the time when it is the most senseless, at the time when there should be great investments within that portfolio, within that program of that department.

Also, let us look at it in terms of ideology. Why do the Conservatives do this? I do not know. Maybe their base of support does not think that fishermen should get assistance. I would like them to explain it. I have not yet heard from the minister.

Then I look at the other ideologies they have, and I look at my part of the world, where in agriculture the most stable part of agriculture in my community is the supply managed part. The producers are very nervous, because everywhere around them they see hog producers having trouble and they see vegetable producers having trouble. Then they look out west and see a sudden concerted attack on the Wheat Board, not improvements to the Wheat Board.

The fix is in on the Wheat Board. For ideological reasons, the government has decided that the Wheat Board is to disappear, and it does not ask farmers in a plebiscite, as it should under the Canadian Wheat Board Act, section 47.1, to see where farmers stand on this.

The Conservatives attacked it very strategically: create a task force and stack the task force such that only people who are opposed to the Wheat Board need apply. Only people who are opposed to the Wheat Board can make submissions to the task force.

For the first time ever, of the five federal appointees on the Wheat Board itself, the Conservatives appointed a farmer-producer who is opposed to the Wheat Board. Rather than having him challenge for one of the 10 spots that are there for producers, they put him in one of the spots reserved for expertise on the Wheat Board.

Then, because there are elections for the Wheat Board, they eliminate and disenfranchise 16,000 producers. Sixteen thousand grain producers who have historically sold grain to the Wheat Board are not allowed to vote. I believe it is something like 30%. I do not know the exact figures. It is true that some of them did not sell wheat to the Wheat Board last year or the year before because of drought, because of conditions, and in some cases because of floods. Maybe some of them are out of the market, but 16,000 certainly are not. The fix is in on the Wheat Board.

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I want to come back to how that affects my community. I have supply managed farmers in my community. I have dairy. I have poultry. They are doing quite well. They are able to have a good family income. Their families can look forward to taking over their operations. But they wonder, will the Prime Minister, the person who in 1998 said that supply management was a “government sponsored price fixing cartel”, come back to his true beliefs, as he is doing with the Wheat Board, and accept the views next year or the year after of the people who are opposed to supply management? Will that be addressed? Sure, they are worried about that. They look at all the cuts being done and see the ideological bent within.

As for wind energy and removing the initiative for wind energy, in my community of West Pubnico local business people, with other investors, have put up 17 wind turbines. They are producing energy that is relatively equivalent to what is consumed in the businesses and residences in that community. It is expensive, so it needs assistance from the federal government, but there is no carbon problem. There is no carbon dioxide. There is no smoke coming from these turbines. It is completely green energy.

Rather than investing in that, the government comes out with eradicating Kyoto. It comes out with a false green plan, with a plan that will take away the targets and take the base year forward to an easier year when we are at all time high levels of polluting. The government says it will consult for four years and have targets that we should meet in 40 years. Canadians are concerned about that, and when they see the removal of those incentives, they should be worried.

• (1305)

What worries me more, and what should worry them, is that when we look at the billion dollar cuts that were made this year, a.k.a. savings, the government promises to do another billion dollars' worth of cuts. What did the Conservatives do with these savings? I will try to run through a few of them.

They went to areas where they had ideological difficulties. They said to the very basis of their base support, look at what we did quickly with a minority government, so imagine what can be expected if we get a majority. Then we will get really right-wing, they said, and we will go far to the right and there will be social program cuts and people will see what they have been asking for.

For example, there is the court challenges fund.

[*Translation*]

As a member of a minority language community, I have to say that the court challenges program was very important to us. This program allowed minority language communities and other communities, people of different religions and so on, to launch court challenges to determine whether the Canadian Charter of Rights and Freedoms would protect their rights in certain instances.

The communities in my riding benefited from the program when a French-language school system was put in place for the first time in the history of Canada.

My grandfather was a politician. When he was first elected in Nova Scotia, around 1907, French schooling was against the law. Whenever the school board inspector arrived, the teachers would

hide the unsigned French textbook, which had been written by the parish priest, Mr. Daignault, to teach the students French.

A hundred years later, it is the law of the land. We have a provincial Acadian school board, and children throughout Nova Scotia have the right to education in both languages. However, that is not due to provincial goodwill, although I can say that Nova Scotia was proactive; it is due to the court challenges program.

[*English*]

I see here that there is an ideological bent, that the supporters of the Prime Minister do not believe in the charter of rights. They do not like what it has led to in certain instances, so the best way to do this is to take the oxygen away from the charter, to take away the possibility for citizens—or the provinces or others under the charter—to contest any laws of the nation.

Let us look at questions like that of the status of women. I mentioned this in the House in an earlier question. We have less than 50% representation of women in the House. We have less than 50% representation of women in senior positions in industry, corporations, the banking sector, the financial sector and so on. They are underrepresented. We have a way to go. We have made improvements since the persons case, but we have a way to go in this country.

One of the tools, not the solution to everything but one of the tools, is the status of women organization. What did the federal government do? It bent to the appeal of REAL Women. It cut the funding to status of women. Not only that, it said that people can no longer use that money to do research and that it cannot grant that money to anybody who does advocacy. If we cannot do advocacy and if we cannot do research, there is not much left. It is a backdoor attack.

Let us look at ACOA, the Atlantic Canada Opportunities Agency. There is a small program within ACOA, worth \$6 million over three years, to work on the social economy, whereby the Atlantic Canada Opportunities Agency would be able to interact with the not for profit sector in the same way that it can with the commercial sector, the for profit sector, and where it would be able to make loans. For example, a sheltered workshop could have a loan to do an expansion or buy a new piece of machinery and go into a new commercial venture, a loan that it would repay. That has been removed. I cannot understand why.

Why reduce student employment grants and at the same time announce cuts to the museum assistance program funding, a double whammy for that sector, when the Prime Minister had promised increase funding for museums in this country? The student employment programs helped the volunteer sector such as the museums to operate efficiently and gave very good experience to the students. But they were reduced and they are getting reduced further.

Government Orders

As for job training, three months into this year, just three months, there was no more money in western Nova Scotia for adults needing retraining because they needed to change industries and get new skills. That is unacceptable. It is a rural part of the country. A lot of the areas are based on resources and, at one point or another, there are changes in industry. We have had mill closures. The softwood lumber agreement has not saved that. As well, there are changes in the fisheries. Some people have to retrain and get into new areas, but we do not assist them. Rather than the money being increased, it is reduced, and that is unacceptable.

On literacy training, how can the Government of Canada justify that reduction when it had a surplus of \$13.5 billion and is looking at an equivalent if not larger surplus in this fiscal year? How can it justify that money be reduced for literacy training, whereby adults are trying to improve their literacy skills so they can seek training, seek employment, assist their children and have pride in themselves and confidence going into the job market? Under what conditions can we justify reducing that funding? I implore the government to review that situation, to yield to the will of the House, and to restore funding.

As for CAP sites, in rural Canada we do not have the broadband Internet access that people in urban communities have learned to live with. We do not have it in all households. We do not have it in all businesses. One of the very important ways in which rural residents can access the information they need is going to those community access sites. Because most of us, let us face it, need broadband in today's world.

This program has developed very well. In my riding, there are good numbers in the English language and in the French language, working with schools, community centres and libraries. These are all great partnerships, but now what do they find? Not only will they not be able to do any programming, but they probably will not be able to operate. We should restore that funding. We should continue that funding. There is no excuse for why the government would not do it.

● (1310)

Further, the Conservatives should steal our promise, and steal our platform to deliver broadband Internet access to all communities in the country over a very short period. It is a great investment in competitiveness in the nation, the education of our young and the continued education of adults. I would hope that would happen.

We still have communities in my riding that do not have cell phone service. We need investments in those areas. It has become a tool of safety. The ambulance drivers depend on it. The 911 system depends on those tools being available. We have communities that are shut out of that local market. The private sector cannot do it alone. There is a possibility for the federal government to participate, but we do not see it investing. We see it with large surpluses while refusing to make those investments, and it makes politically correct budget cuts, the GST. That helps the very rich but does not help the average Canadian.

Average Canadians, the lower income people in my riding, have seen their taxes increase because the level of taxation at the lower amount went up by half a point and they do not recover it on the GST. I think the government should review that.

There should be some investments within the communities to help them help themselves. We were able to do it in the last government by working with ACOA, the municipalities and infrastructure development. We were able to assist communities with water, sewers and fire halls. The town of Bridgetown in my community was ready and applied for funding to build a new fire hall. The town needs it. It is a volunteer fire department and people give of their time. The town is not asking for 100% of the money from the federal government. It is asking for a commitment, a contribution.

I ask the government to reconsider the billion dollars of cuts and the ideological bent as to how it is using Canadian taxpayers' money.

● (1315)

Ms. Olivia Chow (Trinity—Spadina, NDP): Mr. Speaker, we have an environmental disaster in our midst. The World Wildlife Fund said that we are quickly running out of global resources. We are seeing an increase in forest fires and a pine beetle infestation killing off our pines and forests. We know that we have a serious problem.

In this budget there is no investment in fuel efficiency vehicles. There is no investment in green transportation or technology. There is no real investment in public transit or in retrofitting buildings. However, it does continue the former Liberal government's practice of heavily subsidizing the oil and gas industry to the tune of \$1.5 billion.

I do not know whether that member of Parliament finds that troubling. If there is an opportunity, would that member of Parliament, or the Liberal Party, vote against subsidies so that we can in fact take the \$1.5 billion and invest it in all of those matters, especially for homeowners, so that they could retrofit their homes and be able to save on electricity while being able to create some jobs? Would that be an area that he would definitely work on or agree with the NDP?

Hon. Robert Thibault: Mr. Speaker, what we are running out of in this country, according to the papers this morning, are communications officials for the Minister of the Environment. I read that she has gone through four in the short term that she has been in office. Why? It is because they cannot sell the measures that she is proposing as there is nothing on the table to sell. There is no concerted plan to improve the environmental situation in Canada and no plan to meet its international commitments.

The member made some suggestions as to where we could get the money to make these types of investments. I would not rule out that suggestion, but there are other places to get the money. We have a surplus of \$13.5 billion. These investments in green energy pay for themselves because they improve competitiveness. We can be a leading nation in the world.

Government Orders

The previous government had invested a lot of money. It had some very good programs. There can always be improvements in the administration of programs, I would not argue with anybody on that, but I do not want to put this country in a situation where it is pitting one industry against the other and fighting one against the other. Everybody can participate in environmental improvement and green energy.

It is important for energy to be produced in this country. I am proud of the investments that we have made in the production of petroleum energy in this country, whether it be the tar sands or offshore in Nova Scotia and Newfoundland that bring much needed economic activity to those parts of the province.

I am very proud of the wind energy site in West Pubnico that received some contributions from the wind energy incentive program of the federal government. I cannot for the life of me begin to imagine why a government would cancel such initiatives. I cannot see why a government would remove programs like EnerGuide. It makes absolutely no sense.

Hon. Andrew Telegdi (Kitchener—Waterloo, Lib.): Mr. Speaker, I have a question that relates to the court challenges program. The Conservative government eliminated a program which basically strived for justice to make us a more equal society.

We had a situation just a little while ago where a child of one of the war brides was given citizenship by an order in cabinet back in 1948 and the government denied him his citizenship on very questionable grounds. When it went before Federal Court Justice Luc Martineau, he ruled that the actions of the government were contrary to the legal section of the charter, section 7, and the equality section of the charter, section 15. The government has appealed that decision.

The reason I raise this is because it raises a fundamental question that very much impacts on the life of an individual in this country. An individual challenged the government on a question relating to the Charter of Rights and Freedoms, he won the case in the first instance, and now must face a government appeal and perhaps take it to the Supreme Court. An average individual does not have the resources.

In terms of public policy and pursuing a just society, we must have something like the court challenges program to ensure that the Charter of Rights and Freedoms applies to everybody, not just to people who can afford it.

Could my friend comment on the importance of the court challenges program because these things happen to real people and they very much impact on people's equality and the justice that they can receive in this country?

• (1320)

Hon. Robert Thibault: Mr. Speaker, I am very pleased to be asked this question by the member for Kitchener—Waterloo because I know he has a lot of interest in human rights.

I fundamentally believe that this is probably the most cowardly move that the government could make when it ideologically does not support the Charter of Rights and Freedoms. It does not have the courage to take the necessary action to have a true debate if it wishes to stifle it. It is choking the sunlight, removing the sunlight, shading

the light, and removing the oxygen that makes it live by cutting the court challenges program.

As the member mentioned, it is the only way that an average citizen can afford to go to the Supreme Court of Canada or any other court level, whether it be federal or provincial. It is the only way that communities and organizations can do it. It is the way the Acadians did it for education. It is the only way that not for profit church organizations can have their rights tested and respected.

Rather than saying that it is against the charter, I believe the government has decided to stifle the charter by removing the oxygen that makes it live.

Mr. Pat Martin (Winnipeg Centre, NDP): Mr. Speaker, I was glad to hear some of the tone and the content in the speech from my colleague from West Nova. He seems to have come to the realization that a country does not cut its way to prosperity. We do not build a great nation by cutting, hacking and slashing everything that we fought to build up in the post-war era, in that period when we were building this great country.

His own party went on a 13 year rampage, cutting and hacking and slashing everything we hold dear in terms of the institutions by which we define ourselves as Canadians. He seems to have had an awakening because he is being critical now of the current government for cutting too much.

Will he agree with me on one fundamental principle? Has his political thinking matured enough in this way? Does he agree that it was fundamentally wrong for his party to allow offshore tax havens to flourish and prosper all through these years, and for Canadian businesses to avoid paying their fair share of taxes by setting up dummy paper companies in Barbados and losing all that tax revenue? Has he come to our same conclusion that it was fundamentally wrong of his government and that this 2006 budget should have plugged those outrageous tax loopholes, brought those tax fugitives back within our revenue regime, and then we would have those resources to build a great nation with?

Hon. Robert Thibault: Mr. Speaker, I would never accuse the member of trying to mislead the House, but I will understand if he has trouble understanding or recognizing true economic circumstances.

When we were operating at \$42 billion deficits a year and building our national debt, and increasing the amount of money being taken away from the country in interest every year, we were going in the wrong direction and our ability to deliver social programs was leaving. That is why the Liberal government had to tackle the deficit. It brought the country into a surplus situation, reduced the debt, and left this country in the best financial position it has been in since Confederation.

• (1325)

[*Translation*]

Mr. Yvon Godin (Acadie—Bathurst, NDP): Mr. Speaker, it gives me pleasure to join the debate right after my Liberal colleague who has just spoken, especially since it is a question of cuts and the Liberals claim that they had left the country in good financial condition by reducing the debt.

Government Orders

The question that needs to be asked is the following: at whose expense was the reduction of the debt carried out?

The question of the member for Winnipeg Centre dealt with the fact that big businesses in Canada and their Bay Street friends are not obliged to pay income tax. Meanwhile, who has been cut? To whom has the debt been transferred?

For my part, I would like to remind the former finance minister—now the member for LaSalle—Émard, who was prime minister during a short period of time—that at the time of the cuts, he told Canadians to tighten their belts in order to pay down our debt because that debt must not be transferred to future generations. Yet, what the Liberal government of the day did, during its mandate, was to transfer the debt to future generations.

Today, the present government has not done any better since taking office. I will return to this subject later. For the moment, I want to consider Canada's national debt. The Liberals like to tell us how hard and successfully they worked to reduce the debt, to reach a zero deficit and balance the budget.

For example, they transferred the debt to students. Today, most Canadian university students finish their studies with a debt of \$40,000. I have already spoken about this matter in the House, and I even spoke about it during the election. I took part in a forum in the schools, where the students agreed on that amount. They even corrected me, calling me by name and telling me that I did not put the total high enough. In fact, a university student finishes his or her studies with a minimum personal debt of \$40,000.

If a student meets his or her spouse at the university or college, and if that spouse has an equivalent debt, the debt of these two students who finish university and who have a diploma amounts to \$80,000. I am talking about a debt of \$40,000 for four years of study. A bachelor's degree requires five years of study, which raises the debt to \$50,000 per person and to \$100,000 for two people.

Now, if the two students want to work and if they do not live in Montreal, Toronto, Vancouver or Calgary where there are public transit services that enable them get around and to go to work, and if they live in a rural community, they will have to buy a car. And if they do not both work at the same place, two cars will be necessary. Let us suppose they buy used cars valued at \$10,000 each. Then, the two students will have a debt of \$120,000.

Even if they do not live in Toronto, where houses cost between \$250,000 and \$300,000, but rather in a rural area where the cost of living is not so high, they will still have to pay \$80,000 more to buy a house. The couple will therefore have accumulated a debt of \$200,000 before even having their first baby. That is what we have done to the future generation. We have transferred Canada's debt to our next generation, and that is a disgrace. That is what we have done.

At a time when Canadians are being told to tighten their belts in order to pay down the debt, who else has been affected by such a measure? It is working people, the unemployed and people who lost their jobs who have been affected.

When the Liberals were in power, the surplus in the employment insurance fund was about \$7 billion a year. The debt was therefore paid down on the backs of men and women who had lost their jobs

and who had families to support. Children attending school needed money, but the grants to help them were cut.

Even that was not enough for the Liberal government. In 2001, it said in regard to employment insurance that even if a citizen only made a technical error in filling out a statement, it would be considered fraud. For the Liberal government, it was really vague but all infractions were considered fraud. If a citizen forgets to declare a week's work on his employment insurance statement, that is fraud. The citizen has to return the amount due to employment insurance, as well as penalties and interest. Not only is this the citizen's own money, but he has to pay interest on it.

• (1330)

So who is paying down the debt?

When the Conservatives arrived, they did not do any better. If we look at the Conservative government's last budget, there is absolutely nothing for employment insurance. The Conservatives said that they had already studied a possible program for older workers. What kind of program are they considering? They say that they are going to provide training. I can understand that this would be on a voluntary basis. But with all due respect for the Conservatives, are they really going to take someone who is 60 years old with a grade eight education and give that person a chance to go to school, reach grade 12 and then do four years of university in order to be able to work? It is nonsense. What kind of a program is this?

They missed the boat. Where I come from in Baie-des-Chaleurs, we see boats going past and sometimes say that someone missed the boat. That is what the government did.

However, the NDP, in the Liberal government's last budget, used Bill C-48 to get \$1.5 billion to help students pay down their debts. We had to resort to force to get this allocation. The Liberal government did not want to fall and it accepted our offer. I think this is one of the first opposition party budgets that has been voted on in the House of Commons. I think I am not mistaken. How did they come up with this money? The Liberal government at the time wanted to give major corporations \$10 billion in tax cuts. Of that money, we used \$1.5 billion to reduce student debt, \$1.6 billion to help people who needed housing, \$900 million to help municipalities with their infrastructure, \$500 million for foreign countries and \$100 million to help workers when a company goes bankrupt and its employees lose their pension fund. The NDP was thinking about ordinary Canadians, who do their civic duty and go out and vote.

Nevertheless, who is responsible for this country's debt? It is certainly not the workers who get up in the morning, pack a lunch and spend the day working hard for a living. They did not create the debt. But when it came time to pay down the debt and balance the budget, this was done on the backs of the workers, the citizens, and older persons.

We had to put up another fight against the government to help our veterans with the veterans independence program for veterans of the Second World War, 1939-1945. We cannot even take care of these people. We have to use a piecemeal approach.

Government Orders

Nonetheless, when we look at today's federal government budget, after we promoted the idea of having strong child care services in the country and help working people have a national child care system, the Conservative government refused and decided instead to give \$1,200 for every child under the age of six.

What have we done? Have we helped the system? I say no. I am not the only one; our party also says no. We are not the only ones who think this. I believe that nearly all parties say the same thing. The Bloc will say that this is a matter under provincial jurisdiction, and I respect this, but it believes in child care centres. Even our party, how many times have we talked about Quebec, and not because of the Bloc? We often use Quebec as an example, because its programs are genuinely progressive. That is why we want to implement its child care program throughout Canada. The Conservatives' system, on the other hand, is modeled on the American system. It hands out money and tells people to look after their own problems. At the end of the day, has this helped children? Has it helped working women? I say that it has not helped them at all.

Once again, I say that we are missing the boat. This Conservative government presented a budget in the spring, and on September 25 it announced that it was making cuts, cuts that will do harm. When we see the cuts made to the court challenges program, we have to wonder.

• (1335)

Will the cuts to the court challenges program prevent people in the community from making their cases in court?

On that point, we have to talk about official languages. Minorities in Canada have used the court challenges program on more than one occasion. I will offer an example. The food inspectors in Shippagan who were transferred to Dieppe, New Brunswick, won their case because of the Court Challenges Program. One person acting alone would never have got the case to court.

In the riding of Acadie—Bathurst, where I come from, people in French-speaking areas were moved to Miramichi, where 70% of the population speaks English. Even the people of Miramichi said that it was crazy to move a community somewhere else. The communities were able to get their case to court because of the court challenges program. They won their case. That was the first time in the country that a legal challenge had been brought before a judge and accepted. This is now legal precedent in Canada.

We have to think about our minority communities, whether they are English-speaking or French-speaking. I do not believe that an individual could have fought that fight alone. It is unimaginable.

Let us look at the RCMP in New Brunswick, the only officially bilingual province in Canada. Once again, communities defended themselves in court and won their case. Indeed, from now on, the federal government must make bilingual officers available to the people of New Brunswick. They won their case. Imagine what happened next. It was not the Conservatives who challenged it; it was the so-called good Liberals, who are supposed to be perfect, who challenged it in the Court of Appeal. If the court challenges program had not existed, they could not have appeared in court and the debate would not have continued.

Now, the Conservatives are in power and, in my opinion, they are the same bunch, because they are here to defend capitalism and not the social aspect of anything. Nothing has changed. The Conservatives did not withdraw the appeal. The Conservative minister responsible for the file rose in this House to say that we cannot give money to Canadians so that they can fight in court those who legislate, that this did not make sense, that the government enacts good laws, and that they must be respected.

Yet, why were some of these court cases successful against the government?

In order to strike a balance, we should stipulate that, if a citizen wins his or her court case in the lower court, the government cannot launch an appeal with taxpayers' money. The government does use public money to appeal these cases. It should not be allowed to do so, since this upsets the balance between the two parties. There is absolutely no balance.

[English]

I was very sad to see what the Conservative government did to the court challenges program. It cut the program, which allowed citizens to challenge the government on its decisions and laws. By doing that, it has removed the tools of democracy. If the government is making the law, then the court will be paying for judges and lawyers, yet citizens cannot get the same money. They cannot be equal. The government uses taxpayer money to contest court judgments. It is a sad thing if we cannot have a balance and provide the tools to allow citizens to go to court and challenge the decisions or interpretations of laws of the government.

Look what was done to the Montfort Hospital in Ottawa. The hospital used money that was in the court challenges program. If it had not, the hospital would have closed. I challenge anybody today to say what happened with the Montfort Hospital was not right.

Who are the Conservatives to say that their laws are perfect? Who are the Conservatives to say that they follow the law? The Conservatives have said that nobody should be sitting in the Senate if the individual is not elected by the citizens of Canada, yet they appointed Michael Fortier to the Senate. They said that was okay because he was a good person so he did not have to be elected. They say that they do not believe in an unelected Senate, but Michael Fortier was appointed to the Senate, not elected. Twice the Conservatives broke their promise. They broke their promise on who should be in the Senate. Who are they to say that he is a good person when in a democracy, one has to be elected by the citizens of Canada.

We are not asking much. If someone is a minister, we believe that person should be elected by the people and answer to the people. We cannot even question the minister about the budget. He refuses to go to committee meetings.

Mr. Pat Martin: Accountability.

Government Orders

Mr. Yvon Godin: Yes, it is accountability. Every day the same minister gets up in the House and pounds on the Liberals about Bill C-2, which is being stalled in the unelected other House. At the same time, the Conservatives have a minister sitting in the other House who is not elected, is not accountable and does not answer to Canadians. This is wrong. Conservative members should be in the House, accountable to Canadians, accountable to the House of Commons, the people who have been elected by Canadians. This is completely anti-democratic.

Canada is supposedly the best country in the world, yet we have 1.4 million children going hungry. There are more homeless on the streets of Montreal, Toronto, and Vancouver, than we have ever had. How could the Liberals be happy or proud about that? They said they had to pay down the debt, but they did on the backs of Canadians.

• (1340)

[*Translation*]

This is entirely unacceptable. The Liberals have absolutely nothing to be proud of from their 13 years in power. They made cuts to health care in 1994 and now more cuts are being made today. Our grandparents and our children are in hallways in hospitals across the country: in Montreal, Moncton, Toronto, Calgary and Vancouver. It is unacceptable to take money to pay down the debt at the expense of people who are sick. The Conservatives are doing no more than the Liberals did.

• (1345)

Hon. Geoff Regan (Halifax West, Lib.): Mr. Speaker, I listened to my hon. colleague's speech and it was quite interesting to hear the NDP's viewpoint, even though I find that there are many problems with his calculations and his logic. His logic leaves a great deal to be desired.

[*English*]

For one thing, it should not surprise our colleagues in the NDP that Canadians do not have confidence in them to form a government of Canada because of their ideas on economics, let alone mathematics, considering my hon. colleague just talked about 13 years of Liberal government.

Yesterday happened to be the 13th anniversary of the 1993 election in which Mr. Chrétien and the government were elected. I was first elected in that year, as my hon. colleague knows, before I took my involuntary sabbatical, as I call it, between 1997 and 2000. My hon. colleague should know that 13 years occurred yesterday. Therefore, the Liberals were in power for 12 years and 2 months. However, the NDP thinks that is 13 years, which is completely illogical and it kind of fits with the rest of his thinking about the deficit and so forth.

Earlier this year we saw the report on poverty in Canada, which indicated that it had been reduced over the past decade. That is totally contrary to what he said. The statistics, the facts are contrary to what he has told us and he knows that, but he wants to create a new myth that things have become so much worse. He knows and, more important, Canadians know that the Liberal government had to deal with the deficit. He thinks we should have ignored it and let it

grow and grow. He fails to recognize that the Conservatives left us a \$42 billion deficit, which was destroying our economy.

Canadians supported the measures we took and re-elected our government several times. His party never did anything to support any of those cuts, which put our country in much better shape. They helped us build a much better economy and created millions of full time jobs, which made the country and people better off and gave them a better quality of life and standard of living. His party voted against every one of those budgets and every measure ever taken to put our country in better shape.

Mr. Yvon Godin: Mr. Speaker, my colleague said that maybe I do not how to count between 13 years and 12 years and 2 months. It seems to me as if the Liberals were in government for 20 years. That is why I got mixed up in the count.

When one looks at the NDP, which government in our country balanced the first budget? It was done in Saskatchewan, under Roy Romanow. Programs were not cut the way the Liberals cut them. He said that it was getting better in our country. There are more food banks in our country in the last 12 years and 2 months. Did we have that many banks or credit unions open? The types of banks we have inherited from the Liberals are food banks.

People are poorer and students are poorer and in debt. That is what we got from the Liberals. Our whole system of health care went down the tubes. Now we have privatization of our hospitals. The Liberals shut their eyes to it, were blind to it and the Conservatives are no better. They are closing their eyes to what is happening to our health care. In 1994 the Liberals cut so much in health care. At one time the federal government used to pay 50% of the cost of health care for every province. That went down to 15%, and the member is proud of that? I would not be proud to be a Liberal today.

Hon. Shawn Murphy (Charlottetown, Lib.): Mr. Speaker, I have been listening to the hon. member and I am totally confused. A year and a half ago, after 13 successive years, the Liberals had 8 successive budgetary surpluses and they announced a lot of tremendous programs such as the Kyoto accord, the Kelowna agreement, tax cuts for lower income Canadians, affordable housing, public transit and post-secondary education. Much of this came about with close consultation with the New Democratic Party. Then all of a sudden for some reason, which has never been explained to me, the New Democratic Party, which the hon. member was involved with back then, voted against all these programs. Now we have the mess we are in today.

The member across is a handmaiden to this mess. He was involved; he is a conspirator. My simple question is, why?

• (1350)

Mr. Yvon Godin: Mr. Speaker, my colleague wants to know why. It is because the Liberal Party got caught in a sponsorship program in Quebec and then Canadians decided to kick we know what. That was what happened.

Government Orders

By the way, my colleague from P.E.I. referred to 13 years. He should talk to the member for Halifax West. He said that the Liberals were only in government for 12.2 years. I thought the member was here when he said that. However, I can see I am not the only one who does not know how to count. My colleague from P.E.I. in the Liberal Party does not know how to count either.

Why were we in a mess over the 13 years, or the 12.2, years that the Liberals were in power? It was because they paid the debt on the backs of the poor. They paid the debt on the backs of the people who were sick. They paid the debt on the backs of our seniors and veterans. That was not right. When it came time to cut the taxes to big corporations, they were ready to give them a break of \$10 million.

The Liberals say the NDP never voted for one of their budgets. We did it last year, accompanied with Bill C-48, the NDP budget, which was a good budget.

[Translation]

Mr. Robert Vincent (Shefford, BQ): Mr. Speaker, earlier on the hon. member spoke of cuts. These actually totalled \$13 billion. They found a way to starve organizations that advocate for literacy, women's rights and the rights of Canadian francophones and Acadians.

I would like to hear what the member for Acadie—Bathurst has to say about the fact that the government says it is cutting waste while at the same time keeping annual tax benefits of not less than \$250 million for oil companies.

Mr. Yvon Godin: Mr. Speaker, the member for Shefford raises a good point. That is exactly what I was saying. The government gives money to big business and its Bay Street friends. The government says that it will cut the fat. But is that what it is doing when it cuts the funding of organizations that advocate for the status of women?

Canadian women worked very hard to achieve equality for men and women, and that was done with the assistance of organizations. One woman did not do all that. Women had to band together, they had to obtain funding in order to establish a balance between the government and communities. That is where the government has decided to make cuts.

The government always gives to big business but it cuts funding for and takes away money from ordinary people, whether they are francophones or anglophones living as a minority in a region. They try to make us believe that the money was used to pay friends of Liberals and lawyers.

I am sorry, but Michel Doucet, a professor at the Université de Moncton, worked almost for free to further the cause of individuals living in a minority situation, as he received only half his pay. I can guarantee that there was no fat there. The government has cut the fat of the most disadvantaged and that is unacceptable.

[English]

Ms. Olivia Chow (Trinity—Spadina, NDP): Mr. Speaker, we have talked about a lot. Since 2000, there have been billions of dollars of surplus, but 1.2 million children are living in poverty and no progress has been made in reducing it since that time. The child poverty rate is stuck at around 18% since 2000, which is no progress whatsoever.

The number of children living in poverty has risen by 20% since 1989. It has got worse. Low income couples with children are still \$9,900 below the poverty line. The poverty rate is virtually unchanged at 12%, and 41% of the food bank users in 2004 were children. That is approximately 325,390 children.

There is absolutely no progress. Will the member of Parliament from the NDP acknowledge that those are the facts in front of us?

• (1355)

[Translation]

Ms. Raymonde Folco (Laval—Les Îles, Lib.): I would like to give the floor to my colleague.

[English]

Mr. Sukh Dhaliwal (Newton—North Delta, Lib.): Mr. Speaker, I rise on a point of order. Earlier today I took part in a meeting of the Standing Committee on Status of Women. I might have made a statement during the proceedings that some may have found inappropriate. I simply wish to apologize if I offended anyone and I withdraw anything that may have been offensive.

The Acting Speaker (Mr. Royal Galipeau): The Chair thanks the hon. member for the point of order.

In response to the question from the hon. member for Trinity—Spadina, the clock has run out but I will allow the member for Acadie—Bathurst a few moments to respond. I would ask that he keep an eye on the Chair, please.

Mr. Yvon Godin: Thank you, Mr. Speaker, for stopping the clock for one minute.

The answer to this question is simple. We have a \$50 billion surplus and yet 800,000 people do not qualify for employment insurance. With those 800,000 people who do not qualify there are children. That is why I said that we have more food banks now than we have ever had and there are children there too.

Hon. Maria Minna (Beaches—East York, Lib.): Mr. Speaker, I am happy to speak against the government's Bill C-28. I do this because it is part of the budget of 2006, which we on this side of the House are completely against.

Although there are provisions in the bill that we do support, as they are Liberal proposals from our budget in 2005, we do not support the agenda of the minority Conservative government at this time. Speaking of its agenda, it is important to note that, as we campaigned on, the Conservatives are showing their true right wing hidden agenda now that they are in government.

When the Conservatives introduced the budget, they announced massive spending cuts within it, even though they were handed a \$13 billion surplus from previous Liberal governments. Why would they do such a thing when we have so much richness in this country that was left to them by our government? They did it because they had to appease their ideological, right wing Conservative base.

What did the Conservatives do with those cuts and where did they cut? They eliminated the early learning and child care program agreement across this country. It seems that the signature of the Crown means absolutely nothing. The fact that the Government of Canada and the provinces signed an agreement means nothing. By the way, that also happened with the Kelowna accord. Everybody had signed the agreement but again those signatures meant nothing.

I will not go through all the draconian cuts to Status of Women Canada of \$5 million, plus changing all the criteria, which means that equality seeking groups can no longer get funding. Justice seeking groups can no longer get funding. It seems that the minister responsible for Status of Women said that women were equal in this country anyway because it says so in the charter. The fact that we need programs and advocacy organizations to ensure that actually happens means nothing to them.

They made cuts to the literacy program. I do not know what the Conservatives have against people learning to read and write in order to improve their skills so they can get better jobs. Productivity in this country is a major issue. The government says that it is interested in productivity and yet it is cutting literacy education which is where it is most needed.

Cuts to affordable housing affect the most vulnerable in our society but the Conservatives do not care. They have their narrow voter base to support and that is as far as they will go. They pick and choose income tax measures that satisfy the minority voters who support the Conservative Party. They believe it does not matter if it is bad for the economy as long as it helps them to get a majority government. Even their own right wing think tank has said to them that cutting the GST is a bad move because it does nothing to increase productivity in this country, but they did it anyway.

The NDP is no better. It used its own agenda to force an election and now it must deal with the consequences of a Conservative government.

• (1400)

The Acting Speaker (Mr. Royal Galipeau): It is with regret that I interrupt the member but we will now go to statements by members. When we return to the study of Bill C-28, there will be sixteen and a half minutes left in her time.

STATEMENTS BY MEMBERS

[English]

DURHAM REGIONAL POLICE

Mr. Colin Carrie (Oshawa, CPC): Mr. Speaker, I rise in the House today to pay tribute to the officers of the Durham Regional Police Service who were honoured at the fourth annual Police Appreciation Night. These individuals were singled out for their acts of heroism, quick thinking and bravery, acts that provided greater safety and security to the people of Oshawa and Durham region.

Our police service is one of the finest police services in Canada, which is why it is such a privilege to personally congratulate A Platoon, Communications/911 Unit: Constables Rick Flynn, Todd

Statements by Members

Petzold and Michel Roy; Sergeant Gil Hughes; and Detectives Teresa Hutchinson and David Brown.

All the officers of Durham region should know that Canada's new government and I stand firmly behind each of them. We will continue to bring in legislation that puts victims and their families first and protects law-abiding Canadians from violent criminals and dangerous offenders.

Canada's new government will at last stand up for our communities and protect our streets.

Again, I want to congratulate each officer recognized and thank them for making the Durham region safer for all of us.

* * *

JOSHUA JAMES KLUKIE

Hon. Joe Comuzzi (Thunder Bay—Superior North, Lib.): Mr. Speaker, Joshua James Klukie was born February 16, 1983. His proud parents were Carol and Reg Klukie. He had two older brothers, David and Daniel. Unfortunately, Josh's father, Reg, died in August 1999. His mother did a remarkable job raising those three children.

Josh attended public school in Thunder Bay and Hillcrest High School. He trained and graduated as a paramedic.

Josh then joined the Canadian Forces and was stationed in Petawawa. In August 2006, Josh and his unit were deployed to Afghanistan. Josh was killed in action on September 29 of this year.

His friends in Thunder Bay will always remember him as an exceptional student, a great athlete, a good friend and a devoted son and brother to his family and to his extended family. He was a proud and dedicated soldier.

Members of the family particularly want to remember in their prayers the remaining forces who continue to serve Canada in Afghanistan.

I am sure every member of this House is proud of this fine young Canadian.

* * *

[Translation]

HOMELESSNESS

Ms. Pauline Picard (Drummond, BQ): Mr. Speaker, homeless people are being excluded more and more from public spaces. Too often, they are treated like second-class citizens. So said the organizers of La Nuit des sans-abri, an event held in Drummondville on October 20.

The gathering was held to raise awareness about the realities people deal with when they struggle with homelessness or are at risk of becoming homeless. It was an invitation to share and to promote social solidarity with the poor in our communities.

The theme of the event, "Personne n'est à l'abri", was a reminder that no one is safe from homelessness. Any one of us could lose our job or our home, go through a bad break-up, or fall victim to illness, alcoholism or gambling addiction. In short, any person can go through really hard times and end up homeless or very poor.

Statements by Members

The Bloc Québécois is asking the Conservative government to fight poverty and renew funding for homelessness.

* * *

[English]

OFFSHORE TAX HAVENS

Mr. Pat Martin (Winnipeg Centre, NDP): Mr. Speaker, tax motivated expatriation is the polite way of putting it when tax fugitives hide their earnings offshore in tax havens to avoid paying Canadian taxes. We call it something different. We call it a sleazy, tax cheating loophole, and we want it stopped.

The NDP is furious that Canadian companies are allowed to set up dummy companies offshore in Barbados and avoid paying their fair share of Canadian taxes.

If the government will not plug this outrageous tax loophole, at the very least it should stop allowing these tax fugitive companies to bid on Canadian government contracts. At the very least, these companies should be blacklisted as the traitors and economic treason perpetrators that they are. They should not be allowed to bid on Canadian government contracts until they repatriate their companies and pay their fair share of taxes in Canada.

These companies should be proud to pay their taxes in this country. We can all think back to the not too distant past when the prime minister of this country was exploiting one—

• (1405)

The Speaker: The hon. member for Lambton—Kent—Middlesex.

* * *

JOSIAH HENSON

Mr. Bev Shipley (Lambton—Kent—Middlesex, CPC): Mr. Speaker, I am pleased to rise in the House today to recognize a great man, Mr. Josiah Henson.

Born in Maryland, Mr. Josiah Henson worked as a slave for 41 years. In 1830, he and his family escaped to Ontario via the Underground Railroad.

After being employed for many years as a farmhand, Mr. Henson moved his family to Dresden in Lambton—Kent—Middlesex and championed the establishment of the Dawn Settlement, which today commemorates Uncle Tom's Cabin Museum.

This settlement was established to provide a refuge and a new beginning for former slaves. It was through Josiah's leadership that one of Canada's first industrial schools was founded. It is where fugitive slaves were educated, trained and prepared for their new life of freedom.

At least 30,000 slaves escaped to Canada via the Underground Railroad. This was made possible by individuals like Josiah Henson. Let us never forget this man and others like him who stood against injustice and intolerance.

GARDEN CITY LANDS

Hon. Raymond Chan (Richmond, Lib.): Mr. Speaker, for over a decade I have advocated for the development of the Garden City lands in Richmond.

Last year an unprecedented three way agreement was signed. This deal could have addressed Richmond's need for affordable housing, a multicultural art centre and other community amenities.

Sadly, after intense lobbying by Conservatives and their allies, the Agricultural Land Commission rejected Richmond's multi-million dollar deal. The Conservatives now want to take back the land for possible military use.

This is ridiculous. Why would anyone think that using the Garden City lands in downtown Richmond for military use would be better than the creation of affordable housing, recreational facilities, green space, new jobs and \$350 million in economic growth?

* * *

CHEMISTRY DAY

Mr. Ken Epp (Edmonton—Sherwood Park, CPC): Mr. Speaker, I welcome the Canadian Chemical Producers' Association to Ottawa for its annual Chemistry Day. It represents 70 companies and \$26 billion in annual sales. This sector knows how to reduce emissions.

While Kyoto calls for a 6% reduction in greenhouse gas emissions from 1990 to 2010, Canada's chemical producers will have achieved an incredible 56% reduction. By 2010 their production will have increased by 26%, which means that emissions reduction per unit of output will be a monumental 65% better than the Kyoto goals. They will do even more as new technologies come on stream.

Our new Conservative government policies will provide the foundation for this continued high performance industry to thrive in the spirit of the clean air act.

* * *

[Translation]

CARLO JEAN-LOUIS

Mr. Jean-Yves Roy (Haute-Gaspésie—La Mitis—Matane—Matapédia, BQ): Mr. Speaker, I was very pleased to hear that Dr. Carlo Jean-Louis, a doctor in my riding, was awarded the prestigious Reg L. Perkin award for Quebec by the College of Family Physicians of Canada.

The award recognizes his humanitarian leadership in his community. For example, Dr. Jean-Louis was the founding president of the Constellation des Monts soccer club, which was established to promote cardiovascular health, fight drug addiction and provide recreational activities for young people.

In addition to his roles as honorary chair of the Fondation de l'Hôpital des Monts and honorary chair and patron of an organization called "Rayon d'or", Dr. Carlo Jean-Louis also defends the rights of new immigrants to Quebec.

Statements by Members

In addition, Dr. Jean-Louis was recognized as a model of enthusiasm, kindness and tact, qualities shared by many family physicians.

Once again, congratulations to Dr. Jean-Louis.

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[English]

WORLD STROKE DAY

Mr. Rob Merrifield (Yellowhead, CPC): Mr. Speaker, today the World Stroke Congress announced October 26 as World Stroke Day. This day will serve to increase Canadians' awareness of the things they can do to reduce their risk of having a stroke. This includes maintaining a healthy blood pressure, avoiding tobacco use, eating a healthy balanced diet and being physically active.

Every year stroke kills over 15,000 Canadians, representing the third leading cause of death in Canada. Stroke knows no boundaries. It affects Canadians of all ages, ethnicity, as well as both men and women. To prevent stroke we need to increase public awareness of both its causes and symptoms.

Although World Stroke Day occurs only once a year, the fight against stroke must be fought every day all year long. It is encouraging that there is now a number of individuals and organizations that are working together on developing a Canadian stroke strategy and we wish them all the best in their vital work.

* * *

● (1410)

JUVENILE DIABETES

Mrs. Susan Kadis (Thornhill, Lib.): Mr. Speaker, Canada has one of the highest rates of type 1 juvenile diabetes in the world and more than 200,000 people suffer from this disease, which develops in children and young adults.

Canada is a leader in diabetes research. Canada's Dr. Banting and Dr. Best were the pioneers of the discovery of insulin in 1921.

We need to continue to build on our record of success with substantial and consistent research investment by the federal government. With efforts from thousands of Canadians, including Thornhill residents who support the Juvenile Diabetes Research Foundation, and an even greater commitment from our government in research support, Canada could very well be the nation that actually delivers a cure for type 1 diabetes.

I applaud the work and efforts being done by the Juvenile Diabetes Research Foundation and urge all my colleagues in the House to attend the "Kids for a Made in Canada Cure" luncheon on Parliament Hill on October 31.

* * *

KASHECHEWAN

Mr. Rod Bruinooge (Winnipeg South, CPC): Mr. Speaker, it is one year ago today that the community of Kashechewan was evacuated. Like all Canadians, the government finds the living conditions of the members of this community unacceptable.

That is why Canada's new government, rather than seeking a band-aid solution, addressed the root causes and approached this serious issue in a decisive manner.

Last June the Minister of Indian Affairs and Northern Development appointed Mr. Alan Pope as a special federal representative. Mr. Pope has been working with all parties involved to come up with practical solutions that offer lasting benefits.

I am happy to tell the House that the drinking water advisory has been lifted in Kashechewan. We continue to work with the community to improve housing, and to maintain and repair community buildings such as the new police station that just opened last month.

Canada's new government will be coming forward with a plan to bring the people of Kashechewan the promising future that all Canadians deserve.

* * *

RAY JOHNSON

Mr. Wayne Marston (Hamilton East—Stoney Creek, NDP): Mr. Speaker, I rise today with a profound sense of loss. One of Hamilton's premier community leaders, Ray Johnson, passed away this week.

Ray Johnson was a light in the Hamilton community, a man who rose from limited means to become an icon of humanness in a fast and furious world.

Over the years, as I worked with Ray, I was struck by how he always had time for anyone and everyone. He was on the leading edge of social activism, fighting poverty and fighting racism. He always did so with dignity and grace.

A devoted husband, father and community leader in the truest sense, Ray was honoured for his life's work and was named as Hamilton's Citizen of the Year just last year.

Ray Johnson has left a hole in the heart and fabric of Hamilton, but we will remember Ray Johnson and honour him by continuing his work.

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SHIPPING

Mr. John Maloney (Welland, Lib.): Mr. Speaker, the new regulations of the Canada Shipping Act do not apply to no-ballast-on-board transoceanic vessels. Many of these ships travel through the Great Lakes carrying a number of invasive species in the sediment and water in their ballast tanks. I have deep concerns that this poses a major threat to the environment and to the Great Lakes.

The new regulations of the Canada Shipping Act should require no-ballast-on-board vessels to undertake all measures to eliminate invasive species from their ballast water tanks prior to reaching our shore.

I propose mandatory regulations for such ships requiring them to conduct a saltwater flushing of the ballast tanks at least 200 nautical miles from Canadian waters.

Oral Questions

The sustainability of our environment in the Great Lakes is at stake and this flaw in the regulations must not go unaddressed. I call on the government to stand up for the environment and to ensure that offshore ships travelling through our waters are compliant.

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[Translation]

SUPPORTING COMMUNITIES PARTNERSHIP INITIATIVE

Mr. Christian Ouellet (Brome—Missisquoi, BQ): Mr. Speaker, last week, I met with groups that help the homeless in Magog, in my riding. They all agree that the plight of the homeless is worsening, not only in major centres, but in smaller cities as well.

The SCPI, which provides assistance for the homeless, will end on March 31, 2007, in 156 days. The minister in charge of this program has been in office for nine months now, and she still has not confirmed whether the program will be renewed. She remains deaf to the cries of the neediest members of our society.

How can the minister ask organizations that are helping thousands of people in need to plan all their services in less than five months? After nine months, she herself still cannot confirm whether the program will be renewed. She should enhance the SCPI and make it permanent, something the Bloc Québécois has long been calling for.

* * *

• (1415)

STATUS OF WOMEN

Ms. Raymonde Folco (Laval—Les Îles, Lib.): Mr. Speaker, I would like to congratulate the Table de concertation de Laval en condition féminine on the recent launch of its DVD, *Lavalloises en marche*, which depicts the dedication and solidarity of the hundreds of women from Laval who took part in the events around the World March of Women in 2005.

The mission of the Table de concertation de Laval en condition féminine is to collectively promote and defend women's rights. But by cutting Status of Women Canada's operating budget nearly in half, the government of the Prime Minister has demonstrated that women's rights are not among its priorities.

Since September 25, the Table de concertation en condition féminine and other women's organizations have been in shock. These groups are extremely worried and are wondering how much longer they will be able to meet women's needs.

How can this Conservative government remain indifferent to the struggle waged by hundreds of women across Canada every day?

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[English]

GLOBAL CENTRE FOR PLURALISM

Mr. Rahim Jaffer (Edmonton—Strathcona, CPC): Mr. Speaker, last month I rose in the House to wish Muslims across Canada and around the world a successful Ramadan. With the conclusion of the holy month, Muslims are now celebrating Eid.

It is fitting that at a time when Muslims show thanks for God's blessing through works of charity, that our government announced a

landmark partnership with His Highness the Aga Khan to establish the new Global Centre for Pluralism in Ottawa.

Our government will conclude a lease agreement that will see the centre located at the Sussex Drive landmark that formerly housed the Canadian War Museum.

The centre will be a world class facility to promote pluralism internationally as a means to advance good governance and peace by supporting academic research and professional development in developing countries.

I would like to thank His Highness the Aga Khan and the Prime Minister for their vision and dedication in realizing this exciting initiative. On behalf of Canada's new government, I wish all Muslims a joyful celebration of Eid. *Eid Mubarek.*

ORAL QUESTIONS

[Translation]

GOVERNMENT LEGISLATION

Hon. Bill Graham (Leader of the Opposition, Lib.): Mr. Speaker, from the top of his ivory tower yesterday, the Prime Minister appeared truly insulted that the opposition is doing its job and opposing his flawed bills. However, Canadians gave 60% of the seats in this House to the opposition.

Something is wrong with this picture. Two years ago, the Prime Minister said that it is Parliament that must lead the country, not just the party in power and its leader.

If the Prime Minister wants to know why he is having problems with his legislative agenda, has he tried looking in the mirror?

Mr. Jason Kenney (Parliamentary Secretary to the Prime Minister, CPC): Mr. Speaker, let us be clear. Each party in this House made campaign promises indicating that it would adopt legislation to strengthen our criminal justice system. This is why we have introduced in this House eight bills, I believe, aimed at extending sentences for serious crimes. We would like all opposition parties to work with the government to keep their own campaign promises in this regard.

[English]

Hon. Bill Graham (Leader of the Opposition, Lib.): Mr. Speaker, maybe the Parliamentary Secretary to the Prime Minister would urge his party to do a little governing. It would be good for this country.

Conservatives want to stall their own criminal law legislation, so they can blame the opposition.

Oral Questions

The Liberal Party today engaged itself in the House to pass six laws this afternoon: protect our children from sexual predators, control outrageous interest rates on payday loans, ban street racing, strengthen the criminal DNA data bank, restrict conditional sentences, and update criminal procedure.

Will the government agree to our plan and pass those bills this afternoon, or is this all about its crass political partisanship of playing with the safety of our communities?

Mr. Jason Kenney (Parliamentary Secretary to the Prime Minister, CPC): Mr. Speaker, we would be delighted to pass all of those bills in this place forthwith and in the Liberal controlled Senate tonight. However, we doubt that the Liberals are serious about this because Bill C-9, regarding conditional sentencing, was before the justice committee and the Liberals cooperated with the other soft on crime opposition parties to gut that bill.

I do not know what it is they do not understand about the desire of Canadians to get tough on violent crime. Conservatives want to act. We will cooperate with any party to do it right here, right now.

• (1420)

Hon. Bill Graham (Leader of the Opposition, Lib.): Mr. Speaker, we will hold the government to that rhetoric.

While we are talking about Conservative senators in the other place, Conservative senators, not Liberal senators, have proposed 42 amendments of their own to the government's accountability act. Give us all a break. While this is going on, Conservative members of Parliament are filibustering in the industry and environment committees of the House. Talk about frustrating the will of Parliament.

Will the Prime Minister drop his pre-electoral posturing and start acting like a Prime Minister of a party that acts for all Canadians?

Mr. Jason Kenney (Parliamentary Secretary to the Prime Minister, CPC): Mr. Speaker, that is precisely what this government and the Prime Minister are doing.

What Canadians demanded in the last election, and I know the Liberals still do not quite get this, was accountability. They wanted a change of culture in Ottawa.

We brought that forward in the most dramatic series of reforms ever proposed in the Parliament of Canada in the federal accountability act. The Liberals have held it up in the other place for over 100 days and are now reporting it back stripping out key provisions of that bill.

I want to know when the Liberals will cooperate with Canadians to bring accountability to government, when they delivered corruption?

[*Translation*]

Hon. Lucienne Robillard (Westmount—Ville-Marie, Lib.): Mr. Speaker, the Prime Minister is being arrogant, controlling and even threatening, when he should show some humility in his position.

“The people express their wishes as much through the opposition as through the government”, he once said. Has he forgotten? Has he forgotten that almost two out of three Canadians rejected the Conservatives in the last election?

Instead of childishly complaining, can the Prime Minister learn to put his rigidity aside and be open to ideas other than his own?

Mr. Jason Kenney (Parliamentary Secretary to the Prime Minister, CPC): Mr. Speaker, Canadians elected a minority Parliament and this government will keep its promises within this minority government. That is why the federal accountability act was subject to serious consideration by a special committee of this House, with the amendments that were proposed by the opposition parties and accepted by this government.

The problem is that the Liberal party, especially in the Senate, has refused to act to meet Canadians' expectations of this government's promises. We are waiting for the Liberals to start cooperating to meet Canadian's expectations as far as federal accountability is concerned.

Hon. Lucienne Robillard (Westmount—Ville-Marie, Lib.): Mr. Speaker, the words “listen” and “consult” are not part of the Conservatives' vocabulary.

Neither environmental groups nor the provinces were consulted about dropping the Kyoto protocol. Women were not consulted about the change to the mandate of Status of Women, and even less consideration was given to the Fédération des communautés francophones et acadienne du Canada about abolishing the court challenges program.

Does the Prime Minister know that he does not have a monopoly on truth in this country?

Mr. Jason Kenney (Parliamentary Secretary to the Prime Minister, CPC): Mr. Speaker, after 13 long years of a cynical Liberal government that did not keep its promises to the Canadian electorate, we have a government and a Prime Minister who keep their word. One of our promises was to reduce waste and focus public expenditures on the priorities of the general public. That is precisely what we have done and will continue to do by lowering taxes for working families in Canada.

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TELECOMMUNICATIONS

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, the new directive of the Minister of Industry to the CRTC could come into force on November 4. Pushed by the Minister of Industry, it will recommend that market forces be allowed to prevail by regulating the telecommunications sector as little as possible, and only when necessary.

Since the government is no longer interested in regulating telecommunications, why does it not just transfer its telecommunications authority to the Government of Quebec?

Oral Questions

• (1425)

Mr. Jason Kenney (Parliamentary Secretary to the Prime Minister, CPC): Mr. Speaker, this government will continue to act responsibly towards all industrial sectors, including telecommunications. This government already has a good economic record and will continue to work with the telecommunications industry so that, like all industries, it benefits from that record.

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, that does not answer the question raised.

I would like to quote from a document of the Quebec communications department, when the current federal Minister of Transport served as its minister:

Quebec must be able to establish the rules for operating radio and television systems, and control development plans for telecommunications networks, service rates and the regulation of new telecommunications services.

Will the government follow the advice of its Minister of Transport and transfer telecommunications and broadcasting responsibilities? This could be done through an administrative agreement, for example.

Hon. Lawrence Cannon (Minister of Transport, Infrastructure and Communities, CPC): Mr. Speaker, I believe that the leader of the Bloc Québécois should also add that the Supreme Court of Canada ruled in this regard with the Guèvremont decision, which confirmed federal authority over communications.

If the leader of the Bloc Québécois wishes to rehash the past, we could cite the example of the member for Roberval who, together with René Lévesque, eliminated all the rights of Quebec workers when they went back on the collective agreement they had signed.

Mr. Paul Crête (Montmagny—L'Islet—Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, let us come back to the former communications minister in Quebec and current Minister of Transport who wrote in a discussion paper on telecommunications that Quebec should have full jurisdiction and use a single regulatory body.

People who once made such remarks ought to believe in what they said for the rest of their life.

In light of the fact that his colleague at Industry asked the CRTC to regulate telecommunications as little as possible, does the Minister of Transport intend to press him to have the responsibility for telecommunication regulations in Quebec delegated to the Government of Quebec?

[English]

Hon. Bev Oda (Minister of Canadian Heritage and Status of Women, CPC): Mr. Speaker, the CRTC has national federal responsibilities. This government believes that we need a strong federal Canada. We will continue to work with Quebec in order to make sure that all the telecommunications and broadcasting services to all Canadians are what they want and what they need.

[Translation]

Mr. Paul Crête (Montmagny—L'Islet—Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, the minister is no doubt unaware of the fact that control over broadcasting and telecommunications in Quebec is a traditional demand of Quebec governments, regardless of political stripe.

What is the Minister of Industry, who does not feel like regulating telecommunications, waiting for to delegate these powers to the Government of Quebec, which will assume its responsibilities?

[English]

Hon. Bev Oda (Minister of Canadian Heritage and Status of Women, CPC): Mr. Speaker, as everyone knows, today's communications world is not only provincial, it is national, international and global. That is why we believe it is in the interests of Canada to have one unified voice for Canada while respecting and acknowledging the special needs of every region and province in this country.

* * *

AFGHANISTAN

Hon. Jack Layton (Toronto—Danforth, NDP): Mr. Speaker, according to government officials, the U.S. and NATO counter-insurgency operations in which we are now involved in Afghanistan claimed the lives of 60 civilians this week. Since U.S. and NATO forces invaded five years ago, this marks the deadliest week for Afghan civilians. We also heard this week reports of starving Afghan women and children, whole families.

I ask the Prime Minister, with only one dollar going to aid for every \$9 going to the combat effort, is it any wonder that civilian deaths and starvation are on the rise while security and stability are on the decline?

Mr. Jason Kenney (Parliamentary Secretary to the Prime Minister, CPC): Mr. Speaker, I think it is regrettable that the leader of the NDP constantly diminishes the tremendous work being done by our aid workers in Afghanistan.

He talks about one dollar. The truth is this: \$100 million a year is the contribution that the government is making right through to 2010, the single largest aid contribution to a country in the world in our aid development history.

Our aid workers are doing a good job. Our military and diplomats are joining them in trying to bring stability to that region so that we can provide the kind of social and economic development we all want to see in Afghanistan, which would not exist if we pulled our troops out.

• (1430)

Hon. Jack Layton (Toronto—Danforth, NDP): It is unfortunate we do not hear an acknowledgement of the civilian casualties, Mr. Speaker.

[Translation]

According to Afghan government officials, NATO's counter-insurgency operations have claimed the lives of at least 60 civilians this week, making this the deadliest week since the invasion for Afghan civilians.

This mission is not balanced. It is the wrong mission for Canada.

Why does the Prime Minister not realize that the mission is not working and that, instead of improving, the situation is worsening, especially for civilians?

Oral Questions

Mr. Jason Kenney (Parliamentary Secretary to the Prime Minister, CPC): Mr. Speaker, what is not balanced is the NDP's position on this issue. The NDP is talking about tragedies affecting the Afghan people of course. It is as if there was some kind of moral equivalence between the Taliban and the democratic government of Afghanistan and NATO's forces operating under a UN mandate.

We make a distinction and believe that the international community should support the Afghan government in creating a space of security for that country.

* * *

[English]

GOVERNMENT PROGRAMS

Hon. Navdeep Bains (Mississauga—Brampton South, Lib.): Mr. Speaker, the President of the Treasury Board with his cabinet colleagues from Human Resources and Public Works have been caught muzzling public officials and acting in contempt of Parliament.

The minister's answers at committee could only be described as evasive, argumentative and, imagine this, hotly partisan. That is why we invited Treasury Board Secretariat officials to testify. We wanted to get their non-partisan feedback on the cuts.

Why were Treasury Board officials instructed not to speak before the committee? Is it because of fear that their answers might contradict their boss?

Hon. John Baird (President of the Treasury Board, CPC): Mr. Speaker, I gave no such instructions to my deputy minister or officials.

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INFRASTRUCTURE

Hon. Navdeep Bains (Mississauga—Brampton South, Lib.): Mr. Speaker, yes, the minister was accompanied by officials, but he forgot to mention that they were gagged.

When the President of the Treasury Board testified, he stated that the issue of LRT funding for Ottawa did not arrive on his desk until September 28. Here are some of the facts: The LRT contract was signed September 15; the memorandum of understanding was signed over a year ago; and the minister was aware of the council's final vote on the issue in July.

Does the minister expect us to believe that he was not involved in this file when his parliamentary secretary requested funding details of the project eight days prior?

Hon. John Baird (President of the Treasury Board, CPC): Mr. Speaker, we deal with issues based on the facts. The facts are that this issue came before the Treasury Board on September 28. We believed it was tremendously important that on one of the largest contributions, one of the largest grants given this year across the country, we do something that was rather unusual, something that might be foreign to Liberal members opposite. We did our homework. We did a thorough review of the case. We were told then by numerous officials that a decision had to be made just a few short weeks before an election. When it was discovered that we had

more than enough time to wait until after the election, we were very pleased to do that.

Mr. Scott Simms (Bonavista—Gander—Grand Falls—Windsor, Lib.): Mr. Speaker, the Treasury Board president's decision to meddle in municipal infrastructure matters during an election campaign is deeply troubling. He made unproven claims about the terms of a confidential contract. He claims there will be no costs associated with delaying funding until December 15, even though he has been told otherwise, to the tune of \$65 million. Also, he leaked pages of this confidential contract to justify his decision to settle old political scores.

Where is the accountability? What town or city is next on his political hit list?

Hon. John Baird (President of the Treasury Board, CPC): Mr. Speaker, it is interesting to see the Liberal Party members opposite wanting to see government veiled in a cloak of secrecy. It reminds me of an editorial I read in the *Ottawa Citizen* on Saturday, October 14, which stated:

Turns out there are some people [the Liberals opposite] who favour secrecy, who are happy to keep the taxpayer in the dark, and not surprisingly they belong to the federal Liberal party—the same party that when in power was hardly famous for openness and transparency.

• (1435)

Mr. Scott Simms (Bonavista—Gander—Grand Falls—Windsor, Lib.): Mr. Speaker, there is this fish off the coast. It is called a blowfish. Whenever the blowfish gets in trouble, it puffs up, changes colours and pretends to be much larger than what it actually is.

My question is, which cabinet colleague signed off on this decision and when was that decision made? Now is the time to come clean.

Hon. John Baird (President of the Treasury Board, CPC): Mr. Speaker, when I was a young fellow growing up in Canada, I would often visit my grandfather in the Maritimes. We used to go digging for clams. The clams like to be cold and in the dark. That is not how this government operates. What we decided to do was to accept our responsibilities and do our due diligence.

I say to the member opposite that when it comes to public transit and light rail in his own constituency, I promise the same accountability.

* * *

[Translation]

THE ENVIRONMENT

Mr. Bernard Bigras (Rosemont—La Petite-Patrie, BQ): Mr. Speaker, this morning, a large coalition of environmentalists and people representing business, politics and unions condemned the government's abandonment of Kyoto.

Will the government reconsider its decision, respect what Quebec has clearly said it wants and return to the Kyoto protocol objectives, as the Quebec coalition has asked?

Hon. Rona Ambrose (Minister of the Environment, CPC): Mr. Speaker, I agree with the Government of Quebec's declaration. However, the measures in Quebec's plan will not reduce air pollution enough.

Oral Questions

We need a strict national regulatory framework that goes beyond Kyoto targets. The clean air act will enable us, for the first time, to implement integrated regulation of air pollution and greenhouse gases.

Mr. Bernard Bigras (Rosemont—La Petite-Patrie, BQ): Mr. Speaker, unlike Ottawa, Quebec is ready to respect the Kyoto targets and has a plan to do just that. All it needs is the \$328 million promised by the federal government.

What happened to the \$328 million Quebec was promised to help it meet the Kyoto targets? Can the minister commit to handing that money over to Quebec immediately?

Hon. Rona Ambrose (Minister of the Environment, CPC): Mr. Speaker, I respect the Kyoto protocol and I recognize its importance to Quebec. That is why, earlier this week, I invited Minister Béchard to go with me to the next Kyoto protocol meeting in Kenya so that together, we can represent the interests of Quebec and Canada. We discussed it today, and I hope he will accept my invitation.

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HEALTH

Ms. Nicole Demers (Laval, BQ): Mr. Speaker, I accuse the Minister of Health of acting irresponsibly toward women. He recently authorized silicone breast implants again, basing his decision on evaluations carried out by experts connected with the companies that want to capture the market, no less.

Can he name me a single expert who is not connected somehow to the companies that sell implants? I would like him to name me just one expert. His department was unable to do so.

Hon. Tony Clement (Minister of Health and Minister for the Federal Economic Development Initiative for Northern Ontario, CPC): Mr. Speaker, as I said yesterday, there are a number of scientific experts, more than 2,500 scientific articles and over 65,000 pages of documents. If the hon. member wants to read these documents, she is welcome to do so. I do not mind. I encourage the hon. member to read the scientific evidence.

Ms. Nicole Demers (Laval, BQ): Mr. Speaker, he cannot name even one expert.

This minister, who has let himself be fooled by the breast implant lobby, is endangering women's health.

Does the minister realize that he is taking responsibility for what will happen to women in 10 or 15 years, on the basis of opinions from experts who are connected to the companies that sell implants?

• (1440)

Hon. Tony Clement (Minister of Health and Minister for the Federal Economic Development Initiative for Northern Ontario, CPC): Mr. Speaker, as I said yesterday, there are very strict conditions for marketing this breast implant. Certainly, there are many opportunities to study this situation. Now there is scientific evidence and there are strict conditions. In the event of a problem, it is the hon. member's responsibility to bring that problem to the attention of the House, but there is no problem now.

[English]

TRAVEL AND HOSPITALITY EXPENSES

Mr. Mark Holland (Ajax—Pickering, Lib.): Mr. Speaker, yesterday the President of the Treasury Board said the Prime Minister's chief of staff Brodie and senior adviser Burney paid their "own freight" for a stealth trip to Washington they tried to hide. Not true. Today we learned these PMO hacks took a one day, round trip, private government jet joyride, every cent at the cost of Canadian taxpayers, and every cent outside the rules.

Why did the minister mislead the House? Why did the government try to hide this meeting? What other expenses is the government trying to bury?

Mr. Jason Kenney (Parliamentary Secretary to the Prime Minister, CPC): Mr. Speaker, that is called leading with your chin. It turns out that member took a trip with the minister to California last year for four days and did not declare any hotel expenses. Maybe he was staying at a homeless shelter.

Members of the PMO staff who had important meetings with the U.S. administration flew down and back on the Challenger and did not claim the cost of the Challenger, which was a long-standing practice of the previous government. One meal was picked up at the personal expense of the chief of staff to the Prime Minister.

Mr. Mark Holland (Ajax—Pickering, Lib.): Mr. Speaker, the member should be very careful about what he said. I reported every cent of that trip.

This gets a lot worse. Treasury Board rules for Challenger aircraft state that the government must report the dates and locations of the trip, the passengers and the purpose, and must be approved by the PM and the defence minister. That March trip violated every one of those rules to keep it secret. Further, a minister must be present on these flights. There was no minister present on this PMO joyride. Every rule was broken; nothing was reported.

How can this House have any confidence when the minister misleads the House and the Prime Minister's office—

The Speaker: The Parliamentary Secretary to the Prime Minister.

Mr. Jason Kenney (Parliamentary Secretary to the Prime Minister, CPC): Mr. Speaker, all the rules were followed with respect to the trip of senior government personnel to meet their interlocutors in Washington to discuss critical bilateral issues, which in part helped in the return of nearly \$5 billion to the Canadian economy.

The member who just asked that question said he filed his returns. Funnily enough, I have it right in front of me, sir, and I would be happy to table it. It indicates he was there in California from the 16th to the 20th of January, accommodation, zero.

* * *

[Translation]

MINISTERIAL EXPENSES

Hon. Denis Coderre (Bourassa, Lib.): Mr. Speaker—

Oral Questions

Some hon. members: Oh, oh!

The Speaker: Order please. The hon. member for Bourassa has the floor.

Hon. Denis Coderre: Mr. Speaker, after learning yesterday that the Minister of Labour and Minister of the Economic Development Agency of Canada for the Regions of Quebec spent \$70,000 on his trip around Quebec in his plane from Thunder Bay, with his “Conservative blue” displays that will only be used once, we learn today that it pays to work for the minister.

The minister approved a \$24,075 contract that was given to Normand Forest Communication Conseil between March 7 and 31, 2006. Twenty-four days at \$1,000 a day.

Can the Minister of Labour and Minister of the Economic Development Agency of Canada for the Regions of Quebec confirm for me that we are talking about the same person when we talk about Normand Forest Communication Conseil and the senior advisor in his office?

Hon. Jean-Pierre Blackburn (Minister of Labour and Minister of the Economic Development Agency of Canada for the Regions of Quebec, CPC): Mr. Speaker, this is the first time I have heard about this, so I will check into it and I will give you a more specific answer at the first opportunity.

Hon. Denis Coderre (Bourassa, Lib.): Mr. Speaker, when he checks the Quebec enterprise register and sees the address of the senior advisor in his office, the minister will notice that both of them live in Lavaltrie. It is the same person. Apparently someone thought he was getting a bonus before a contract was signed. We are starting to understand why the minister is taking his time filing his expense account.

Can the minister tell us why he thought it was a good idea to give his advisor a contract before hiring him? Specifically, can the minister tell us what Mr. Forest did for 24 days at a cost of \$1,000 a day?

Hon. Jean-Pierre Blackburn (Minister of Labour and Minister of the Economic Development Agency of Canada for the Regions of Quebec, CPC): Mr. Speaker, is the member for Bourassa telling me that the contract was given to this person before he was hired by my department?

* * *

• (1445)

[English]

JUSTICE

Mrs. Cheryl Gallant (Renfrew—Nipissing—Pembroke, CPC): Mr. Speaker, the constituents of Renfrew—Nipissing—Pembroke do not want U.S. pedophiles freely walking Canadian streets. Yesterday the Minister of Public Safety told the House that despite the weak Liberal laws on the books he is committed to using every legal instrument possible to have this individual detained and declared dangerous and inadmissible.

Can the minister bring us up to date on what is being done so far to protect Canadian families?

Mr. Dave MacKenzie (Parliamentary Secretary to the Minister of Public Safety, CPC): Mr. Speaker, that is an excellent

question from the member for Renfrew—Nipissing—Pembroke. I can also say that constituents not only in her riding but in ridings across Canada have those concerns.

I can tell the House today that CBSA has deemed this individual a risk and has detained him for removal. He has the right to appeal.

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NATIONAL DEFENCE

Ms. Alexa McDonough (Halifax, NDP): Mr. Speaker, last week the defence minister denied receiving a transition memo stating that 1,200 personnel were available for missions other than Afghanistan, and the Chief of the Defence Staff denied ever sending that memo. Yesterday they sang the same tune at the foreign affairs committee, but I have that transition book, addressed to the minister, signed by General Hillier and dated February 2006.

I cannot actually believe I am asking this question, but is the minister telling us that he never read his ministerial transition book upon taking office?

Hon. Gordon O'Connor (Minister of National Defence, CPC): Mr. Speaker, I will say again that I have never seen the memo and I have never read the memo, but it is quite incidental. What the member is talking about is whether the army has the ability to engage in a second large operation. I have been subject to many briefings from the day I joined the department until now, and continuously I have been told the army does not have the ability to send a large number of troops to any other location.

Ms. Alexa McDonough (Halifax, NDP): Mr. Speaker, denying things that actually happened is becoming the government's trademark.

If the minister did not read his briefing book, does that mean he did not read the memos on procurement, on national security policy, on NATO policy, on infrastructure and on environmental issues? The list goes on.

If the minister will not give straight answers on the simple matter of a transition book, how can Canadians trust him on the life and death decisions that put our soldiers' lives at risk each and every day?

Hon. Gordon O'Connor (Minister of National Defence, CPC): Mr. Speaker, I have been extensively briefed on all the issues within the defence department. If the hon. member wants to sit down somewhere with me and contest who knows what in the defence department, I am prepared to do that.

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[Translation]

AEROSPACE INDUSTRY

Hon. Jean Lapierre (Outremont, Lib.): Mr. Speaker, the former government of Canada made a commitment of up to \$350 million to the Bombardier CSeries project. Today the spokeswoman for the Ministry of Industry declared that the deal was off because Bombardier pulled the plug on the project. Nothing could be further from the truth. The CSeries project is still being actively considered by Bombardier management.

Oral Questions

Will the Minister of Industry deny his spokeswoman's claim and confirm that the Government of Canada still financially supports the CSeries project, and that it still has the \$350 million in reserve—?

The Speaker: The hon. Parliamentary Secretary to the Minister of Industry.

[English]

Mr. Colin Carrie (Parliamentary Secretary to the Minister of Industry, CPC): Mr. Speaker, in May 2005, it is true, the Government of Canada committed \$350 million to support the CSeries project. This support is conditional on Bombardier meeting certain conditions, including the formal launch of the CSeries program. As the CSeries program has not yet been launched, no funds have been disbursed to the company with respect to the CSeries project.

Bombardier has yet to launch the CSeries project. When the company does so and when it fulfills its conditions, this government will honour its agreement.

[Translation]

Hon. Jean Lapierre (Outremont, Lib.): Mr. Speaker, I would like to ask the parliamentary secretary why the Minister's spokeswoman said that everything has to be re-evaluated.

Are the funds in reserve or not?

[English]

Mr. Colin Carrie (Parliamentary Secretary to the Minister of Industry, CPC): Mr. Speaker, what I can say for certain is that the minister's goal is for Canada's aerospace and defence industry to be positioned to be a world leader, with fair opportunities to supply products, components and services. The minister is carefully considering what direction Canada's new government can take to ensure that our aerospace and defence industry reaches its full potential.

* * *

• (1450)

[Translation]

THE ENVIRONMENT

Mr. Pablo Rodriguez (Honoré-Mercier, Lib.): Mr. Speaker, this morning, Conservative members ground to a halt the work of the Standing Committee on the Environment and Sustainable Development.

The Prime Minister is trying to act as though he had a majority. When the opposition calls him to order, he throws a temper tantrum like a spoiled child, and he sulks.

When he was opposition leader, the Prime Minister said it is Parliament that leads this country, not just the party that has the most seats. He was in favour of democracy at the time and showed a little judgment.

Can the acting chair of the committee assure this House that the committee agenda will allow for fair and responsible work on my bill on Kyoto?

[English]

Mr. Mario Silva (Davenport, Lib.): Mr. Speaker, the agenda of the environment committee ground to a halt today due to

Conservative members filibustering the committee. This is shameful and unprecedented.

Clearly the Conservatives do not care about climate change and do not care about the environment. We, as members of the committee, are prepared to deal at our committee with the most important issue of climate change and the most important issues facing the environment.

[Translation]

Mr. Pablo Rodriguez (Honoré-Mercier, Lib.): Mr. Speaker, this is the first time I have received a decent answer to my question.

The party on the extreme right has just reached a new all-time low. This morning, the Conservative members of the Standing Committee on the Environment and Sustainable Development filibustered. They trampled the will of this House. They turned their backs on democracy. It is altogether petty, cheap and immoral.

After abandoning Kyoto, after ruining our reputation internationally, after proving that he does not care about future generations, the Prime Minister has shown again today that he detests democracy as much as he detests Kyoto. Why?

Hon. Rona Ambrose (Minister of the Environment, CPC): Mr. Speaker, our government tabled a bill that surpasses Kyoto, that addresses climate change and air pollution in an integrated manner. Canadians and Quebecers want to know if the opposition will agree to discuss that bill in committee.

* * *

HEALTH

Ms. Christiane Gagnon (Québec, BQ): Mr. Speaker, the Minister of Health is putting the health of women at risk. This same type of mistake by irresponsible people in the past caused the contaminated blood scandal.

I am asking him, without trying to dodge the issue, to name a single, totally independent expert he used to make his decision. Name one.

Hon. Tony Clement (Minister of Health and Minister for the Federal Economic Development Initiative for Northern Ontario, CPC): Mr. Speaker, I can say that many studies were done, and I shall list them.

[English]

For example, the Public Health Agency, in collaboration with cancer care agencies in Ontario and Quebec, studied the incidence of cancer. That study has been published in the *International Journal of Cancer*. It shows that women undergoing cosmetic breast augmentation do not appear to be at an increased long term risk of developing cancer. I rest my case.

[Translation]

Ms. Christiane Gagnon (Québec, BQ): Mr. Speaker, I am asking the minister to name a single independent expert used for his decision. We are talking about the health of women in Canada.

[English]

Hon. Tony Clement (Minister of Health and Minister for the Federal Economic Development Initiative for Northern Ontario, CPC): Mr. Speaker, I have answered the question. I gave an example. If the hon. member disagrees with the example, she is entitled to do so, but the facts speak for themselves.

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CANADA POST

Hon. Robert Thibault (West Nova, Lib.): Mr. Speaker, last night the House of Commons unanimously passed a Liberal motion ordering Canada Post to restore traditional mail delivery to rural Canadians. Canadians across the country are watching the government carefully to see if the minister keeps his word and respects this motion.

This is a huge issue for our rural communities and any further delay is completely unacceptable. It has been many months. When can rural Canadians expect to see their mail service restored?

Hon. Lawrence Cannon (Minister of Transport, Infrastructure and Communities, CPC): Mr. Speaker, as I have had the opportunity of mentioning, there indeed have been many representations, not only from my colleagues in this caucus but also from members of the House, and last night we did support unanimously a private member's bill.

Of course in the coming weeks we will be able to scope out measures that the House will look at and hopefully will support—

Hon. Vic Toews: Unanimously.

Hon. Lawrence Cannon: Yes, unanimously, dear colleague, so that we can get on and protect traditional mail rural delivery in Canada.

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● (1455)

FISHERIES AND OCEANS

Mr. Norman Doyle (St. John's East, CPC): Mr. Speaker, on Monday evening, another foreign fishing vessel was caught misreporting its catch on the Grand Banks just outside Canada's 200 mile limit. It was clear that the vessel had over-reported its actual catch of shrimp in order to later catch an illegal amount of Greenland halibut, a species under moratorium.

Can the Minister of Fisheries and Oceans tell the people of Newfoundland and Labrador and all Canadians what has happened since? Is that vessel still breaking the rules in NAFO waters?

Hon. Loyola Hearn (Minister of Fisheries and Oceans, CPC): Mr. Speaker, I appreciate my colleague's question. Our fisheries officers boarded the Spanish boat and found that the captain was misreporting catch. Our colleagues from the EU came on board and verified that. Spain immediately ordered the boat out of the NAFO zone.

When the Liberals were in power, our patrol boats did not have any fuel, relations were bad with the EU and we had a confrontation with Spain. What a difference.

Oral Questions

ABORIGINAL AFFAIRS

Ms. Jean Crowder (Nanaimo—Cowichan, NDP): Mr. Speaker, one year ago, the NDP member for Timmins—James Bay told of the horrors facing the people of Kashechewan. He said, “The school is closed, the health centre is closed and a Health Canada official told the people that it was perfectly safe to bathe their children in E. coli contaminated water”.

One year later, the situation is not much better for the people of Kashechewan. The school is still closed. The children are going to school in Timmins, not at home.

Will the minister tell us what the plan is for the community in the coming year?

Mr. Rod Bruinooge (Parliamentary Secretary to the Minister of Indian Affairs and Northern Development and Federal Interlocutor for Métis and Non-Status Indians, CPC): Mr. Speaker, a year ago all members of the House were definitely concerned about the situation that was seen in Kashechewan. The people there faced a harrowing experience.

Thankfully, there has been some improvement since then. All residents have returned as of August of this year. Water now meets the Ontario standards.

Our government continues to work with the leadership of Kashechewan, the Mushkegowuk Tribal Council, to find a durable, long term solution to the challenges faced by the people of Kashechewan.

Ms. Jean Crowder (Nanaimo—Cowichan, NDP): Mr. Speaker, where are the new homes? We are coming up to a critical time. The ice roads connecting the village to the rest of Ontario will be accessible to bring in building supplies. The government must commit now to a new community. People in Kashechewan deserve no less.

Will the minister commit to a definite timeline? When will the last new home be built? When will the last students be able to return home and receive schooling in their own community?

Mr. Rod Bruinooge (Parliamentary Secretary to the Minister of Indian Affairs and Northern Development and Federal Interlocutor for Métis and Non-Status Indians, CPC): Mr. Speaker, earlier this year we appointed Alan Pope as our special federal representative, who is working with the community, the provincial government and all those affected to find a lasting solution. We look forward to working with the community to find options in relocation in the context of a plan to develop a sustainable long term community.

Hon. Anita Neville (Winnipeg South Centre, Lib.): Mr. Speaker, despite being on different sides of the conflict at Caledonia, the one thing all the parties agree on is that the federal government has not done enough to resolve the situation. Premier McGuinty said so. Karl Walsh, of the association of provincial officers, and Ken Hewitt, of the Caledonia Citizens' Alliance, said so.

The Minister of Indian Affairs says that resolving land claims is a priority. Why, then, has the minister been AWOL on resolving Caledonia? Is this how he solves priority issues?

Business of the House

Mr. Rod Bruinooge (Parliamentary Secretary to the Minister of Indian Affairs and Northern Development and Federal Interlocutor for Métis and Non-Status Indians, CPC): Mr. Speaker, our government has been at the table in Caledonia since the beginning. We will continue to work with all parties to find a peaceful solution.

I must be clear that the Government of Ontario did act unilaterally in purchasing the land that is currently in dispute. Of course, policing is still a provincial jurisdiction on that land as well.

We will continue to be involved with all parties to find a lasting solution.

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CANADA POST

Mr. John Cummins (Delta—Richmond East, CPC): Mr. Speaker, my question is for the Minister of Transport and the minister responsible for Canada Post.

Would the minister provide the House with an update on the difficulties facing international remailers? This is an issue of much importance to many small businesses from coast to coast.

• (1500)

Hon. Lawrence Cannon (Minister of Transport, Infrastructure and Communities, CPC): Mr. Speaker, many members from all sides of the House have indicated support on this issue. Indeed, the new government supports small businesses and competitive economic conditions needed to ensure their survival.

This is why the government will be coming forward in a few weeks with substantive steps to deal with the issue regarding international remailers.

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CANADIAN WHEAT BOARD

Hon. Wayne Easter (Malpeque, Lib.): Mr. Speaker, yesterday the Prime Minister said that the government had put the Wheat Board under access to information. Actually, the government was advised by its legal counsel not to include the Canadian Wheat Board because it was not a government agency and the government did not.

Access to information was squeezed in by the NDP member for Winnipeg Centre during his convenient love affair with the Conservatives.

Is it the intent of the government to include all grain companies, such as Cargill and Agricore, under access to information or does the Prime Minister just want to give multinationals an advantage over the farm owned farmers marketing institution?

Hon. Chuck Strahl (Minister of Agriculture and Agri-Food and Minister for the Canadian Wheat Board, CPC): Mr. Speaker, the government is not involved in a financial way with Cargill. We do not force farmers to deal with Cargill if they do not want to.

Since there is a monopoly situation on the Prairies and only western Canadian producers need to deal with the Canadian Wheat Board and since there is government money involved, farmers

should have access to information and access to the Wheat Board so they can find out where their money is being spent.

* * *

[Translation]

HEALTH

Ms. Nicole Demers (Laval, BQ): Mr. Speaker, will the minister admit that the study on which he based his decision to allow breast implants does not deal with ruptured devices or the diseases caused by ruptured devices, which means that it is incomplete and does not provide the minister with the essential data on which to base a decision?

Hon. Tony Clement (Minister of Health and Minister for the Federal Economic Development Initiative for Northern Ontario, CPC): Mr. Speaker, there are really many examples. A second study examines mortality and was published in the *American Journal of Epidemiology*. This study found that breast implants do not increase mortality in women. There are many studies, among which are the two that I mentioned.

* * *

[English]

PRESENCE IN GALLERY

The Speaker: I draw the attention of hon. members to the presence in the gallery of the winner of the 2006 Saidye Bronfman Award for Excellence in the Fine Arts, Mr. Peter Powning; and past award recipients: Michael Hosaluk, Kai Chan, Maurice Savoie, Susan Warner Keene, Carole Sabiston, Michael Wilcox, Micheline Beauchemin, Lois Etherington Betteridge, Robin Hopper and Marcel Marois.

Some hon. members: Hear, hear!

The Speaker: We will now have the Thursday question.

* * *

BUSINESS OF THE HOUSE

Hon. Ralph Goodale (Wascana, Lib.): Mr. Speaker, as is the tradition on this day, I wonder if the government House leader could give us an indication of his plan for government business between now and the time when the House will take a recess for Remembrance Day.

I also wonder, with his report, if he now in a position to specify the two dates upon which the House will on certain evenings consider the estimates in the committee of the whole of two government departments. Those departments have already been indicated as HRSDC and National Defence, and I would be grateful if the minister could specify the dates upon which those estimates will be called forward.

In light of the minister's public commentary about the government's plans with respect to any motion pertaining to same sex marriage, would the minister be in a position to be any more specific as to when that motion will be called, and particularly, would it be happening before the end of November?

Point of Order

• (1505)

Hon. Rob Nicholson (Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Mr. Speaker, today we will continue with Bill C-28, the bill to implement the 2006 budget tax measures. This would be followed, time permitting, with Bill S-2, hazardous materials, and Bill C-6, the aeronautics amendments.

Tomorrow we will continue with the business from today with the possibility as well of completing the third reading stage of Bill C-16. I will talk to the opposition House leader about that after this.

Next week we hope to begin debate on some of the government's justice bills. The first one will be on the age of consent, Bill C-22. If we could get unanimous consent to pass that at all stages that would be very much appreciated.

We will go then to Bill C-27, our dangerous offenders bill and any cooperation we can get to move that along would be appreciated, I think, by the people of this country.

I am looking forward to sitting down with the official opposition and other parties to discuss the speedy passage of the many popular bills that the government has introduced and I am looking forward to their cooperation on that.

Pursuant to Standing Order 66(2), I would like to designate Tuesday, October 31, as the day to continue debate on the second report of the Standing Committee on Agriculture and Agri-Food.

In response to the member's questions, consideration in committee of the whole of the votes under the Department of Human Resources and Skills Development on the main estimates for the fiscal year ending March 31, 2007, shall take place on Wednesday, November 1, 2006, pursuant to the Standing Orders. The second day for consideration of committee of the whole will be November 7, 2006.

As well, I should indicate that Thursday, November 2, 2006, shall be an allotted day.

With respect to the member's questions with respect to the same sex marriage, we will fulfill our campaign promise on that and we will be proceeding with it this fall.

Ms. Alexa McDonough: Mr. Speaker, I rise on a point of personal privilege to seek unanimous consent of the House to place on the table a copy of the defence minister's transition briefing book which he said, yet again today, that he has never seen nor read.

The Speaker: Does the hon. member for Halifax have the unanimous consent of the House to table this document?

Some hon. members: Agreed.

Some hon. members: No.

* * *

[Translation]

POINTS OF ORDER

ORAL QUESTIONS

Hon. Jean-Pierre Blackburn (Minister of Labour and Minister of the Economic Development Agency of Canada for the Regions of Quebec, CPC): Mr. Speaker, during oral question period, the hon.

member for Bourassa asked me a question about the Normand Forest Communication firm, which we apparently hired.

We are indeed talking about a contract that was awarded for the period from February to March, before his cabinet appointment, and was paid using cabinet's regular budget, as duly disclosed on the website. We must have been satisfied with his work if we hired—

The Speaker: The hon. member for Ajax—Pickering, also on a point of order.

[English]

Mr. Mark Holland (Ajax—Pickering, Lib.): Mr. Speaker, it seems that the government is making it a habit to mislead the House and it occurred again today with the parliamentary secretary.

I am happy to talk about the trip I took. In fact, I sent out a press release about the meetings I had with Governor Schwarzenegger and other key officials in California, with a real minister of the environment working toward a real plan to solve our environmental problems.

As for the hotel expenses, as the parliamentary secretary should well know, I did not pay for the hotel because it was already prepaid by the ministry and reported, if he bothered to look, with the broader expense claim. It is there, fully reported.

This stands in stark contrast to what was done by both Brodie and Burney, individuals within the PMO who took a Challenger flight without a minister, which is against the rules. These are individuals who did not follow the rules by disclosing where they went, what they paid, what they did and when they went. I followed the rules. They did not. They should be ashamed by casting that aspersion.

• (1510)

The Speaker: We do not want to get into a debate here and it looks as though that is where we are heading.

The hon. Parliamentary Secretary to the Prime Minister is rising on the same point I have no doubt.

Mr. Jason Kenney (Parliamentary Secretary to the Prime Minister, CPC): Mr. Speaker, I am delighted to table the disclosure of travel and hospitality expenses filed by the member for Ajax—Pickering for his travel with a current member of this House to California to meet with, I gather, George Bush's close personal friend, Republican Governor Schwarzenegger, in Los Angeles and San Francisco. His claim for accommodation is zero.

The funny thing is that on the same trip, on the same dates and on the same voyage the former minister of the environment made an accommodation expense for himself, not his whole group, in the amount of \$853.42. I am delighted to table these and provide them to the media so the member opposite can answer the pertinent questions.

Speaker's Ruling

The Speaker: I am sure the points raised by both members have clarified the position.

CITIZENSHIP ACT—BILL C-14—SPEAKER'S RULING

The Speaker: I am now prepared to rule on the point of order raised by the hon. Parliamentary Secretary to the Minister of Citizenship and Immigration on October 6 concerning the admissibility of an amendment to Bill C-14, An Act to amend the Citizenship Act (adoption), adopted by the Standing Committee on Citizenship and Immigration.

[Translation]

I would like to thank the Parliamentary Secretary for having raised this issue as well as the hon. members for Burnaby—Douglas and Vaudreuil-Soulanges for having made submissions on this matter.

[English]

In his presentation, the parliamentary secretary asserted that an amendment to Bill C-14 adopted by the standing committee was inadmissible for three reasons: it was contrary to the principle of the bill, it was incomplete and it infringed on the financial initiative of the Crown. The hon. member for Burnaby—Douglas presented arguments to the contrary.

To summarize the situation briefly, at its meeting of June 21, 2006, the Standing Committee on Citizenship and Immigration adopted an amendment which reads as follows:

Any decision of the Minister under this section may be appealed to the Immigration Appeal Division of the Immigration and Refugee Board.

That amendment was ruled admissible by the chair of the committee after a point of order was raised by the parliamentary secretary in committee. The ruling was then appealed and sustained. Following further consideration of the bill, the committee reported it to the House on October 2, 2006.

As all hon. members know, the Chair has always been extremely reluctant to be drawn into procedural arguments over committee proceedings since to do so would reopen matters which are properly left to committees themselves to resolve. Perhaps more significantly, such a practice would also undoubtedly tie up the time of the House in reviews of committee decisions defeating the very purpose of committees.

The one exception to this practice is, however, the one cited by the parliamentary secretary in relation to legislation before the House. As he has indicated, *House of Commons Procedure and Practice*, at pages 661 and 662, indicates that the Chair will become involved if the question at issue is whether a committee has exceeded its powers in its clause by clause review of a bill.

[Translation]

As Speaker Fraser indicated in a ruling found at page 9801 of the Debates for April 28, 1992:

When a bill is referred to a standing or legislative committee of the House, that committee is only empowered to adopt, amend or negative the clauses found in that piece of legislation and to report the bill to the House with or without amendments. The committee is restricted in its examination in a number of ways. It cannot infringe on the financial initiative of the Crown, it cannot go beyond the scope of the bill as passed at second reading, and it cannot reach back to the parent act to make further amendments not contemplated in the bill no matter how tempting this may be.

[English]

The first issue raised by the parliamentary secretary in his presentation to the House relates to the amendment being contrary to the principle of the bill. As the parliamentary secretary himself stated at page 3769 of the *Debates*:

The principle of Bill C-14, as adopted by the House, was to allow for a grant of citizenship to foreign adopted children without first requiring them to be permanent residents.

Having reviewed the bill as reported to the House, I cannot conclude that an amendment which provides for an appeal of a decision by the minister is contrary to the principle of the bill. As I see it, such an amendment places a condition on how decisions of the minister are exercised, but the principle of the bill remains intact. In the view of the Chair then, the amendment is admissible in that respect.

• (1515)

[Translation]

The next issue relates to the amendment being incomplete. As *House of Commons Procedure and Practice* explains at page 656:

—an amendment is out of order if it refers to, or is not intelligible without, subsequent amendments or schedules of which notice has not been given, or if it is incomplete.

[English]

Here again, in reviewing the bill, as reported to the House, I have not found any difficulty. As I read it, the amendment is intelligible, grammatical and complete as to the course of action that it is proposing. I cannot concur with the parliamentary secretary.

In his third and final argument, the parliamentary secretary claims that the amendment creates a new and distinct purpose for the Immigration and Refugee Board beyond its existing legal mandate under the Immigration and Refugee Protection Act and that this infringes on the financial initiative of the Crown. The member for Burnaby—Douglas disputes this conclusion, arguing that no expansion of the mandate is contemplated.

The Chair has noted that Bill C-14 proposes no amendments to the Immigration and Refugee Protection Act. Nor does the disputed amendment propose modifications to that act. As I read it, the amendment only provides that decisions arrived at under the terms of Bill C-14 may be appealed to the IRB's Immigration Appeal Division. Although immigration and citizenship issues are inextricably inclined, Bill C-14 deals solely with the issue of foreign adopted children and not with the mandate of the Immigration and Refugee Appeal Board. In effect, the Chair must limit itself to the bill currently before the House and cannot delve into the provisions of acts not addressed in the bill. The same principles apply to the amendment.

*Government Orders***GOVERNMENT ORDERS**

[English]

BUDGET IMPLEMENTATION ACT, 2006, NO. 2

The House resumed consideration of the motion that Bill C-28, A second Act to implement certain provisions of the budget tabled in Parliament on May 2, 2006, be read the second time and referred to a committee.

The Speaker: Before question period, the hon. member for Beaches—East York had the floor. There are 16 and a half minutes remaining in the time allotted for her remarks. I now call on the hon. member for Beaches—East York.

Hon. Maria Minna (Beaches—East York, Lib.): Mr. Speaker, as I said before question period, I am obviously not supporting the bill because of the cuts the government has made. Some of those are the elimination of the child care agreement and cuts to the Status of Women program, the literacy program, affordable housing and many others. Also, budget 2006 increased income taxes to Canada's lowest income earners and slashed important social programs.

Canadians will get a chance to cast judgment on this meanspirited government and they will see that the Conservatives are prepared to compromise the economic status that Canadians have worked so hard to achieve. The Conservative government had the opportunity to bolster productivity and lift Canada's capacity to generate long term growth and prosperity, but it threw that out the window for immediate growth of the Conservative Party instead.

As we have said before, the tax provisions outlined in the budget only benefit small segments of the population and when examined more closely, put more strain on students, low income families and the environment, among countless others.

Again, the Canada employment tax credit increases the basic personal exemption, but it only applies to employed taxpayers and not to all Canadians. To make matters worse, the government decreased the basic personal exemption for all Canadians, therefore raising their income tax. Especially for seniors and people on fixed income, this is absolutely appalling. We were raising the personal exemption up to \$10,000 from \$9,800. Now it has gone down to \$9,300. Our system would have at least taken about 250,000 or more seniors off income tax rolls altogether. Therefore, this has hurt people because it is actually a tax increase.

Also the Conservatives are essentially giving only \$77.50 per year to students who spend \$500 on books. The Liberal government had proposed to pay 50% of the first and last years of the post-secondary program.

The program the Conservatives have does not create access for students to post-secondary education, who are struggling and pay little taxes to begin with. By cancelling \$3.11 billion over five years and replacing that with \$175 million tax credit is shameful. It is so paltry and absolutely embarrassing.

The Chair has concluded that the amendment adopted by the Standing Committee on Citizenship and Immigration has respected the rules of admissibility. It may be that the amendment to the bill will require other legislative actions in order to be fully implemented, but that is a legal question and not a procedural one. The Chair is limited to the narrow confines of Bill C-14 and must conclude that, standing alone, the amendment does not create a new and distinct purpose. Nor does it authorize the expenditure of public funds for a new or distinct purpose.

In summary, then, I find that the bill, as reported to the House, is procedurally in order. Of course, the House may choose to revisit the particular amendment that gave rise to the point of order raised by the Parliamentary Secretary to the Minister of Citizenship and Immigration, using the appropriate mechanisms provided for under the report stage rules.

The Chair wishes to thank the House for its patience in dealing with this rather unusual situation.

ROUTINE PROCEEDINGS

[English]

COMMITTEES OF THE HOUSE

OFFICIAL LANGUAGES

Hon. Jay Hill (Prince George—Peace River, CPC): Mr. Speaker, there have been discussions among all parties and I think you would find unanimous consent for the following motion. I move:

That, in relation to its study on the vitality of official language minority communities, seven (7) members of the Standing Committee on Official Languages be authorized to travel to St. John's, Moncton, Sherbrooke, Toronto and Sudbury, in November and December, and that the necessary staff do accompany the Committee.

(Motion agreed to)

Hon. Ralph Goodale: Mr. Speaker, I rise on a point of order. On a point pertaining to business earlier this afternoon, just before your ruling, the Parliamentary Secretary to the Prime Minister, speaking to a certain matter, sought to table some documents, and I understand the tabling in fact took place.

The member for Ajax—Pickering has indicated that he has some material pertinent to the same matter, which he may wish to table in order to complete that particular record.

As a matter of fairness, I think it would be appropriate, since the parliamentary secretary has been permitted to table his material, that should the member for Ajax—Pickering wish to table material in relation to the same matter, he should be allowed to do so.

Some hon. members: Agreed.

• (1520)

The Speaker: I presume the member for Ajax—Pickering will come in and ask for consent when he has the documents in hand and it will be dealt with. From what I am hearing in the chamber, it sounds as though there might be agreement to allow that to happen. Obviously we will have to hear what the documents are.

Government Orders

Again, the government obviously does not have a plan for prosperity. Education is a major part of prosperity and that does not seem to be part of its program. As far as I am concerned, it has a plan for disaster. Education, prosperity, innovation, research, students, universities and partnerships with the provinces are all gone. There seems to be no need for the government to invest in Canadians and to work with provinces.

Again, the transit credit that the government has put in is a joke. It leaves rural Canadians scratching their heads as to how this will benefit them. It does not increase in any way the ridership or take cars off the road. Environmental groups have no idea where the Minister of the Environment gets the idea that 56,000 cars have come off the road. Maybe she just thinks it is a good number. There is no way to verify any of that until well into next summer.

We all know that transit is not feasible for many Canadians. Money needs to be invested in better access and improved transit. A dollar per month tax credit will not do it. Nor will it do it with the environment, nor for people who need the investment, nor for the investment that the previous government was making with municipalities. The partnership that existed between the Government of Canada and the municipalities of this country on many levels, housing, transportation, environment and green environmental programs is gone. That kind of partnership does not seem to exist.

I am not quite sure if the Prime Minister has even met with the mayor of Toronto. If he has, I am not sure what came of it. At this point I suspect that has not even happened, not in any meaningful way.

• (1525)

The fitness tax credit is the perfect example of another selective tax measure that effectively does nothing but support those few families that have children already enrolled in sports. Anyone paying the bill for sports knows that the final value of \$77.50 for a year is no real help to anyone. It is a bit of candy in the window like the Conservatives have done in many other things, but there is no real value behind it. Actually, if we eat too much, it will give us a toothache. Added to that, the parents who pay for children to take acting classes or piano lessons or anything such as arts or culture related are left with no help from the government. This is no surprise. A carton of yogurt has more culture than the Conservative Party as far as I am concerned.

To top it off, all these tax credits are washed away with the half point income tax hike the government introduced. By raising income tax, the government is cancelling out any of these tax credits and putting low income Canadians at even more risk. They try to give it with one hand, then they hike the taxes on the other side and we realize at the end of the day we really do not have it. It is like "now you see it, now you don't".

Again, the much touted GST cut does little for the poorest of all Canadians. It does not benefit all Canadians as the Conservatives claim, it only benefits the rich. People need a lot of money to spend before they can benefit from the GST reduction. The GST is not charged on basics such as food and housing, which are most of the expenditures of low income households and we all know that. There is nothing in this budget for the 1.2 million children and families living in poverty.

The government has to be concerned with the most vulnerable and all citizens of our country, which the budget and the Conservative Party do not do. As far as I am concerned, the recent budget cuts are meanspirited and expose a direct attack on Canada's most vulnerable. The average Canadian citizen is going to feel those cuts very badly.

All Canadians have to live with the cuts aimed at a very narrow spectrum of Conservative supporters. Ontarians remember the Harris tax cuts that left Ontario with no services and a massive budget deficit, something that the current government is still trying to fix. It is taking a long time and it is going to take much longer. Now we have the main player in that, the now Minister of Finance, who will do the same thing to all Canadians as he did to Ontario, no services and a deficit to boot.

The minority Conservative government is poised to cut even more. This "fend for yourself" society will leave our most vulnerable behind as we all know. I cannot support this direct attack on our citizens and the most vulnerable of them, and therefore cannot support the bill.

The current Minister of Finance in Ottawa was very much involved with creating the mess that we have in Ontario. Most Ontarians remember that there were constant tax cuts and constant service cuts. Welfare recipients were cut by 20%. All of the services at the municipal level are now fee for service so children who need the services have to pay a fee for them. For fixed income families and low income families, this means children cannot use sports and recreational facilities.

However, Mr. Harris, like the current government, had a lot of ideas about how to put those children in jail. We have an increase for building the jail system in the budget. This seems to be the current government's same pattern because it has the same bright lights guiding it too, the President of the Treasury Board and the Minister of Finance.

I look forward to the next election when the people of Canada will pass judgment on these outrageous cuts and meanspiritedness. A Liberal government can work to cleaning up the mess the Conservatives are making of our great country. As I said, it is rather sad. The Liberals came in 1993 and had to clean up the mess that was created by the previous Conservative government. We had a deficit of over \$40 billion, high interest rates, high unemployment and an economy that was in the tank. There had been huge cuts in services. There was the brain drain, which we all talked about for so long. There were no research funds of which to speak. Canada was nowhere when it came to research, investment in education and so on.

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•(1530)

The Conservative government also cut the court challenges program and the women's program. It was forced to reinstate it at one point. We had to fix it and it was hard to fix. That hurt Canadians.

We moved beyond that. We moved to the point of reinvesting so the brain drain became the brain gain. We provided 1,000 research chairs for all the universities across Canada. The Liberal government established centres of excellence: the centres of excellence for women's health and the CIHR. We made investments in high technology and science to increase investment in this country to help our economy and our productivity.

Just before the last election, universities and colleges in this country said the brain drain had become a brain gain. More people were coming back to Canada. More young people were staying here because of the investments that the Liberal government made in our economy and our people. This included the investment in early education and child care, another major investment for our future productivity.

The Governor of the Bank of Canada, testifying at the finance committee, said very clearly that if he had \$1 to invest, he would invest it in children and early education and child care. This is where the returns are in terms of our health as well as our productivity and economy in the future.

We were able to increase the guaranteed income supplement for seniors and invested \$1 billion to look at a national program for caregivers.

The Conservative government does not seem to think that any of that is important. What did it do in the last budget? It eliminated the child supplement. Imagine taking away the child tax credit, which goes to modest income families in this country, and the child supplement, which goes to the poorest of families, while at the same time raising their taxes by .5% and lowering their personal exemptions.

The Conservative government lowered the GST, which these families cannot benefit from, and then taxed the little \$1,200 it gave them for day care, which is not worth very much. There was no mention of child care or early education to speak of. These people have not gained anything. They have lost all the way through.

That is why I say the budget is meanspirited. It hurts people. It is absolutely unbelievable that a government with a \$13.2 billion surplus would cut social programs. I understand there is even more money in the kitty of some additional billions of dollars. The government had this \$13 billion surplus thanks to the management of the Liberal government.

What did the Conservatives do with all this money? They cut services. They cut literacy. They seem to have something against people who have not been able to get proper reading and writing skills and are not able to fill out their own application forms for employment or read the safety standards in their places of employment. They are not able to get the kind of quality jobs our economy is producing. An economy is competitive only if there is a modern well-skilled labour force. This again goes to competitive-

ness. The Conservatives talk about this only in terms of text facts, but they do not invest in people and literacy is about investing in people.

Then there is the court challenges program. The government is afraid of being challenged by the citizens of Canada. The court challenges program was established to allow the citizens of Canada to be able to challenge all levels of government policies and laws if they abrogated citizens' rights. Other countries have lauded us for having the strength and the respect to give that kind of control to our citizens. It strengthens our democracy. The previous Conservative government cancelled this program. We came in to clean up and reinstated it. Now the government has cancelled it again.

•(1535)

In addition to that, and this is not following the budget but nonetheless the cuts continue, the Conservatives have now cut money to Status of Women Canada and they have changed the criteria. Women in this country, according to the Minister of Status of Women, are equal because it says so in the Constitution and therefore they no longer need anything else.

Women fought so hard for their equality in this country. The only reason women have equality in the Charter of Rights and Freedoms is because of Status of Women Canada which was established in 1971. When women were not in the charter when it was presented to Canada, they marched on Parliament with the assistance of women's organizations and fought for their rights. That is why they are in the Constitution in the first place.

The funding for those organizations that helped us to get our rights in the Constitution is going to be eliminated, so they will not be able to advocate, to research, and to fight for equality and social justice in this country. I cannot imagine a government eliminating the words social justice and equality by cutting funding to the women of Canada.

I will conclude by saying that quite frankly, I see very little in this budget to support. I am saddened by the fact that this is where we have arrived on this day.

Hon. Larry Bagnell (Yukon, Lib.): Mr. Speaker, I would like the member to elaborate a little on the cuts to women's programs and the change in direction based on what they were able to do with the little amount of funds that they did get. I wonder if she could comment not only on the cuts to their programs but other things that may affect women's groups such as the cuts to the Law Commission and the cuts to the court challenges program.

Hon. Maria Minna: Mr. Speaker, let me begin with the court challenges program.

There have been a lot of charter challenges that have gone to the Supreme Court which had to do with equality. I will start with one, the rape shield law. As the hon. member knows, women were pretty much put on the stand and raped all over again at times during those cases, and that was a charter challenge which assisted women in this country.

Government Orders

I myself was involved personally with a charter challenge to the Supreme Court to defend immigrant women. In 1986 the government was not providing them with English as a second language classes when they arrived in this country. Only men received them. The assumption was that women did not go to work, therefore they did not need English as a second language. If they did go to work, they did not need the language anyway because they went to factories, I guess, so the government did not give them subsidized language training. We actually had to start a charter challenge, a class action on behalf of immigrant women.

Aboriginal women who were working were not allowed to receive the Canada pension plan and again that was another challenge that went to court. It was upheld and of course today they do.

There were also other challenges for the disabled and so on. I could give long lists. That is no longer possible because the court challenges program has now been eliminated.

There are a lot of other equality issues and challenges that need to be addressed, but there will be no assistance because the government is too afraid to have its own policies and its own laws challenged by its citizens. That is what the program was for.

The hon. member asked about the changes of criteria with respect to the women's programs. The changes mean that organizations that are out there, as they were before, doing research and identifying areas where women do not have equality, such as pay equity, cannot get funded. They are out there informing Canadian women of the areas they need to know about where there is no equality, and then are advocating for them on their behalf to governments at all levels. They cannot get funded, so inequality is not funded. If they are fighting for social justice, again they cannot be funded.

It seems to me that the government is not interested in hearing from anybody who has anything to say about any problems that they may have with any policy the government presents because as far as the government concerned, it is all perfect which of course it is not.

• (1540)

Mr. Ken Epp (Edmonton—Sherwood Park, CPC): Mr. Speaker, I am always intrigued with a debate on whether or not things can happen if the government does not pay for them. I am of the belief that they could happen.

When I was a youngster, which was many years ago, decades ago, there was very little government programming. Yet, when there was a need in our community, it pulled together. We helped voluntarily, sometimes at an expense and sometimes only the expense of time. I know I learned from my father and my mother that when someone was in need, we reached out and helped them. I believe in that principle. That is why I personally get involved as much as I can in the lives of individuals who are in need.

I think there is a difference in philosophy here. That is, for example, if one says if we do not fund the women's group, which the hon. member mentioned, then somehow the government is against them. That is a false assumption.

Also, I distinctly remember that the Liberal government, when it was in power, denied women's groups. I will mention specifically

REAL Women. That group was not eligible for funding. Why were the Liberals against those women?

Personally, I would not even lay the accusation that the Liberals were against women with the kinds of ideas that that particular group showed. However, the Liberals did not fund them.

Why does the opposition now lay the charges at us that somehow because the government does not fund a particular group, that the government is against them? That is a false assumption.

I would also like to say that if it is true that the National Action Committee on the Status of Women represents, as it claims, all the women in this country, then all that group would have to do, and I think there must be at least 8 million adult women in this country, that would be my estimate, is have each woman donate a dollar. Then the group would have \$8 million. This would be more money than the group could ever spend.

I think if people really believe in the Status of Women then they would fund it. I have had a number of women on different occasions say that the Status of Women does not represent them. I say that is their choice. Why should these women through their taxes be obliged to support a group that does not represent them?

I know I have gone on a rambling scheme here. I want to assure the member that simply because the government does not think the taxpayers should be funding a certain segment of any group, that the government is automatically against that group. We feel that the taxpayers should not be funding that group.

Hon. Maria Minna: Mr. Speaker, there is quite a lot there to chew, and some of it, I have to say, I find somewhat offensive. I will tell the House why.

The philosophy of seeing someone in need and handing out a bit money is charity. Why should people be subjected to charity? They pay taxes. They have rights. There is dignity involved. I am sorry, but I think the member's philosophy is offensive.

I have seen people who work for a minimum wage which is so low. It is not acceptable. I find that offensive. If only we would increase the minimum wage, they would have a decent income.

I do not come from a wealthy family. My parents worked hard. I went to work long before I was able to go to university to help myself out. I do not expect that children today should have to live on alms. To think that the poor children of Canada should have to wait for charity before we help them out is offensive.

On the issue with respect to women, the Canadian Advisory Council on the Status of Women was established purposely as an agency to assist women to achieve equality. With respect, REAL Women is not an organization that works to help women to achieve equality.

Mr. Ken Epp: They sure do.

Hon. Maria Minna: No, they do not, not according to the Constitution of this country. Not according to what is stated. It was the Canadian Advisory Council on the Status of Women that helped Canadian women get their constitutional rights.

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If the hon. member is telling me that everything can happen by itself, why was it that in 1982 the Government of Canada in order to get the charter of rights, the compromise with the provinces was that women's rights were written out? There were no women's rights in the Constitution when it was first tabled. Why was it that the women of this country had to march on Ottawa in order to get themselves recognized in the Constitution of this country? It is only with that kind of assistance and the charter challenge program that women will have the ability to continue to help themselves in this country. By stating that equality is there by virtue of its existence is not good enough.

We can say that women are strong people. One of the members was mentioning today at committee that women are strong and must I admit that women are strong. Of course they are strong. My mother was a very strong woman. She worked for long hours in a factory that had no standards whatsoever. She was paid a pittance of a salary and she raised four children on it. She was a strong woman, but she should not have had to put up with that kind of situation, that kind of unhealthy work environment.

The fact that women are strong does not mean they deserve to continue to be abused. There are rights in this country. It is an issue of human rights. It is not an issue of alms or charity.

I resent that we are talking in terms of all the women pitching in a dollar. They pay taxes. They should not have to pitch in a dollar. The government has an obligation. We collectively have an obligation to help each other.

There is no question that our philosophies are different. Our ideologies are different. We believe in a collective responsibility of looking after one another. The Conservatives do not.

• (1545)

[Translation]

Mr. Bernard Bigras (Rosemont—La Petite-Patrie, BQ): Mr. Speaker, I am very pleased to speak today to Bill C-28, A second Act to implement certain provisions of the budget tabled in Parliament on May 2, 2006. This bill is over 130 pages long.

In this bill, the budget that the Minister of Finance tabled last spring is divided into five broad areas. It addresses a number of issues and sets out tax measures affecting individuals.

This bill also proposes to extend tax benefits given to farming and fishing businesses; it deals with corporate taxes; it amends the tax rate for banking institutions; and it reduces the excise tax on volumes of beer under 75,000 hectolitres.

In the 20 minutes allotted to me to talk about Bill C-28 today, I would like to address the aspect relating to tax measures affecting individuals, but more specifically the 15.5% non-refundable tax credit for public transit that was announced in the budget. In order to be eligible for the credit, taxpayers must supply a receipt or proof of purchase of a long-term public transit pass.

I certainly do not intend in this speech to dispute the measure proposed by the government in the last budget; rather, I would like to demonstrate that this one measure alone, the 15.5% non-refundable tax credit, is insufficient to reduce greenhouse gas emissions. In fact the government committed itself in its budget to presenting us with a

climate change plan, which we are still waiting for. The only environmental measure that the government is proposing is the non-refundable tax credit for public transit.

We believe, however, that this is not sufficient to reduce greenhouse gas emissions and to meet Canada's commitment to reducing greenhouse gas emissions by 6% from 1990 levels during the period between 2008 and 2012.

Why is it not sufficient? Because a 15.5% non-refundable tax credit is not a sufficient incentive for people to use public transit. If the government genuinely wants to reduce greenhouse gas emissions and promote public transit, it will have to ensure that this measure is accompanied by adequate funding for public transit infrastructures, particularly in municipalities.

In fact it bothers me that the government is presenting this measure to us today, because the Department of Finance submitted a report to its minister showing that this measure alone would be ineffective in reducing greenhouse gas emissions even before he tabled this budget.

The minister had available to him a report showing that this measure alone would lead to a reduction in greenhouse gas emissions of only 0.01%, when Canada has to reduce those emissions by 300 million tonnes. Plainly this measure alone will lead to a reduction of only 13,000 tonnes in Canada.

The government, which sometimes says it believes in climate change and sometimes says it does not, is presenting us today with this tax credit that is the only environmental measure it proposed. Obviously that measure alone will contribute to reducing greenhouse gas emissions by only 0.01%.

• (1550)

This is not enough. We have a government that is refusing to honour the commitments Canada made in the fight against climate change and that, in its budget, is promising to table a climate change plan in the future. Where are we at today? We have a government that is refusing to honour the commitments Canada made in Kyoto, that had promised in the budget to table a climate change plan and that said it would use tax measures in the fight against climate change. What do we have now? A government that is not honouring its international commitments, that has not tabled a climate change plan and that is tabling tax measures and environmental measures that will enable us to reduce greenhouse gas emissions by a mere 0.01%.

How can the minister tell us today that this one measure will help reduce greenhouse gas emissions? According to his own department, the finance department, this measure will increase transit ridership in Canada by only 2.5% to 3.3%, even though this government feels that we must fight climate change.

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The minister is well aware that there were at least five options on the table, and he chose the worst one, the one least effective in reducing greenhouse gas emissions. According to the Department of Finance and the report that department officials submitted to the minister before the budget was tabled, the reduction in greenhouse gas emissions will be minimal. The government and the department had clearly indicated that this measure would not be effective in reducing greenhouse gas emissions and that, in addition, it was extremely costly. Officials estimated that it would cost \$200 million annually to implement such a measure. What does that represent in terms of the cost of every tonne of greenhouse gas emissions that is eliminated? It represents \$2,000.

So when the government tells us that we cannot achieve the Kyoto protocol targets and that it would cost a huge amount to do so, the government should look at the measure it has introduced. According to its own officials, this measure will cost the department \$200 million a year, or \$2,000 for every tonne of greenhouse gas emissions that is eliminated.

Far be it from me to criticize this measure, as I said earlier. I think that this measure can be effective only if the government decides to make the financial means available to the provinces to strengthen and improve the public transit network.

The government probably sees what I am getting at. The Government of Quebec wants \$325 million to fund its plan to fight climate change. It clearly showed its hand to the government in Ottawa by saying it would use Ottawa's \$325 million to strengthen its transportation network. That is the missing link that would make the measure announced in the budget—the 15.5% non-refundable tax credit for individuals who purchase public transit passes—really effective for Quebec.

I would like to quote an environmental economics professor at the Université de Sherbrooke, Alain Webster. He said, and I quote:

Ottawa's measure rewards people who are already doing the right things.

● (1555)

There is no clear evidence that the 15.5% credit will convince a lot of people to switch from cars to buses. On its own, such a measure is deceptive and totally inadequate.

This measure will not boost ridership. Yes, public transit ridership in Canada will increase, but according to the Department of Finance's own analyses, ridership will increase only from 2.5% to 3.3%. So what should we do? This is the only measure the government announced in its last budget to fight climate change.

What would we have liked to have seen? We would have liked the government to confirm Canada's support for Kyoto by committing to reducing greenhouse gas emissions to 6% below 1990 levels between 2008 and 2012.

We would also have liked the government to indicate that Ottawa intends to transfer to Quebec the \$328 million committed by the federal government. That commitment was made not only by the previous government but also by the new government. We have some evidence of that. It has been confirmed not only by Bloc members but also by the Government of Quebec which, today, as part of a partnership, stated that it wants the Kyoto protocol commitments to be met in their entirety. Several individuals involved

reacted by estimating that it would also take at least, and I insist on that, at least \$328 million in order to ensure that Quebec reaches its targets.

We should point out that the government decided to continue with plans laid out by previous governments to give tax incentives of about \$250 million to the Canadian oil industry—even though, since 1970, this industry has received more than \$66 billion. That is quite a contrast with federal investments in renewable energy.

Why should we continue to fund the oil industry when we have a government, the Government of Quebec, that has submitted an action plan to reduce greenhouse gas emissions, to respect the Kyoto protocol, and which is asking Ottawa for \$328 million, or 20% of the action plan on climate change. Something does not add up.

What we believe is that if the government wants this measure to be effective, it must be accompanied by concrete agreements with the provinces. Concrete agreements that can result in improvements to infrastructure.

Some have said, and I will again quote an individual involved, “Such a measure was evaluated”. These are quotes and comments from federal public servants in the Department of Finance who made a recommendation to the minister regarding the measure included in the budget and who stated that such a measure had been evaluated. It could be implemented without fiscal implications.

What officials are saying is that we cannot consider this measure alone. Why did the government not announce a tax credit for more fuel efficient vehicles when it tabled the budget? Such a measure would have been more effective. According to the Department of Finance figures, this type of tax incentive for citizens who decide to purchase more fuel efficient vehicles would have resulted in a 0.3 million tonne reduction in greenhouse gases in 2010 and a 1 million tonne reduction in 2020.

● (1600)

We have always believed in this House that, in terms of fighting climate change, we must use both tools at our disposal: legislation and regulations, which must play an important role. Furthermore, upon analysis of the approach introduced by the government last week, what is it? It is an approach that aims only to go back to consultation with the provinces and discussion with industry. It is no more and no less than an approach in three phases, which might—and I stress might—lead to regulations in 2010.

I have been a member of this House since 1997 and I remember very well the previous government's commitments. In 2000, after ratifying and signing the Kyoto protocol, that government began extensive consultations with the provinces and with industry in order to implement the Kyoto protocol in Canada.

Government Orders

The government before us today has decided to throw away nearly six years of negotiations with the industrial sectors and begin all over again, although negotiations had already been undertaken by the Department of Natural Resources, among others.

I remember very well the Assistant Deputy Minister, Howard Brown, who had begun negotiations with the industrial sectors and was making progress in those negotiations. Of course, in certain cases, they led to only voluntary agreements. We would have liked to see stricter regulations, but this government decided not to take into account the negotiations with the various industrial sectors and to start all over again.

Consider, for instance, the automotive industry. It signed a voluntary agreement with the federal government in which it promised to reduce greenhouse gas emissions by five megatonnes within the automotive sector. What have we learned and what do we know about the viewpoint of the government sitting opposite, regarding that agreement? We are told that they are going to let that voluntary agreement run until 2010 and we will harmonize our automobile manufacturing standards with those of the United States, more particularly with the Environmental Protection Agency. While we were hoping that the government would harmonize our automobile manufacturing standards with more rigorous, model standards, such as those adopted by the state of California, our government decided to let the industry continue on its course, although, incidentally, that industry has yet to present any reports on how it is respecting that voluntary agreement.

I would say that the Commissioner of the Environment and Sustainable Development informs and guides us on the evaluation of this agreement. She says there is no independent mechanism—*independent* being the operative word—to ensure that the automobile industry will respect its commitments on the five megatonne reduction in the voluntary agreement. There is no independent compliance mechanism and no guarantee that the industry will respect its commitments. By the way, the industry can withdraw from this agreement at any time.

In closing, this measure could be interesting provided that it comes with a significant transfer, for Quebec in particular, of \$328 million to allow us to consolidate and broaden our public transportation network.

Alone, this measure will not result in significant reductions in greenhouse gas emissions; its impact is small. Furthermore, the government had five other options and it chose the least effective one as far as greenhouse gas emissions are concerned.

We hope the government now understands that Quebec wants this \$328 million to allow us to meet our commitments to reduce greenhouse gas emissions in accordance with the Kyoto protocol.

• (1605)

[*English*]

Mr. Mark Warawa (Parliamentary Secretary to the Minister of the Environment, CPC): Mr. Speaker, I found the comments of the member across the way thought-invoking. Most of what he shared I found dishonest or misleading. He started by speaking about waiting for the plan and saying that we do not have a plan.

That is not true. Last Thursday, a week today, seven days ago—and I believe he was in the House—Bill C-30 was tabled. Actually, if he would take the time to read the Order Paper and Notice Paper, he would see that Bill C-30 is on page 22. I encourage him to look at that. The fact is that I encourage him to read the bill, our clean air act.

He talked about the transit tax credit and said it may not work. That is his premise: that it may not work. In reality, the Bloc and the Liberals have joined together to obstruct Bill C-30, the clean air act. This is an act that will move—

Hon. Larry Bagnell: It's awful. It's a mess.

Mr. Mark Warawa: We hear more rhetoric from the other side.

The clean air act will address pollution and greenhouse gas emissions, while the former Liberal plan, after 13 years, did nothing. We will deal with both pollution and greenhouse gas emissions. One in 12 Canadians dies from pollution related illness.

It will also deal with greenhouse gases in Canada and globally. The Liberal plan is what the member across the way is supporting in his obstruction of our bill, but in the Conservative plan, greenhouse gases are dealt with both in Canada and globally. As well, we are moving from a voluntary plan, which is the old plan that did not work, and going to mandatory. We have notice of regulations of what we have introduced. They are gazetted. This deals with every sector and industry in Canada. The member mentioned the auto sector. We will be dealing with that in part of our clean air plan.

Why is he obstructing the clean air act? That is my question for the member. He, his party and the Liberals have been on notice that they are going to oppose that bill before they have even read it. Canadians want to know why.

On Sunday night I was on a panel. The vast majority of Canadians who phoned in said that the clean air act, of which the member is apparently not aware, has to go to committee. All members are being encouraged to send it to committee for good debate. That is a good idea, but what we have seen here is obstruction.

A tree is known by its fruit. An apple tree has apples. Why is that member not supporting environmental issues? Why does he not support cleaning up the environment? Why is he against the environment? Why does he not support the clean air act going to committee where it needs to go?

Government Orders

•(1610)

[Translation]

Mr. Bernard Bigras: Mr. Speaker, I want to remind the member that we are not debating the clean air act, but rather Bill C-28. I can tell him, however, why we oppose the clean air bill. We oppose it precisely because this government has refused to listen to the arguments put forward by the opposition, a majority of which, last spring, demanded in this House that the government table a climate change plan incorporating the Kyoto objectives.

We have in front of us a parliamentary secretary who is trying to shift onto the opposition the blame for an approach that Canadians and Quebecers do not subscribe to. The reality is that we would not have to oppose the clean air bill, had the government stood behind the motion passed by Parliament, voted by a majority in this House. The reality is that the government is the one that decided to be at odds with Parliament. I can make a prediction about that: the Conservatives will have a high price to pay come the next election.

[English]

Hon. Larry Bagnell (Yukon, Lib.): Mr. Speaker, I just want to follow up on what the member just said.

The particular act he is talking about might change the definition of what the federal government is allowed to do. It is a step backward. We will continue discussions for another four years which have already been completed, another step backward, while our children, for the next four years, are hurt when they could have had the programs in place that were cut. The government is going to set targets when they are 100 years old. What about our children? Maybe our grandchildren will benefit.

Does the member not think that it would have been better to at least have maintained the status quo, which was a plan that worked with all sorts of renewable energies, wind, solar, carbon sequestration and clean coal. It worked with the final emitters. It had worked for years to come up with a plan that would have been implemented soon. It was giving money to the provinces and the territories. He could talk about the money that was reneged to Quebec that could have been going into effect. The one-tonne challenge was cutting thousands of tonnes of greenhouse gases and the voluntary auto agreement is one of the best in the world.

[Translation]

Mr. Bernard Bigras: Mr. Speaker, I agree that it would have been desirable for the government to put a moratorium on existing programs. We had the EnerGuide program, which people wanted and which worked. It provided an opportunity to work together in cooperation with the provinces. In Quebec, for example, the government worked together with the Agence de l'efficacité énergétique and community groups like Équiterre. Why did the government decide to cut funding for a program designed to promote energy efficiency? Why did the Canada Wind Energy Association say today, during its conference in Winnipeg, that the government is blocking all wind energy projects?

This goes to show that the government has not only decided not to respect the objectives set out in the Kyoto protocol, but also decided to cut effective programs aimed at reducing greenhouse gas emissions. As if not believing in climate change was not enough, this government is also taking away every tool available to the

provinces and community groups to honour the commitment to reduce greenhouse gas emissions.

•(1615)

[English]

Mr. Mark Warawa (Parliamentary Secretary to the Minister of the Environment, CPC): Mr. Speaker, I appreciate that the member now admits that there is the clean air act. He does admit that his party will not be supporting it and one of his reasons was that he accuses the government of not respecting Kyoto.

We do respect Kyoto and we are very much a part of Kyoto. What we have done is we have been honest with Canadians. After 13 years of Liberal mismanagement and lack of leadership, which is what the environment commissioner said, we did not meet those targets. There were \$6 billion worth of announcements and \$1.6 billion spent and yet emissions went up dramatically. The member across the way is defending that. He is locked in step with the Liberals who are saying that we do not respect Kyoto, which is not true.

The fact is that next month, our Minister of the Environment will be going to Kenya and she has invited Minister Béchard from Quebec to accompany her. We are involved with AP6 and G-8 plus 5. We are looking at ways of dealing with greenhouse gas emissions.

A person can say that he supports the environment but, as I said before, a tree is known by its fruit. People cannot say that they support the environment and yet oppose the government's plan to clean it up, which is a good plan.

Why will the member not permit the clean air act to go to committee, as Canadians want it to? Why is he opposing and obstructing the government's plan to clean up?

[Translation]

Mr. Bernard Bigras: Mr. Speaker, the government's big announcement today on climate change is that it has decided to invite Quebec's environment minister to a conference on climate change in Nairobi. That is ridiculous. While the Government of Quebec and 30 or so groups in Quebec are asking that the Kyoto protocol be respected and that the \$328 million necessary to implement the plan be made available, the parliamentary secretary announced that the minister was inviting Mr. Béchard to an international conference.

I can tell the parliamentary secretary that we do not need an invitation from Ottawa to attend an international conference on climate change. We are quite capable of finding our own way there. What we want is not an invitation to an international conference, but the \$328 million that would allow us to implement our action plan on climate change.

Government Orders

[English]

Hon. Larry Bagnell (Yukon, Lib.): Mr. Speaker, I will begin my speech by putting this budget we are debating today into context.

Much to everyone's astonishment, in the throne speech this year it contained only five items. It seemed like the Governor General had only begun to read it and before we knew it she rose and left. Everyone asked where the throne speech was. A quarter of a million employees work in the federal government and yet the Conservatives could only come up with five new things it felt needed to be done. We have over 40 federal agencies and departments. Did the government think 35 of them had no problems or no priorities? I am sure each of those organizations had a strategic plan. I am sure they did not say that nothing needed to be done. It was shocking. I was a bit disappointed by the fact that the Conservatives were not taken to task at the time. The previous Liberal plan had 77 priorities, and the Conservatives only had 5. Ninety-five per cent of Canada was left out of the budget.

Let me discuss wait times, which are now getting worse. A journalist caught the Prime Minister in a speech trying to put another priority in rather than his priority of wait times. He did not get away with it. The Prime Minister tried to say that it was not one of his government's five priorities because he realized he could not accomplish his goals with respect to wait times.

He said that Canada's place in the world would be his fifth priority but in the recent budget cuts he cut Canada's place in the world. He cut money to foreign embassies and he cut the student exchange program. Even the fifth priority that he added has now been downgraded.

I cannot remember exactly what the five priorities were. One might have been the GST cut. That was roundly criticized by all the major economists and analysts in Canada. They felt it would be more beneficial, more productive and more effective to give an income tax cut to Canadians.

One of the other priorities might have been defence. How many Canadians feel safer today than they did at the time that statement came out? A promise was made to provide three icebreakers for the north. Whether or not they believe in icebreakers, they should not have convinced northerners to vote for them and then break their promise and not go ahead with it. If we had increased our defence abilities, then we would be continuing Canada's place in the world in our traditional peacekeeping duties.

What have we done with this increased defence given the emerging situations in the world? Have we done anything in the Congo, in Zimbabwe, in Darfur or in Somalia? There is certainly nothing to show for that priority.

The government wants to get hard on crime. As was mentioned today in question period, we announced a smart crime proposal and plan. The government would not even expedite certain crime bills that we offered today.

However, the government's first major bill, Bill C-9, would not have made Canada much safer as witnesses stated before committee. Those witnesses convinced all parliamentarians except Conservative members that Canadians would be less safe. Major modifications had to be made to the bill to make Canada safer. For example, a

committee member was told by a witness at the committee that prisoners had 47 days on average for treatment and rehabilitation in order to make them safe for society. Instead, with home arrest and the programs that go with that, they would have received 700 days of treatment. The 47 days would not make society safer because these offenders would have less chance of being rehabilitated or they would get a summary conviction or probation. That was a failure.

• (1620)

What is more important than its failure on the five priorities is that the government missed 95% of Canada in both the budget and throne speech. There was nothing for the most vulnerable, women, the poor and the elderly.

If governments have problems with their budgets it is usually that they cannot or do not implement them and they do not set aside money for all the things in the throne speech. However, I cannot say that the present government had that problem because if there is nothing in a throne speech it is pretty easy to fund it.

Let us look at the budget that we are talking about today. I am a positive person by nature but the government has made it very hard for me to be true to myself during the past year but I will mention some good things in the part of the budget addressed by Bill C-28.

In particular, there are two items in the budget that were former Liberal proposals. We are very happy to see the tax reduction on dividends and the \$500,000 in capital gains being transferred to fishers.

Another thing that was good for my riding and something on which I lobbied for a long time was the excise tax reduction for brewers. We have a great micro brewery in Yukon that makes Yukon Gold and Arctic Red and it will certainly appreciate that particular cut.

I do not have any objections to other tax cuts for Canadians and businesses other than the fact that they were not applied equally. When the government has lots of money and it is in the best fiscal position in the history of surpluses with room to manoeuvre, why would it not extend the tax cuts equally to the most vulnerable?

The one example of that is the new textbook tax credit, which works out to \$77. I talked to our college bookstore and I was told that a student could barely buy one book with that money. The Liberals were offering \$3,000 toward the first year and \$3,000 toward the last year of tuition, and for poor students that amount was for every year. What is the alternative choice? It is \$77. The government really cannot be serious.

Government Orders

I will not go into the transit pass deduction except to say, as the member from the Bloc just pointed out, that all the experts in the government, the environment officials and the public servants, had respectfully recommended to the government that there were far more effective ways. They said that this deduction would primarily be a subsidy to people who were already using transit. There could have been all sorts of ways to get far more reductions in greenhouse gases and pollution than offering the credit.

Let us talk about the doubling of the pension income credit. It is great. I do not have an objection with that but when I asked the government the question earlier today about the seniors who do not get that income tax credit and who do not have the pension income to get the credit, there was no answer. In fact, for those seniors the government has increased income taxes. Why would it pick on seniors and increase their taxes from 12% to 12.5% unless they are very wealthy? Why would it reduce the basic exemption for everyone which means an increase in taxes for all Canadians?

I would not have a problem with the tax decreases had they been applied equally for everyone. Wealthy Canadians, by and large, are very generous. They donate to many social causes and do a lot of good work. They are not the type of people who would have asked for tax cuts and then said that we should not give it to the poorest in society, not give it to the single mother trying to feed her family and not increase her tax from 12% to 12.5% or reduce her basic exemption.

There would have been no problem in just giving everyone a tax cut. There is enough room in the budget to do that. The government has heard about it incessantly, especially because there were no items in the budget for those vulnerable groups as I outlined at the beginning of my speech.

• (1625)

If the member wants to put this in the context of the previous government, in the Liberal government's throne speeches and budgets there were all sorts of programs for aboriginal people, the disabled and students, and programs in regard to homelessness, which we were talking about today.

I will take the President of the Treasury Board at his word when he says the government will not cut the SCPI program. SCPI is a tremendous program that is very well used in my riding. There have been all sorts of successful projects. My party will fight to the end to make sure the program is maintained. I am delighted that the President of the Treasury Board said he would maintain that very important program. It is one of the many initiatives of the former government.

In foreign trade, we have seen the emerging economies of China, India and Brazil and an increased foreign presence in the world for Canada. In fact, in regard to the "responsibility to protect", a year ago September I was very proud of the United Nations when Canada got that through. Yet now we have a government that recently cut the foreign presence in Canada.

Earlier in the House members talked about climate change and the initiatives the Liberals put in place. I will grant one thing to everyone: we were terrible about explaining what we had done. It was disastrous, because Canadians did not know about all the

initiatives taken by the former government, although there is always more to be done.

Canadians did not know about our initiatives related to renewable energies, reducing fossil fuels, wind and solar energy, clean coal, carbon sequestration, ethanol and, as the Bloc member mentioned, of course there was our tremendous EnerGuide program. Thousands of Canadians across this country were using the EnerGuide program to reduce pollution and greenhouse gases. The Conservative government has allowed the program to expire.

And what did we get from the government? We got a plan that could reduce the legal authority of Canada to prevent pollution. The plan asks for four more years of talk, but all that talking has been done for the last four years. The plan was put in place. This is a real insult to the excellent public servants of Canada, who did that talking for the last four years and came up with plans. Some of those experts in the biocap areas that we were supporting are world renowned. I do not think the government should be challenging them and telling them to go back and talk for another four years while our children continue to breathe smog.

In the north, where we find the most devastating impact of greenhouse gas, where the species are changing and the infrastructure is crumbling, where traditional lives are affected so dramatically, are we just going to talk for another four years? In fact, the government will put in targets that will be accomplished when I am 100 years old. I am not really worried about that, but what about our children today?

The programs initiated by the Liberal government were not perfect and may not have been enough, but certainly there were some kicking in that would have been tremendous. The deal the Liberal government had with the auto companies is one of the best in the world, unlike the government's plan. We cannot agree with the Conservatives. Because our deal was voluntary and because the auto industry complied with all the other voluntary initiatives, of course there would be a lot more buy-in and a lot more enthusiasm. That is a lot more effective than trying to force it, as the opposition parties are suggesting.

Of course in the Liberal budgets there were items for the north. For the north, what is in these budgets that the Liberal government has not already announced? As for the northern strategy money for the north, there is nothing new and nothing at all for my area of the country and, as northern critic, I would say there is nothing new for the other parts of the country, except of course the promise on the icebreakers that was reneged on.

The forestry industry is suffering from the softwood lumber deal, on which it is going to lose a billion dollars. We had a plan to help the communities, a plan worth close to a billion dollars, I believe, or at least over half a billion. We had a plan to help the communities and the workers. None of that was in this particular budget.

Of course all the infrastructure programs from the past government were new additions and were constantly increased in size.

Government Orders

There was also the new horizons program for seniors, which was well used in my area. And what about the pension increases?

• (1630)

In spite of all this, the Liberal government still had the largest tax break in Canadian history to that time, and we had two tremendous national deals. One was a deal on equalization, with tremendous increases for the provinces and territories of this country. Another was on health care, with huge increases for that by the last two prime ministers.

To get all the provinces and territories to sign on to those agreements and the early childhood agreement is an historic accomplishment. Everyone knows what it is like to try to get the federal government and 11 provinces and territories to agree. These deals were a tremendous accomplishment in those times.

How does that compare to the five items in the last throne speech that were funded in a budget? Even they were not successful.

Let us look at the historic Kelowna agreement. Since Confederation, trying to increase the quality of life of one segment of the Canadian population so it is at least equal to that of the rest of Canadians has been a sore spot in Canada. It can only be done with them, thinking of the solutions, being part of the solutions and in agreement with the solutions, and with the provinces.

It was a historic agreement. It is unimaginable that it even happened. The premiers, the first nations leaders and the federal government got together and came up with a plan, and with the largest amount of money in history for aboriginal people, but more important was the buy-in, which was almost impossible. Where are all these funds in the budget we are debating? Gone. Gone for something else and I am not sure what.

As I said, I was a bit disappointed that these points did not get wider condemnation earlier on as these two things came out, but perhaps people were giving the new government the benefit of the doubt. However, I think the government showed its true colours a couple of weeks ago with the cuts, the cuts that have resounded across the country and have groups up in arms.

We have had two emergency debates on the cuts. In each debate I did not have time to finish reading the input just from my riding, 1/1000th of Canada, and the farthest away from Ottawa, where people would not hear about their complaints. People were surprised, shocked and disappointed that on the day a \$13 billion surplus was announced, \$1 billion for the most vulnerable in society was cut.

They were surprised that the court challenges program was cut. It has been used many times to ensure the integrity of our laws so they match our Constitution. As we are a constitutional government, what parliamentarian would not want that integrity for our country?

There was also the cut to the Law Commission, which has done excellent work, also in the area of the law. Parliamentarians are law makers. What parliamentarian would not want outside expertise in doing projects such as the one that was done on historical aboriginal law? I believe first nations people in my riding were part of that.

What about tourism? Maybe I have to speak louder than everyone else because I have the one riding in a province or territory where

tourism is the biggest private sector employer. Tourism helps Canadians all across the country. How could the government cut marketing money from the Canadian Tourism Commission, especially when a province like Queensland in Australia probably already spends more than the entire country of Canada spends? Why would marketing money be cut when we need to sell Canada to the world in an ever more difficult time for tourism because of high gas prices and terrorism, et cetera? Not only did the government cut marketing, it cut the GST rebate, which makes it about 6% more difficult for tour operators to entice conventions to come to Canada.

Why would the government cut summer students? The tourism industry and museums use summer students. The museums in this country, which are so poorly funded, were apoplectic with all the cuts, including the summer students they lost, the heritage building program they lost, and the huge cut to MAP, the museum assistance program, one of their few programs.

I am almost out of time so in one minute I will briefly mention the other cuts. I was going to talk about the cuts to the Status of Women budget, cuts to volunteers, for goodness' sake, and cuts to youth employment and youth strategy. Why would funds be cut for youth? Why would there be cuts to CMHC? Why would there be cuts for aboriginal people on the aboriginal smoking strategy?

The very worst of all, which caused an outcry all across the country, is the cut to literacy. One constituent wrote to me and said he probably would be dead without literacy money. I read the letter for the House of Commons last time I spoke.

This is not a direction that we can go in. This is not the direction that Canadians believe in. This is not the kind of Canada that we want to support.

• (1635)

The Acting Speaker (Mr. Andrew Scheer): Before I entertain questions and comments, it is my duty pursuant to Standing Order 38 to inform the House that the question to be raised tonight at the time of adjournment is as follows: the hon. member for Ahuntsic, Status of Women.

Resuming debate, the hon. member for Burnaby-Douglas.

Mr. Bill Siksay (Burnaby—Douglas, NDP): Mr. Speaker, it is a pleasure to speak today in the debate on Bill C-28, the budget implementation act, which deals with some of the tax measures that are necessary to implement the government's budget.

Government Orders

I want to begin by saying that when it comes to budgeting I want to outline the NDP's strong commitment to balanced budgeting. That is a very important commitment in this corner of the House. It is a commitment that we are very proud of on that issue. It is very important in these days to have that kind of responsible approach to the finances of the nation and the provinces and territories. I want to emphasize that the NDP has a very strong record in that area.

Often we get comments from other corners of the House on this issue, but the reality is found in a federal government study, a Department of Finance study. It is not an NDP study and is not done by some organization that might be sympathetic to the NDP. It is a federal government Department of Finance study from September 2006 that looks at the records of various provincial, territorial and federal governments between 1984 and 2006. It shows that 49% of the time the NDP had balanced budgets, 39% of the time Conservative governments had balanced budgets, and only 23% of the time did Liberal governments have balanced budgets.

I want to emphasize that record of the NDP and that NDP commitment to financial responsibility from this corner of the House. I also want to say that we believe in paying down the debt. We know that is a terrible burden on the country right now. The interest payments are huge and it is a burden for future generations in Canada. Therefore, we also have a commitment to responsible management of our finances and to paying down Canada's debt, a debt that was run up by previous Conservative and Liberal governments, I might add, not by NDP federal governments, at least not federal governments yet. We are going to have that chance someday and we are going to do it responsibly, but we do believe in paying down the debt as well.

I wanted to establish that context about our basic commitments on financial and budgetary matters because I think it is very important and informs the criticisms that we make of both this government and the previous Liberal government as well.

I want to talk about the huge budget surpluses that we have seen in recent years, absolutely huge budget surpluses, and surprise budget surpluses, or at least governments pretend they are surprises.

The Liberals did it and now the Conservatives have done it with massive billion dollar budget surpluses that were not planned for. They crop up and suddenly there is a big announcement and everyone in those corners of the House seems to celebrate the fact that they were way off budget by billions and billions of dollars and that there is a huge surplus of money that the government took in over what it spent. It is a little mind boggling that the government can be that far off in its budgeting, that far off in the process of trying to responsibly manage the government, and a little mind boggling that the government sees it as a reason for celebration.

Just weeks ago, we saw the current Conservative government announce a \$13.2 billion budget surplus, another surprise. Here we have \$13.2 billion that we did not expect to have and what did the government do? It put it all toward the debt. It ignored all of the other programming issues. The government ignored the social deficit that occurs in Canada every single day and put it all into reducing the debt. Frankly, on the same day, it announced budget cuts of a billion dollars to other federal government programs.

It is amazing that we can have this sort of surprise occasion of a massive surplus of \$13.2 billion. How can that be part of a responsible budgeting process on the part of any government to be out by that much and to not allow that amount of money to figure in the planning process of the government when it is looking at the programs that are necessary for Canada and the operations of government? To be out by that much I think is a very serious problem.

It did not stop with that \$13.2 billion announcement. Just yesterday we heard that in this fiscal year the government is already way beyond its budget projections in terms of what the surplus would be. The forecast was for a \$3.6 billion surplus and already in the first five or six months of this fiscal year it is up to \$6.7 billion. It looks like we are on our way to another surprise \$13 billion budget surplus again this year.

● (1640)

It boggles the mind that governments could constantly be so off in their planning and that this amount of money can fall outside of any appropriate planning process around the spending of the government. It is irresponsible, frankly, and it is not like other organizations do not get it right. Other organizations in Canada estimated the budget surplus far more accurately than the Liberal and Conservative governments did.

The Canadian Centre for Policy Alternatives, the alternative budget people, have been on target with the expected budget surpluses. If those folks can do it, I have a feeling the government can do it too. When the Conservatives were in opposition, the always accused the Liberals of lowballing the surplus projections so they could have these surprise announcements and celebrate how well they were doing in managing the financing. It seems like the shoe is on the other foot now. We still have the same problem of this being such an inaccurate process in government.

It has real implications. A couple of weeks ago, when the Conservatives announced the \$13.2 billion surplus, the very same day, which the juxtaposition of the two I find troubling, they announced cutbacks of \$1 billion in many programs. They cut student employment programs, literacy programs, the Status of Women and women's equality programs, the court challenges program, which allowed ordinary Canadians to take the government to court on particular human rights and charter issues. They cut the Law Commission of Canada. They cut out money to prepare a new Citizenship Act. At the same time they are talking about a review of certain citizenship issues. They cut money to museums. They cut the aboriginal non-smoking program. They cut money to volunteer programs, all incomprehensible in their own way.

Government Orders

These programs are very important because people in my riding of Burnaby—Douglas benefit greatly and depend on them in many ways. At the same time we have this huge surplus, these kinds of cuts are being made, which only serve to increase the social deficit in Canada and the programming needs of Canadians.

For instance, Conservatives cut student employment in my riding. It is a very serious issue. The summer career placement program has been a key component of summer employment prospects for university and high school students in my riding. These folks depend on the summer career placement program for excellent jobs in areas related to their chosen career path, and many agencies in Burnaby have provided that.

When the Minister of Human Resources was asked about that cut, she said that too many big corporations were benefiting from the wage subsidy that this program offered. In Burnaby—Douglas that could not be further from the truth as 86% of the projects approved last year were projects in the non-profit sector and the educational sector. Almost every one of the others were in small or medium sized business. It was not big corporations that were benefiting from subsidies, at least in Burnaby—Douglas. I know that is true of many other ridings across the country. This money was going to community agencies to do community programming. The number of day camps for children that will be affected by this cut is significant. It is going to mean that there are significantly fewer programs for children in Burnaby this coming summer if this cut is maintained. We are working hard to see it reversed.

The whole community economic development sector is dramatically affected. An organization like the Heights Merchants Association, which does important economic development work in Burnaby—Douglas, has always benefited in recent years from the summer career placement program. Its work is going to be dramatically affected by the loss and the cuts to this program.

Just one example on that long list of issues in the \$1 billion cuts announced by the government is crucial to so many ridings, and to my riding in particular, to young people and to community programming. The cuts to museums and the court challenges program also affect Burnaby—Douglas.

• (1645)

How many people in Canada have depended on the court challenges program to allow them to assert their human rights and charter rights in Canada? We have seen it in language rights and in minority rights. It is important to the gay and lesbian community.

In fact, almost the very day of the announcement of these cuts, an important case was brought by the son of a former Canadian serviceman in World War II and a British war bride. A man in Victoria, named Joe Taylor, had won his case to assert his Canadian citizenship, which had been denied for various bureaucratic and other reasons over the years. He is a Canadian citizen, I firmly believe that. He won his case in federal court. Sadly, the government has chosen to appeal that. I encourage the government not to that because it is a very important decision and has great meaning for Canadian citizens like Mr. Taylor who want nothing more than to fully participate in Canada as a full citizen.

However, Mr. Taylor now will likely be unable to pursue his case, one that he has put significant resources of his own into, I think \$40,000 now and counting, of having his Canadian citizenship recognized because he does not have the financial resources to go up against the government one more time. The court challenges program offered him real hope that this would be possible.

To have that option snatched away from him, right when he had this important victory, to have to face the appeal and then to have the potential funding source for pursuing the case is hugely disappointing to him and I think to all of us who care about people. In our belief, they are fully Canadian citizens, yet they still have to fight the government for that. The court challenges program offered them that opportunity. Seeing the demise of that program is significant. It is a real dark day for human rights in Canada to see that go down the drain.

It also mentioned earlier the money that was allocated to develop a new citizenship act, something we have recognized in this place for many years now as necessary. The current Citizenship Act dates from 1977 and there are some serious problems with it.

The Standing Committee on Citizenship and Immigration held hearings in 14 cities across the country last year. It heard about many of those problems. The former government tried to amend or introduce a new citizenship act three times over the past number of years, each time unsuccessfully. It never managed to get it through, often I think because the government did not give it priority on its parliamentary agenda. It is just an indication that it was very important to address these issues around citizenship.

Then this summer we had a situation where many people questioned the loyalty of dual citizens when we had the crisis in Lebanon. The war broke out in Lebanon and a lot of Canadian citizens needed our help to flee the violence and the death of that war. In fact Canadians did die in that situation. There was an appropriate response from the government to evacuate those Canadians, but it raised questions about the loyalty of dual citizens, and I think inappropriately. The government announced it would be doing a study of dual citizenship. Now I wonder how serious it is about making any change in the area of citizenship when it has cut the money that would have allowed the development of new legislation around citizenship.

It goes on. The juxtaposition of the \$1 billion in cuts on the same day that a \$13 billion surplus was announced, \$13 billion that went in its entirety to debt reduction, is a very serious thing.

Government Orders

Generally there are all kinds of social issues that need to be addressed in Canada and addressed appropriately with the assistance of the federal government. Homelessness and affordable housing are incredibly serious issues in many communities, practically every community across the country. There is still nothing. There is no federal government programming around affordable housing.

We have heard that there are possible serious cuts coming down the pipe to the SCPI program, which helped many initiatives around homelessness. From over \$130 million in the projections in the government's own estimates are down to \$2 million in the coming two planning years. That is just a huge cut when there is such an incredible need on that score in so many communities.

● (1650)

We have seen the need to do other anti-poverty measures across the country. We see the crisis in post-secondary education where so many students cannot afford to get an education. Those who do get into university run up huge debts now in order to graduate. There is a crisis in post-secondary education. It is upsetting all of the progress that was made in making post-secondary education more acceptable. It is all going down the drain with the rising cost of post-secondary education, and that is a place that could certainly use some attention to drive down the cost of tuition.

We have seen the infrastructure deficit in Canada. So much of our infrastructure in communities is crumbling, and that is a serious problem. Surely, if we know we will be in a surplus position, if we only forecasted that accurately and with some integrity, we might be able to develop programs that would address some of these program issues and social deficits that exist across Canada. We might be able to ensure progress on child poverty. We might be able to ensure seniors had the kind of long term care and pharmacare that they so desperately need. We might be able to ensure our veterans had the kinds of programs that would support them appropriately. When we ignore, underestimate or lowball the surplus figures, we do not do the kind of planning and program development that we should and we do not take our responsibilities to Canadians seriously in that sense.

It is kind of like winning a lottery. These announcements about the budget surplus are almost like a lottery announcement. All of a sudden the winner is flush with cash. Sometimes when we win the big lottery prize, we do not spend it on things that it might be best spent on. We might buy the flashy car or the big house, but in the long run they might not have been the most appropriate places to spend our money.

It is kind of like that when we announce these big budget surpluses, the surprise surplus. The Liberals would often announce a program, but from where did that come? Through which process did it arrive when it was a last minute response to a so-called surprise budgetary surplus? There could be a much better planning process around all of that. We would hope the Conservative government would undertake a commitment to ensuring we do not have these continued so-called surprises.

I want to address a couple of specific issues in the legislation. I know the bill includes a tax credit for public transit passes. On the face of it, that is an important thing to do. We want to encourage people to use public transit. I am encouraged that some of the money

the NDP managed to get in the last Parliament, under Bill C-48 for public transit, will go to support the building of new public transit infrastructure in Canada. That money has been maintained and will be spent on that important project.

On the issue of a tax credit for public transit passes, many of us have heard from people in our ridings who, as part of their collective bargaining process, managed to have public transit passes provided as a benefit of their employment. In my riding workers who are employed by the public transit companies, Coast Mountain transit and B.C. transit, negotiated that as part of their collective agreement, for both themselves and their families. Recently, after an audit, it was announced that the families of these people would have to see that as a taxable benefit. It seems to fly in the face of wanting to encourage the use of public transit to have these people claim this as a taxable benefit on their income tax. We heard from many people in my constituency about that.

I received a letter today from the minister, after having written to her, that it is under review at the moment and that there may be no action taken in this taxation year, with a decision still to come.

● (1655)

It seems to fly in the face of wanting to actually do something positive about encouraging people to get on to public transit and out of their own personal vehicles. I think that when groups of workers manage to succeed in getting this as part of their collective agreement, we would want to encourage that and ensure that it is of real benefit to them.

There is much more to be said on this bill, but I see that my time is up, so I look forward to questions and comments from members.

Mr. Blaine Calkins (Wetaskiwin, CPC): Mr. Speaker, I listened with great interest to my hon. colleague talking on and on about the budget. He brought up several items that I thought were quite interesting. However, there is one part that I would like to talk to him about.

I have a background as an educator. I taught at a post-secondary level for five years. I have been a graduate of three post-secondary institutions with eight or nine years of post-secondary education behind me. Not once did I ever receive a tax credit or a tax write-off for my books. There was always money announced for education and so on, but not once did I get a tax credit for my books.

Government Orders

Another thing is, I applied for bursaries and for student loans, and a lot of this was under a Liberal government. I would apply for this money in the form of a student loan and I would get a little bit of money. Then I would go out and realize it was not enough to actually live on in Edmonton, or various other communities where I was living, to go to school. I would go to work and earn a little extra money for myself, so that I could help reduce the burden on the government. I would try to make it on my own, so that I would not be a burden on taxpayers because they were already generously paying 70% of my post-secondary costs to begin with on top of the fact that I was getting these student loans. The money was always clawed back .

So, in this budget which we see here, we are going to actually put money back into the hands of students. If we put money into education, a lot of it just gets swallowed by the system. As soon as organizations hear about more money coming in, there is always a rallying cry for more money to pay salaries and so on, but none of that money actually trickles down and benefits the students who are actually going there.

I would like to ask the hon. member if he is going to support this implementation which would put money back into the hands and the pockets of students to ensure that they will not have their bursaries and their scholarships clawed back when they have some extra cash for the hard work that they have done. Is he going to support that or is he going to reject this generous offer to students in Canada?

• (1700)

Mr. Bill Siksay: Mr. Speaker, it is nice and it is great that students can have a tax credit for their textbooks. However, in the long run, when students are emerging from university \$20,000 in debt, \$35,000 in debt, or \$50,000 in debt, the tax credit on textbooks is not really going to make all that much difference. To me, it is great. How can anyone argue against doing that? However, it is a little band-aid on top of a big problem.

It is the same with ensuring that scholarship income is not taxable. It is another band-aid on top of a huge problem.

The staggering statistics around post-secondary education are not going to be altered by these two proposals that are in this particular bill.

The millennium scholarship foundation did a study that showed that four out of 10 university students were unable to graduate on time because they dropped courses because they had to go to work to pay for their education and living expenses. Some 66% of students worked on average 19 hours a week to afford to stay in school and three out of 10 students had to resort to private bank loans or family loans because of inadequate government student aid. Those are some of the people who are emerging with these huge debts coming out of university.

A Statistics Canada youth in transition survey found that more than 70% of high school graduates who wanted to go to college or university but did not listed finances as the main barrier that they faced in their decision not to go to university.

Between 1992 and 2002 university tuition fees increased by 135%. That is six times the rate of inflation in Canada. In face of

those kinds of statistics, the two programs that the member talked about are really just tiny band-aids on the face of the whole issue.

In the previous Parliament, in this corner, we fought to turn back a tax break to wealthy Canadians and corporations and we asked the government of the day to put that money into reducing tuition. Unfortunately, that has not happened.

I am glad to say that the Conservative government did maintain that billion dollars and put it into infrastructure for the universities. I would have preferred that the money stayed with the original commitment to reducing tuition fees because I think that is where the pressure was. University administrators, I know, welcomed that money, but there is no sense building more classrooms if students cannot afford to get to the university in the first place.

We need to put the emphasis back where it really belongs, in ensuring that people can get to university. As I have said, the two programs that are part of this bill are just way too limited to do that job.

Ms. Libby Davies (Vancouver East, NDP): Mr. Speaker, I am pleased to have a brief opportunity to address the member for Burnaby—Douglas who has given us a very good sense of what this budget means in terms of people's everyday lives.

In my riding of Vancouver East a lot of low income housing, or what we call single room occupancies, has been closed down and low income people are being evicted. Housing is being lost at an alarming rate. Just recently, a number of people in the downtown east side took over a building. Is it any wonder homelessness and destitution are growing on the streets not only in the downtown east side but in other communities across the country?

The member for Burnaby—Douglas has outlined very well the situation in his own riding with respect to the cuts made to the summer student career program and the cuts made to the literacy program. We have to ask the question: Who benefits from this budget? Who are the winners and who are the losers, especially when the cuts are stacked up against the \$13 billion surplus that could have been reinvested in substantial programs that people in this country really need?

One group that gets overlooked for sure by the government are new Canadians. As the very able citizenship and immigration critic for our party, my colleague knows that new Canadians want to settle into their new communities and learn English, and yet those programs have been cut back. We have seen that in British Columbia.

I wonder if he would comment on the need for investment in these areas given the fact that we have a \$13 billion surplus at the federal level.

• (1705)

Mr. Bill Siksay: Mr. Speaker, the issue of housing is incredibly serious. My riding adjoins the riding of Vancouver East so we are neighbours in that regard. Our housing issues are different but similar at the same time. There are a lot of specific single room occupancy issues in Vancouver East that are not an issue in a more suburban riding like Burnaby—Douglas, although there are housing issues in my riding.

Government Orders

We would never have considered doing a homelessness count years ago in Burnaby—Douglas. Now every year people from my community go out to find homeless people living in Burnaby and every year there are more than the year before. People are living under overpasses and in our parks. It is easy to live full time in parks in the Vancouver area. The vegetation is pretty dense in the rain forest and homeless people are not easily found in those settings. Homeless people in Burnaby—Douglas are living in terrible conditions in public parks.

Homelessness or single occupancy buildings are not the only issues. In Burnaby—Douglas the issue is also housing co-ops. Just a couple of weeks ago NDP members from the lower mainland gathered at the Norman Bethune Co-op in my riding, which is one of the buildings affected by the leaky building crisis in British Columbia. Building envelopes have failed and the water has gone through the walls and caused all kinds of structural and health issues. Mould is growing on the walls of some of these buildings.

This co-op has tried for years to receive some assistance from Canada Mortgage and Housing Corporation with no success. The former Liberal minister of housing visited that co-op. In fact, hours before he visited it, a rotting beam collapsed. He saw the damage that it caused and yet nothing came forward to help the co-op. It is now facing foreclosure on its mortgage. It has been paying an exorbitant mortgage rate.

Canada Mortgage and Housing Corporation is more about being a bank these days than being a housing development organization offering any real assistance to people. This is good housing. In Burnaby we cannot afford to lose one unit of affordable housing given the high housing crisis in British Columbia and the lower mainland let alone the 24 units that are available at the Norman Bethune Housing Co-op.

Housing is a serious issue in all of our communities and I do not see anything in this budget that will help.

The Deputy Speaker: Before we resume debate, I remind members that the first five hours of debate on this bill have now expired. Speeches from here on in are 10 minutes, with a five minute question and comment period.

The hon. member for Davenport.

Mr. Mario Silva (Davenport, Lib.): Mr. Speaker, I wish I could say that I am pleased to rise and speak to Bill C-28, but one has only to look at the content to realize that there is very little indeed to be pleased with in the first Conservative budget since the election.

Before making any comments on Bill C-28, let us go back to October 25, 1993 when the people of Canada chose the Liberal Party to form a government in the wake of nine years of Conservative rule. During those nine years we witnessed astounding short-sighted fiscal policies that left our country, one of the most prosperous in the world, with an enormous operating deficit and an ever increasing national debt.

Under the excellent stewardship of the new Liberal government that succeeded the Conservatives in 1993, we worked hard over the course of three mandates as our house was put into order. The operating deficit disappeared, the deficit was reduced, and Canadians received the services they both needed and deserved.

Imagine, upon taking office in 1993 the Government of Canada was operating with \$40 billion annual deficits. Within four years the deficit was gone and Canadians had a balanced budget. The country's triple "A" credit rating was restored. The world could see what we had already come to know as a Liberal government put Canada's house in order.

I make mention of the fact that it was a Liberal government because from 1997 Canadians have to go back all the way to 1912 to find a Conservative balanced budget.

It was from this prudent fiscal management that the Liberal government was then able to move forward again with progressive policies that have made Canada the envy of the world.

In order to understand the differences in approach, we need only to look at the last Liberal budget in 2005 and the subsequent fiscal outlook also in 2005, both presented with great and deserved pride by the member for Wascana, our previous minister of finance.

What did we find in budget 2005? We found a robust economy, secure social foundations, a sustainable environment, and a sound fiscal framework. This sounds to me like the ingredients of a great fiscal policy that included responsibility, compassion for who needed our assistance, and a sound vision for the future.

In fact, the Liberal budget of 2005 recognized that the fiscal policy of the Liberal government had created the fastest rate of increase in living standards among the then G-7 countries since the budget was balanced in 1997.

What did we find in budget 2005? For one thing, we found a solid and measurable commitment to universal accessible policies and publicly funded health care for Canadians. This was not only talk, but action.

The Liberal budget of 2005 reaffirmed the government's commitment of \$41.3 billion over 10 years to improve access and reduce wait times for Canadians.

This enormous commitment to health care highlighted in budget 2005 included investments in health based human resources, healthy living and chronic disease, pandemic preparedness, drug safety and environmental health.

These are the kinds of investments that we could make as a result of the sound fiscal management of the Liberal government since taking office in 1993.

Recognizing the unique challenges facing Canadians with disabilities, we changed tax policies to assist them and their caregivers.

The previous Liberal government increased the guaranteed income supplement over five years by \$2.7 billion. Liberals understood the needs of senior citizens in this country and they acted.

Government Orders

Canadians with children also faced significant fiscal pressures and the Liberal government committed \$5 billion over five years for our early learning and child care initiative.

The agreements and those being negotiated with the provinces would have created real and sustainable child care spaces. The Conservative government, of course, chose to cancel these significant steps forward and that is regrettable indeed.

In terms of the environment, the Liberal budget of 2005 included a \$5 billion commitment to ensuring a sustainable environment.

The Liberal government was committed to the Kyoto accord which would have realized real and measurable action on greenhouse gas emissions. Once again, the Conservatives have chosen to join with the United States and abandon the Kyoto agreement in favour of an ineffective long term policy that has more to do with optics and political expediency than with any results on environmental protection.

What about our cities? The former Liberal government was delivering needed support to them with a share of the federal gas tax. This was a Liberal policy. It was innovative and it was welcome news in municipalities across the country. The total commitment was \$5 billion over five years from gas tax revenues.

Canada has long been recognized as a leader in terms of assistance to developing countries across the world. The Liberal budget of 2005 increased our international assistance by \$3.4 billion over five years. This was a sound and measurable commitment to those nations most in need.

● (1710)

These solid commitments, among many others, were reinstated in November 2005 when the Liberal government produced its final fiscal update. This plan outlined \$2.2 billion over five years to improve financial assistance and to ensure that post-secondary education was within reach for lower and middle income Canadians.

Liberals believe that everyone deserves a chance to reach their maximum potential and that the country benefits when we all have the opportunity to achieve our goals.

There was \$550 million over five years to extend Canada's access grants to all lower income students in post-secondary education. This was an incredible step forward that many students welcomed.

There were also tax benefits for low income Canadians contained in the fiscal update, as well as infrastructure commitments.

All of this was proposed while maintaining a sound fiscal footing within the context of a balanced budget. As all members of the House will know, the progressive commitments contained in the fiscal update were cast aside when members of the New Democratic Party joined with their associates, the Conservatives and the Bloc Québécois to defeat the government in late November 2005. It was an election that nobody wanted and was completely unnecessary.

Members of the New Democratic Party will certainly need to reflect on the wisdom of their action now when casting an eye on Bill C-28. Gone are the major commitments in the 2005 fiscal update. Gone are the great strides forward in child care service in the country. Gone is the Kyoto agreement. The list goes on and on.

Instead of waiting a few short months, members of the New Democratic Party joined with the Conservatives and Bloc Québécois for the purpose of political expediency to force an election. They also caused some of the most progressive policies this country has seen in years to vanish with the cold wind of Conservatism that has swept through the esteemed corners of Parliament.

I am sure many of those who have in the past supported the New Democratic Party will now be asking themselves why their party would have joined with the Conservatives in voting against the Liberal government on that November day causing all of these commitments to vanish in a single vote. I am sure they will also have much to say about what took place in the House on October 24 when members of the New Democratic Party voted with the Conservative government against a Liberal motion which stated:

That, in the opinion of the House, the government inherited the best economic and fiscal position of any incoming federal government and has not demonstrated the need, value or wisdom of its announced expenditure cuts which unfairly disadvantage the most vulnerable groups in the Canadian society.

What possibly could the members of the New Democratic Party have found so offensive about this resolution that they would once again vote with the Conservative Party? The truth is that so much has been lost to so many Canadians as evidenced in the Conservatives' first budget.

For example, where would we find in the budget the great accomplishment that was the Kelowna accord? The answer is that we do not because it is not there.

The Kelowna accord budgeted \$5 billion over five years to our native people in the country. It was negotiated with provincial premiers and aboriginal leaders. The Kelowna accord was described at the time as an unprecedented step forward. I believe this to be true. I believe the decision by the Conservative government to abandon the agreement is quite frankly an unprecedented step backward.

The reality is that there is little in the budget speech for ordinary Canadians. Even those things that have been heralded by the Conservatives as significant really amount to very little.

Take the so-called tax plan for public transit users. The Minister of Finance, and indeed the Prime Minister, make much of this part of the budget. However, when actually calculating the amount, it is about \$12 a month for transit users, hardly anything to really cheer about it.

Ken Georgetti of the Canadian Labour Congress described the budget this way, "The arithmetic does not work for ordinary working Canadians". This is true because at the end of the day there is very little in the budget for ordinary Canadians.

We can only look in disbelief and regret when we glance through the budget for the financial commitments that give substance to real action on the environment file. Stephen Hazell of the Green Budget Coalition stated after the budget was announced that there is virtually nothing in the budget to make good on the government's throne speech commitments to tangible reduction in pollution and greenhouse gases. He is right because there is nothing there.

Government Orders

Bill C-28, the budget bill, is really a confirmation that the government is not moving forward in a manner that reflects the real values of Canadians. We have only to compare the sparse commitments in this budget to those made by the previous Liberal government, both in budget 2005 and the fiscal update, to see the reality of the Conservative government.

• (1715)

Canadians are compassionate, hard-working and progressive people. Budgets are statements that reflect the priorities of the government. I cannot imagine any administration in recent memory more out of touch with the people of this country.

Canadians believe in the priorities outlined in the Liberals' fiscal plans, including the environment, seniors, public transit, cities, students and persons with disabilities.

We do not find much in Bill C-28. Clearly the government is very much out of touch with the people it is supposed to be governing. I trust all members will keep this in mind when it comes to cast a vote on Bill C-28, the Conservative budget.

Mr. Bruce Stanton (Simcoe North, CPC): Mr. Speaker, that was an interesting history lesson as the member reflected on the months coming up to the election, not just last January and they were rather revisionary comments I must say considering the outcome that we saw earlier this year.

The member must not have taken into account the kind of tax savings that have been proposed for Canadians. The GST cut, for example, will put more than \$5 billion back into the pockets of Canadians. I do not know how he might consider that that would somehow be a disservice to Canadians considering that this will be an improvement not just right across the board for all of those who buy goods and services in this country, but most important, 30% of Canadians will not even pay any income tax.

I wonder if the member might respond as to how that is somehow a disservice as I believe he described it.

• (1720)

Mr. Mario Silva: Mr. Speaker, I welcome the opportunity to comment once again on what I see are the problems with this particular budget of the government.

The member raised the issue of the GST. He also forgot to mention the fact that the government also raised taxes for low income Canadians by half a point.

There are many things that also need to be addressed which I did not have the opportunity to address in my budget remarks. I would like to take this opportunity to address them. They are the cuts that affect the vulnerable in our society, the cuts to programs relating to literacy, students, seniors. This is increasing the social deficit in the country. There are cuts to museums and to the Law Commission.

Most important, something which was recognized internationally as very fundamental to the democratic rights of many Canadians, the court challenges program was cut by the Conservative government. It is shameful because that program has greatly enhanced not only the freedom but the equality of all Canadians. It is sad that the government could not see the wisdom of a program that has benefited so many Canadians.

Mr. Dennis Bevington (Western Arctic, NDP): Mr. Speaker, my colleague across the way mentioned the issue of the vote the other night.

The opposition day motion put forward really was very thin soup for Canadians as not a penny was added for the people who have been hit so hard by those cuts, but it was a very rich appetizer for the Liberal soul. I think those things made a bit of a meal that we in the New Democratic Party had a hard time eating.

Parliament is here not to keep score or to deal in that fashion, but to accomplish things for Canadians. We would love to work with the Liberals, just as we would love to work with the Conservatives on accomplishing things for Canadians.

How do you think your motion would have restored any of the dollars that were lost to Canadians in those cuts?

The Deputy Speaker: Just a matter of order. The hon. member should ask the member about his motion rather than using the second person. The hon. member for Davenport.

Mr. Mario Silva: Mr. Speaker, I am not sure what the member found so disturbing about the motion, given the fact that the motion clearly speaks about the lack of wisdom in the government's cuts and those cuts do in fact unfairly disadvantage the most vulnerable groups of Canadians. I thought that is exactly what the problem is with the budget and the way the government is acting.

The members of his party talked about the cuts that have taken place to the volunteer programs, to literacy, to the court challenges program, to the museums and to the Law Commission. These are things that we as Liberals had fought for. We put it in the budget.

It is the present government, which was supported originally by the NDP, which is making those cuts.

I do not have to explain myself. I think it is the member and his party who have to explain to Canadians why we see so many cuts, so many aggressive policies that are taking place and why the member's party supported the government.

Hon. Jim Peterson (Willowdale, Lib.): Mr. Speaker, I am very pleased to speak to Bill C-28.

The Conservative government is the most meanspirited retrograde government I have ever seen in the entire time that I have been in Parliament. It uses policies for politics, not for good governance. Let me give an example.

The Conservatives financed a cut in the GST by increasing income taxes. Good fiscal policy demands that there be a variety of tax sources. Most jurisdictions in the world have a consumption tax. The beauty of having a mix of taxes is that we are not victims in our fisc of economic circumstances. We can weather storms. This is the reason every single expert, economist, teacher, practitioner said that cutting the GST instead of personal income taxes was wrong.

Private Members' Business

When we cut personal income taxes, we are giving people options. They can spend the savings, as they can with the GST cut, but they can also have more money to invest and more money to save. That is why the income tax cuts that the Conservatives reversed on us were so important for the ongoing performance of our economy, to give us that money to reinvest in our capacity to compete in a global economy.

What did the Conservatives do with child care? We had meaningful child care spaces for parents in this country, as demanded by all of the groups. What did they do? They went back to something cut long ago, the baby bonus. Anyone with a child gets \$100 a month. What does that do?

Hon. Maria Minna: That is taxed.

Hon. Jim Peterson: And that is taxed back. What does that do to help people put their kids in quality child care? Nothing. That is why every child care expert in this country has condemned the stupid politics of the Conservative government trying to pander to everybody but doing no good for any of them.

What did the Conservatives do with Kelowna? It was a historic accord reached by our government with the provinces, the territories and the leadership of all our aboriginal communities. It was historic to allow that community to develop, to grow and to have the standard of living that it is going to need. Today many of our aboriginal peoples live in such shameful conditions that we cannot hold our heads high in this country. We had to do something about our first peoples, and what did the Conservatives do? They cancelled the Kelowna accord.

Let us look at the environment. What is the single biggest problem faced by us globally according to all of the ecologists, all of the environmentalists, all of the experts? It is global warming. What has the government done with global warming? It has said that within 45 years it will reduce emissions by 45% to 65%. Does any action have to be taken today? No, it is going to continue to consult, continue to consider what measures should be taken.

We do not deal with the crisis of global warming by renouncing Kyoto. We do not deal with it by not bringing in targets. This thing has been studied to death. We know what has been accomplished in other countries in the world, in Europe.

I am not saying our record was great in Canada, but we at least had in place a program for dealing with meeting the Kyoto targets by 2012. Even our biggest detractor, the Fraser Institute, said that our green program would have gone at least 80% of the way toward meeting those Kyoto targets. The Tories have not put in place anything to start dealing immediately with greenhouse gas emissions.

•(1725)

Global warming is taking place at an incredible rate, 30 times what it was 20 years ago. We see the melting of the ice cap. We see the disintegration of the Larsen B Ice Shelf in the Antarctic. This is serious. There is enough ice in the Arctic ice cap and in the Antarctic—

•(1730)

The Deputy Speaker: Order, please. I hesitate to interrupt the hon. member because I know there is quite an appetite for his words, at least on one side of the House, but it is now 5:30 p.m. and the House will now proceed to the consideration of private members' business. The member will have four minutes and forty-six seconds remaining in his time.

PRIVATE MEMBERS' BUSINESS

[Translation]

PERFLUOROCTANE SULFONATE VIRTUAL ELIMINATION ACT

The House resumed from June 15, 2006, consideration of the motion that Bill C-298, An Act to add perfluorooctane sulfonate (PFOS) to the Virtual Elimination List under the Canadian Environmental Protection Act, 1999, be read the second time and referred to a committee.

Mr. Marcel Lussier (Brossard—La Prairie, BQ): Mr. Speaker, I am particularly pleased to take part in today's discussion on Bill C-298 introduced by the hon. member for Beaches—East York.

My goal is to illustrate the importance of this bill for protecting the environment and for the health of Quebecers and Canadians.

This chemical, referred to as perfluorooctane sulfonate or PFOS, is one of the many threats to the health of current and future generations.

PFOS is part of the perfluorinated compounds, or PFCs.

The four non-metallic elements in the halogen group are chlorine, fluorine, bromine, and iodine.

Many common products contain chlorine. Just look at PCBs alone, including organochlorine pesticides such as aldrin, chlordane and mirex.

Many common products also contain fluorine. Take for example all the compounds eliminated from air conditioners and refrigerators that were affecting the ozone layer.

Now it is PFOS that needs our attention and review.

Its anti-adhesive, anti-stain and impermeable properties are very attractive for manufacturers of new products and new clothing.

Among the large number of consumer products that may contain PFOS, there are carpets, fabrics, upholstery, food packaging, cleaning products and industrial and domestic stain removers. Everyone has had or still has ScotchgardTM made by 3M.

All these consumer products can already be found in our homes and their numbers are likely to grow in the future, given that there are currently very attractive designer garments and quality material treated with PFOS in Chinese, Korean, Taiwanese and South-East Asian factories. More products will mean more imports and more skin contact with PFOS.

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We are talking about a persistent, bioaccumulative and intrinsically toxic substance, according to an annex to the document published by the Department of the Environment and the Department of Health containing the results of a survey and recommendations on PFOS. The conclusion of that document, published in the *Canada Gazette*, does state:

Based on available information for ecological considerations, it is concluded that PFOS...meet the criterion set out in paragraph 64(a)—

Paragraph 64(a) reads as follows:

64. —a substance is toxic if it is entering or may enter the environment in a quantity or concentration or under conditions that

(a) have or may have an immediate or long-term harmful effect on the environment or its biological diversity;

Examples of presence of PFOS in the environment can be found readily in the literature. Evidence of the presence of PFOS even in the blood and liver of the polar bear confirms that the environment has been contaminated by this substance, that this substance is persistent, that it travels, that it is bioaccumulated and, worse yet, that it is bioamplified through the food chain, from the fish to the seal to the polar bear, all the while increasing in concentration. That is what is called bioamplification.

What about humans?

Our first surprise came from a document entitled “Polluted Children, Toxic Nation: A Report on Pollution in Canadian Families”. This document by an organization called Environmental Defence reveals the results of laboratory tests conducted on 13 volunteers of various ages: six adults and seven children. Of the 68 chemicals studied, 46 were detected in 13 volunteers, 32 products on average in the parents and 23 in the seven children.

• (1735)

Thirty-eight of these chemicals are carcinogens, 23 are hormone disruptors, 12 are respiratory toxins, 38 are reproductive or developmental toxins, and 19 are neurotoxins.

Five of the 13 perfluorinated chemicals targeted by the study were detected, including four in the children and five in the adults. Two perfluorinated chemicals were detected in all of the volunteers, namely, PFOS and PFOA.

The median concentrations of the perfluorinated chemicals was 13.5 micrograms per litre among the 6 adults, compared to 13.8 among the children, which is what inspired the title of the report, “Polluted Children, Toxic Nation: A Report on Pollution in Canadian Families”.

In addition to the shocking news revealed in the Environmental Defence group report, the Standing Committee on the Environment and Sustainable Development received another shock during the meeting of October 19, 2006. The testimony of Kenneth Cook, president of the Washington, D.C., office of the Environmental Working Group (U.S.A.), had quite an effect on the committee. In fact, Mr. Cook revealed the results of the analyses of 10 blood samples taken from newborns that confirmed the presence of numerous toxins in these babies' bodies.

This confirms that the toxins absorbed or accumulated by adults throughout our lifetime, through ingestion, inhalation or contact with

the skin, can also be transmitted to the fetus through the placenta in the uterus. This is an incredible discovery that demonstrates that newborn babies no longer have the option of taking positive action against toxins later on in life through healthy living, a strictly controlled diet or a pure environment. Babies no longer have that option later in life, for they already have toxins in their system from birth. They are born contaminated. This is appalling.

This is why the Bloc Québécois will vote in favour of this bill.

[English]

Mr. Pat Martin (Winnipeg Centre, NDP): Mr. Speaker, I am happy to join the debate on the bill on behalf of the NDP caucus and specifically my colleague from Skeena, the environment critic for the NDP who has a very similar bill put in place, dealing with a different series of chemicals but virtually identical in its motivation to try to protect Canadian consumers and citizens by eliminating some of the more harmful chemicals.

Where we have knowledge that these products can hurt Canadians, there is no good or compelling reason, be it commercial or any other reason, why they should not be eliminated and put on the virtual elimination list under the Canadian Environmental Protection Act.

I am glad to rise in this context simply because Canadians have to take more seriously the environmental threats to public health.

I saw the recent Wendy Mesley program on CBC where she, in a very touching way, dealt with her own personal brush with cancer and the frustration she felt. More and more she felt the medical community was throwing the blame back on the individual. Maybe it was something she did. Maybe she smoked too much. Maybe she did not eat the right foods. Maybe she did not get enough exercise. In actual fact, maybe we are being subjected to such a chemical soup every day that we are being poisoned, not to use too strong a word, by our environment.

We especially should be using the precautionary principle. We should not have to wait until a specific chemical can be linked directly to a specific symptom we have before we throw up our arms and say that there is a connection. We should, proactively, based on the body of information when it reaches a certain critical mass, take the precautionary principle and say that we have a pretty good reason to believe the chemical is hazardous to our health and it should be put on the virtual elimination list.

That is the case with the compound PFOS. We are satisfied that the scientific community has investigated, analyzed and assessed the risk of harm that this chemical causes to people and wildlife. We are not satisfied that there are arguments to the contrary to anyone's satisfaction, other than those produced by the manufacturer of the chemical.

In that way, the chemical falls into the same category as another environmental hazard, which we raise frequently in the House, and that is the government's lack of action on asbestos, the greatest industrial hazard the world has ever known.

Many Canadians would be shocked to learn that Canada is now the second largest producer and exporter of asbestos in the world. The reason I raise it in this context is that we are seeking to have PFOS put on the virtual elimination list under the Canadian Environmental Protection Act while the world's developed nations are trying to have asbestos put on the Rotterdam Convention, which is the international list of hazardous chemicals that the world has put in place. Canada continues to oppose having asbestos put on the list of hazardous materials under the Rotterdam Convention. In fact, we spend a great deal of taxpayer money flying teams of lawyers around the world to argue against listing asbestos as a hazardous product.

It is in that same vein that we can make the argument that we should proactively list PFOSs on the virtual elimination list under the Canadian Environmental Protection Act. It frustrates me no end that we are not more aggressive and proactive with other products and other chemicals. Asbestos is only one. Those of us who were here in the last Parliament will remember that the NDP used one of its opposition days to call for the Government of Canada to take steps to eliminate the cosmetic use of pesticides, the non-agricultural, non-essential use of pesticides.

• (1740)

We use the same logic that unless it is absolutely necessary, we should be taking every precaution possible to minimize the exposure of Canadians to these chemicals, especially children, pregnant women and nursing women, or lactating women. Why would we put ourselves at risk? Why would we put our population at risk when we have good reason to believe that these products cause staggering health effects?

We know that leading environmental NGOs have campaigned for years to have this chemical banned in Canada. We also know it is one of the most common exposures because it is commonly used in fabrics as a stain repellent. I do not know if trade names such as Scotchgard apply, but we all know that it was a trend in recent years that furniture and even clothing, men's suits for instance, would be advertised as stain resistant. We are talking about that type of usage. It is reasonable to believe that not just workers are being exposed at a job site. Ordinary citizens in their homes and in the clothes they wear are exposed to this material.

Tests, which have indicated that it causes organ damage and developmental problems, were enough to prompt the United States Environmental Protection Agency to ban the substance. To those who would say that Canada is being too proactive, in actual fact we are lagging behind our neighbours to the south with this product. I never like being trumped by my neighbours to the south. In the case of environmental protection, I would like to think that Canada would be at the leading edge, at the vanguard of environmental protection. However, in this case, in recognizing the organic pollutant qualities of PFOS, clearly the United States is way out in front.

There are proactive steps that we can take that would improve the general state of public health. Rather than putting all our health dollars into trying to fix Canadian citizens after they have been broken, after they are sick, we have to start paying more attention to creating a generally healthier population.

In our NDP caucus we have often said that the Minister of Health is kind of a misnomer. The Minister of Health has very little to do

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with promoting health. The Minister of Health is all about fixing people after they are sick. We should be spending at least as much attention, energy and resources in preventative steps and measures that would lead to a healthier population where we would need less health care resources and dollars because, hopefully, less people would get sick.

This was the message that came through loud and clear to anyone who saw that compelling documentary put together by Wendy Mesley. To her great credit and that of CBC, it has been run and rerun many times to the point where most Canadians are probably aware of her tragic story. It took a great deal of courage for her to use her own personal experience to help make the point that environmental contaminants are a leading cause of many of the cancers. Who does not know someone in their personal life or within their circle of friends who has been diagnosed with or has passed away from cancer in recent years?

In closing, I was shocked to read that when my children's kids grow up, 50% of people will die of cancer. It never used to be like that. It is a recent phenomenon. It is since the industrial revolution and the petrochemical explosion of the post-war years that we are being exposed like never before to contaminants and pollutants.

I believe this is a common sense step. We will support Bill C-298 to put PFOSs on the virtual elimination list of CEPA.

• (1745)

Mr. Mario Silva (Davenport, Lib.): Mr. Speaker, I welcome the opportunity to speak in support of Bill C-298, An Act to add perfluorooctane sulfonate (PFOS) to the Virtual Elimination List under the Canadian Environmental Protection Act (CEPA), introduced by my colleague the hon. member for Beaches—East York. I congratulate the member on this bill as it relates to an issue of extreme concern for Canadians and especially for our young people.

Bill C-298 would add the chemical PFOS to the virtual elimination list under the Canadian Environmental Protection Act. The result of this is essentially that it would be illegal to have this chemical enter into the environment in any measurable fashion that could not be measured analytically and with the required level of sensitivity.

In familiarizing myself with the issue around PFOS, this was a matter of grave concern. It affects very directly the health and well-being of Canadians. It is for this reason that we must act in support of Bill C-298.

As vice-chair of the environment committee, which is currently reviewing the CEPA, I am particularly interested in this bill. Historically, PFOS could be located in quite a number of familiar products found in the average home. These include carpets, leather, textiles, paper and packaging, coating and additives, industrial and household cleaning products, pesticides and insecticides.

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Clearly, this product in the past was found in quite a varied number of familiar items. As I noted, these kinds of product references are for the most part historic. A report prepared in the United Kingdom for the British Department of Environment, Food and Rural Affairs confirms that in that jurisdiction, as in most western nations, the use of these specific wide-ranging products is indeed historical; that is, it has ceased. Obviously this is the case because PFOS are dangerous.

However, to this day there are still products in which we will find PFOS. These include those associated with the photographic industry, semi-conductors, hydraulic fluids and also in firefighting materials. In fact, by way of example, in December 2004 there was a considerable debate following a fire in the Buncefield oil depot in Hertfordshire, England. I understand this fire was the largest in peacetime Britain.

During the course of the firefighting efforts, a considerable amount of foam was sprayed on the fire to extinguish it. The foam contained PFOS, which acts as a compound and allows the foam to spread more rapidly at higher temperatures. The result of this extensive use of the PFOS chemical compound was the contamination of the area's water table.

Following this realization, there was considerable discussion about the water being consumed by residents of the area. It is alleged that in Britain water inspectors, under considerable pressure due to that country's drought, relaxed the regulations on contaminated water.

The member of parliament for this constituency, including the town of Buncefield, was quite distressed with this and advocated for the ban on water containing any measurable quantity of PFOS. He stated:

I cannot see the logic that says, on the one hand, this stuff is so dangerous that it should be a crime to import it into the country at all and, on the other hand, it's all right for my constituents to drink it.

I might add that this member for Hemel Hempstead is a Conservative, a fact my colleagues across the floor might consider in their deliberations about whether they will support this bill.

The point of bringing the British experience to the House is that this is a dangerous chemical. It affects the water table and is a threat to the health of Canadians.

This debate is not by any means limited to Canada or the United Kingdom. Indeed in most developed countries this is a subject of considerable debate.

The Swedish government has proposed a global ban on this chemical. In this case, this ban has been proposed to the United Nations under the Stockholm Convention, which seeks to eliminate the so-called persistent organic pollutants.

Even the major global producer of PFOS, Minnesota Mining and Manufacturing, commonly known as 3M, voluntarily began to phase out the use of PFOS beginning in 2001. Similarly, the European Union has considered a proposal that would restrict or limit the use of PFOS among member states. One concern in the United Kingdom is that the EU proposal does not go far enough.

● (1750)

Furthermore, the Organization for Economic Co-operation and Development has used these terms to describe PFOS: "persistent, bioaccumulative and toxic to mammalian species". These are serious concerns being expressed by a multitude of sources, including governments, multinational associations like the EU and OECD, environment groups, and even manufacturers themselves. PFOS is a significant risk to the environment and to human beings. It is pervasive in that the time it takes for it to leave the environment to which it is exposed is substantial, to say the least.

The threat to human health is real and must be acknowledged. Among the most common illnesses associated with PFOS exposure is bladder cancer; breast cancer; liver cancer; thyroid cancer; harm to the pancreas, the brain and immune systems; and there are also suggestions that the chemical interrupts the body's ability to produce cholesterol. The reality is that PFOS is difficult to remove from the human body. Studies suggest that it takes years for the substance to diminish within human beings.

With respect to this, studies indicate that the bioconcentration factor has values of up to 2,800 that have been measured in laboratories. This falls within the bioaccumulative criterion of the European Union. In other words, this chemical does not easily leave the system.

In fact, in Europe higher organisms, including seals, dolphins, whales, eagles and other creatures, have all been found to have PFOS within their metabolisms. The presence of these toxins within the human body is absolutely unacceptable and something which requires our attention.

The passage of Bill C-298 is a necessary step. I cannot imagine, quite frankly, why the government would be opposed to the passage of this bill. Clearly, the evidence suggests that PFOS is harmful to our environment and most certainly is harmful for us as human beings. We owe it to Canadians, particularly our children, to confront this issue and to stop the abuse of PFOS. At the very least, we must pass Bill C-298 which would add PFOS to the virtual elimination list.

Each day we fail to act on this issue we place people in our environment needlessly at risk. It is our responsibility as legislators and representatives of Canadians to take action when evidence supports the fact that there is an issue such as this. It is undeniable, based on the scientific evidence, that PFOS is harmful. It is toxic, pervasive and bioaccumulative and does not go away easily.

I will be supporting Bill C-298 because we need to take action on PFOS for the sake of all Canadians and most especially the sake of our children. I encourage very strongly all members of the House to do the right thing and vote to pass Bill C-298.

● (1755)

Mr. Maurice Vellacott (Saskatoon—Wanuskewin, CPC): Mr. Speaker, I want to thank the House for the opportunity to speak to Bill C-298. Our government does not support this private member's bill for a number of reasons, particularly because it is a circumvention of the normal process here.

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First of all, Bill C-298 impinges on the current legislative, regulatory powers and authorities of the Minister of the Environment and the Minister of Health of the Government of Canada.

Under the provisions of the Canadian Environmental Protection Act, the ministers published on July 1, 2006 a final ecological screening assessment of the risks that the chemical substance PFOS poses to the environment. Concurrently, it was proposed that PFOS be added to schedule 1 of CEPA. Schedule 1 is the list of toxic substances for Canada. Also on July 1, 2006 the ministers published the proposed risk management strategy to manage those identified risks.

In effect, the ultimate aim of these actions is the total phase-out of PFOS in Canada. Environment Canada will take action to ensure that PFOS does not re-enter the Canadian marketplace and Environment Canada will also address the remaining sources of exposure.

These government actions will meet the spirit and the intent of virtual elimination, thereby meeting the intent of the private member's bill through the existing regulatory and legislative framework provided under CEPA, 1999.

As members of the House are aware, CEPA is an act that contributes to sustainable development through pollution prevention, and the protection of the environment and human health. CEPA is the primary federal legislation that provides for the assessment and the management of substances that may harm the environment or human health.

In particular, it provides for approaches to deal with harmful substances that are founded on strong science, transparency and also openness of process, while at the same time ensuring that precautionary and preventative measures can be taken to safeguard the health of Canadians and their environment. The current government's approach is following that law. Stakeholders and other interested parties would expect no less of us.

Provisions in CEPA call for the Minister of the Environment and the Minister of Health to conduct a screening assessment of a substance to determine whether a substance is causing harm or may cause harm to human health or the environment. Once an assessment is complete, the ministers must propose one of the following three measures: either take no action in respect of the substance, add the substance to the priority substances list for more indepth assessment, or recommend that the substance be added to schedule 1 of the act and, when appropriate, the implementation of virtual elimination.

The Minister of the Environment and the Minister of Health have been actively evaluating the science on PFOS in order to make sound decisions concerning the risks PFOS could pose and the most suitable risk management actions to take. We have been talking to stakeholders as well.

The assessment was undertaken because scientific evidence that has become available since the end of the 1990s has shown that PFOS is now found everywhere in the environment. Notably, and of particular interest for Canada, it has also been found in remote regions such as the Arctic. In fact, science was showing that some of the highest concentrations in organisms were being found in Arctic animals.

The CEPA screening assessment of PFOS has concluded that PFOS is persistent. It accumulates in organisms such as polar bears and can harm a variety of wildlife species. Fortunately, concentrations of PFOS currently found in the environment are at levels that should not pose a risk to human health.

As I mentioned previously, the process of risk assessment is conducted in an open and transparent fashion to make scientifically sound and credible recommendations.

For instance, the methods used in the risk assessment under CEPA follow publicly available technical guidance using methods that have been adopted internationally. In addition, the assessment that was prepared by Environment Canada and Health Canada was reviewed by scientists and other experts from academia, industry, and domestic and international government agencies.

The draft assessment of PFOS was published in October 2004 to solicit comments from stakeholders and the public at large. Comments and additional information received through these consultations were carefully considered in producing a final ecological screening assessment document.

The final assessment concluded that PFOS meets criteria established under section 64(a) of the Canadian Environmental Protection Act, 1999. The assessment also concluded that PFOS was persistent and bioaccumulative.

● (1800)

The final assessment concluded that PFOS did meet the definition of toxic under CEPA, 1999. That is important to note, that it did meet that definition of toxic.

PFOS, even while it bioaccumulates, does not bioaccumulate to the level stipulated under the CEPA 1996 persistent and bioaccumulation regulations. Accordingly, we cannot apply the virtual elimination criteria under CEPA, 1999.

That has not stopped the government from taking action in meeting the spirit and the intent of virtual elimination. Our proposed actions under the risk management strategy are aimed at that very same objective.

Under CEPA the government can take a range of actions to protect the environment and human health from substances, such as PFOS.

Bill C-298 would disrupt the risk management process that is currently underway. That is our major objection to the private member's bill before us today.

Under the existing and regulatory framework, the department must propose, in consultation with stakeholders, strategies and approaches to control PFOS and to ensure the protection of the health of Canadians and their environment. In order to fulfill that commitment, the department published a proposed risk management strategy for PFOS.

The strategy proposes that these substances be added to the prohibition of certain toxic substances regulations, 2005, and that would result in a prohibition on the manufacture, use, sale, offer for sale and import of these substances, and products or formulations containing these substances.

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In addition to working through CEPA to assess and manage PFOS, Canada is actively discussing the environmental impacts of PFOS in international forums. Canada is working to ensure that work done internationally is consistent with and supportive of actions being considered by Canada.

Canada is actively discussing the appropriateness of including PFOS in international agreements that would lead to major restrictions in the manufacture, use or release of PFOS globally. This is being done through the United Nations Economic Commission for Europe convention on long-range transboundary air pollution and also the Stockholm convention on persistent organic pollutants.

Canada will continue to engage our international partners in global action on PFOS to complement our domestic action. Supporting these efforts is critical to addressing the long range transport of PFOS into the Canadian environment.

The government is very committed to the control of toxic substances and pollution of the environment. I assure members that the necessary steps will be taken to ensure the continued protection of the Canadian environment.

All together, these government actions combine to meet the spirit and the intent of virtual elimination and already meet the objective of the hon. member's private member's bill.

Mr. Chris Warkentin (Peace River, CPC): Mr. Speaker, our government does not support Bill C-298 for a number of reasons, some of which my colleague has already touched upon.

On July 1, Environment Canada established a quick management strategy for PFOS, which proposes that these substances be added to the prohibition of certain toxic substance regulations. This strategy would meet the intent of the private member's bill by prohibiting the manufacture, use, sale and import of the products containing PFOS. Effectively, the process already in place by the government's actions will meet the spirit and the intent of virtual elimination more quickly than what is being proposed by Bill C-298.

At the first hour of debate for Bill C-298 on June 15, the hon. member for Beaches—East York expressed concerns that the government's response on PFOS should be speedy and adequate. The hon. member suggested that this would not be achieved through existing regulatory processes.

I would like to explain that the current time clock requirements, as established legally under the Canadian Environmental Protection Act by the Government of Canada, under the current regulatory process, if a substance has been found to be a toxin through a screening assessment, and when that substance has been proposed for addition on the list of toxic substances, a proposed regulation or instrument establishing the preventive or controlled actions for managing the substance must be developed within 24 months. Within these 24 months, the proposal must be established in the *Canada Gazette* Part I for a 60 day comment period. Once proposed, the minister has a further 18 months to finalize the regulation or instrument.

As members can see, the minister's obligation under the Environmental Protection Act is to act in a timely manner to control the toxic substance. However, let me clarify that the government

intends to act much faster than the maximum time frames prescribed by CEPA.

As I mentioned earlier, the government published a risk management strategy on July 1 which outlines the government's intention to develop a regulation under CEPA to prohibit PFOS in Canada. The next step is the regulatory process that will publish proposed regulations in Part I of the *Canada Gazette*, which the government intends to do by December. Following the mandatory 60 day consultation period after the publication of the proposed regulations, the government will work to finalize the regulations on PFOS so that they are in place as quickly as possible.

In the case of PFOS, the enactment of Bill C-298 would require the Minister of the Environment to add PFOS to the virtual elimination list of CEPA within nine months of coming into force. At that time, the minister must prescribe the quantity and concentration of PFOS that may be released into the environment in order to achieve virtual elimination. After a further nine months, the release concentration would be set out in regulation.

Effectively, Bill C-298 is proposing an additional 18 month timeline. That is longer than what is required by the regulatory process that is already underway by this government.

Virtual elimination has a specific meaning under CEPA as laid out in section 65(2). It is the reduction of releases to the environment of a substance to a level below which this release cannot be accurately measured. Virtual elimination specifically applies to the release of a substance as a result of human activities and does not apply to the presence of a substance.

Technically, the implementation of regulations controlling the release of PFOS into the environment would be problematic. This is due to the non-quantifiable sources such as landfills and sewage treatment plants. The availability and the cost of end of pipe technology that would be required to be used by landfills and sewage treatment plants to control PFOS is still unknown.

● (1805)

Furthermore, the cornerstone of CEPA is pollution prevention that encourages reduction of pollutants at the source. Developing PFOS release regulations for landfills and sewage treatment plants is placing the burden of reducing emissions on the provinces and on the municipalities. The government is working on regulations for PFOS that would address the source of these chemicals; that is, the manufacture, import, sale and use here in Canada.

The prohibition of PFOS at the source will ultimately result in the reduction of releases at landfills and sewage treatment plants.

In addition, the proposal to regulate the concentration of PFOS released from municipal landfills and waste water treatment facilities would require careful analysis to identify the availability of technology to capture or reduce PFOS from these sources and to determine if a release concentration regulation is the most practical and cost effective means of protecting the environment.

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As such, Bill C-298 would not likely expedite the current regulatory process but may in fact obstruct it further.

It is expected that the actions as proposed in the risk management strategy published by the Department of the Environment on July 1, will achieve the same results as virtual elimination to protect the environment and will meet the spirit of the bill through the prohibition of the manufacture, use, sale and import of these substances and these products or formulations containing these substances.

Furthermore, it is expected that the regulations currently being developed by the government to prohibit PFOS will be completed quicker than what is being proposed in Bill C-298.

The proposed risk management strategy also completed the required 60 day consultation period with stakeholders. Stakeholders, including public, industry, non-governmental organizations and provincial and territorial governments, used this formal opportunity to provide comment. Stakeholders will have additional opportunities to provide input on the proposed regulations for PFOS which are expected to be published in December.

In addition, Canada's actions on PFOS are in step and consistent with international actions and activities. Canada's proposed actions also include working with international partners for a harmonized approach to manage the international issues surrounding PFOS as a persistent and organic pollutant, POP, as well as conducting environmental and biota monitoring to ensure that Canada's risk management strategy objectives are indeed met.

It is clear, therefore, that all of these proposed actions together will achieve the objective of virtual elimination as proposed by the private member's bill as effectively as possible under the current legislative and regulatory process.

● (1810)

Hon. Maria Minna (Beaches—East York, Lib.): Mr. Speaker, I am pleased to have put this bill forward. Bill C-298 seeks to eliminate a very harmful chemical from the environment to protect the health of Canadians.

This chemical is recognized around the world as a toxic substance. It is not new. In fact, 3M Corporation stopped manufacturing this substance some time ago and Sweden has called for a global ban on PFOS already. The United States has done the same thing and has stopped using it.

PFOS is persistent in the environment for long periods of time. At the beginning of my statement I said that it was an inherently toxic substance. It is also bioaccumulative, which means it stays in the body for years. In fact, if one were to stop using it as of this moment, it would take eight years to eliminate the substance from one's body. Children are especially affected. It is used widely enough for serious risk to human exposure.

The list that I have just enunciated contains the criteria that need to be matched to determine if a chemical is a threat to human health. It should be regulated because PFOS meets all of the criteria I have just mentioned in terms of its toxicity, being bioaccumulative and so on.

Listing PFOS as a toxic chemical in schedule 1 of CEPA does not eliminate the chemical from the environment. Instead, it just sets the stage for more consultation and comment. The studies have been done. Environment Canada and Health Canada agree that the only way to deal with PFOS is through virtual elimination. That was their recommendation in 2004, so I cannot see how it would change at this time.

Also, in the first hour of debate on this bill, the Parliamentary Secretary to the Minister of the Environment stated, regarding the assessment period of listing PFOS under schedule 1 of CEPA, 1999:

The revised assessment concludes that PFOS is a persistent bioaccumulative and inherently toxic substance in the environment. Furthermore, the revised assessment concludes that PFOS is entering the environment in concentrations that may have a harmful effect on the environment.

That was part of the government's own statement. This is what the hon. member said and yet the government does not want to eliminate PFOS from the environment. That is totally irresponsible. Listing PFOS under schedule 1 of CEPA, 1999, and virtually eliminating it is not the same thing.

I hope the government decides to take the health of Canadians and the protection of the environment seriously and support my bill. However, with the joke that is its so-called environment plan, I doubt anything serious about the environment will come from the government.

Government members have stated themselves in their own statements that this substance is bioaccumulative and inherently toxic. What else do we need to know in order to eliminate it altogether? I believe this bill does that and I would ask the rest of the House to support it because it is one thing we can do for the environment.

● (1815)

[*Translation*]

The Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

The Deputy Speaker: The question is on the motion. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: On No.

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

Some hon. members: Yea.

The Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Deputy Speaker: In my opinion the nays have it.

And five or more members having risen:

[*English*]

The Deputy Speaker: Pursuant to Standing Order 93, the division stands deferred until Wednesday, November 1, immediately before the time provided for private members' business.

*Adjournment Proceedings***ADJOURNMENT PROCEEDINGS**

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

[*Translation*]

STATUS OF WOMEN

Mrs. Maria Mourani (Ahuntsic, BQ): Mr. Speaker, on January 18, 2006, just a few months ago, the Prime Minister signed a letter in which he promised to support the human rights of women and agreed that Canada had more to do to respect its international obligations to women's equality.

What is this government's record so far? I have noted a number of points. The first point has to do with the delay in awarding grants. Many women complained all summer about not getting a response from the minister. Furthermore, there is still no pay equity legislation. The court challenges program has been abolished and changes have been made to the criteria for the women's program. We no longer find concepts such as equality, social justice, and advocacy, among other things. There is no child care service for Canada and no transfer to Quebec for the service it already provides. Finally, Status of Women Canada will get \$5 million less annually, which is 40% of its budget.

I initially thought that the \$5 million in cuts would be made over two years. Finally, at a meeting with Status of Women Canada officials at the Standing Committee on the Status of Women on October 5, 2006, we learned that \$5 million is being cut annually, effective April 1, 2007 for 2007-08.

It was also disturbing to learn at that committee meeting that Status of Women Canada could not tell us where they would be making cuts. I found that interesting. I asked one official this: "The government is announcing \$5 million in cuts, but as of today, October 5, you cannot say yet where you will be making cuts?" It is a bit strange.

The implication is that the government decided to make \$5 million in cuts without consulting officials. That is what we understood. I could also interpret that as meaning that the Minister of Finance got up one morning and decided to cut \$5 million from the Status of Women Canada budget, without consulting officials, even though he was declaring a \$13 billion surplus and paying down the debt. The officials can talk to the Minister of the Status of Women later. I find that a bit odd.

Nevertheless, I asked the officials to explain where the money could be cut. They mentioned research. We can therefore expect that these cuts will include so-called "administrative" cuts. They could ultimately affect the organization's research capacity, policy analysis and development projects, consultations with women's groups and, of course, the ability of Status of Women Canada to conduct gender analysis in order to ensure that Canadian policies, laws and programs treat men and women equally.

After declaring such a large surplus, why then decide to cut funding for an organization as important as Status of Women Canada, when the standing committee has consistently called for more money for the women's program or for managing Status of Women Canada? The only explanation I can come up with—and I

may be mistaken, but I do not think so—is that these are ideological cuts.

With all my heart, I would like someone to tell me how the government could cut \$5 million from an organization that plays such a vital role in defending women's rights and has brought about changes in our society in terms of both social justice and equality.

• (1820)

[*English*]

Mr. Tom Lukiwski (Parliamentary Secretary to the Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Mr. Speaker, it is a pleasure for me to speak to the question first raised on September 22 by my hon. colleague.

Quite frankly, I am at a loss as to why the member has brought this issue back to the House, because the minister has clearly stated that the women's program will continue to be funded, full stop, period. Last year the women's program received \$10.8 million. This year the women's program will receive \$10.8 million. Next year the women's program will receive \$10.8 million.

I am sure that Canadians watching the adjournment proceedings tonight will be pleased to know that the new Conservative government is continuing to fund women's programs at the same level and has in fact adjusted the terms and conditions of those grants to ensure that money actually gets into the hands of women.

The women's program was created in 1973 as a result of a recommendation by the Royal Commission on the Status of Women, which called on the federal government to provide financial support to women's associations engaged in projects of public interest. With an annual grants and contributions budget of \$10.8 million, the women's program facilitates women's participation in Canadian society by addressing their social, economic and cultural situation.

I am pleased to report that the terms and conditions of the women's program have been renewed for the next five years. Furthermore, the grants and contributions budget of the women's program stays the same, and we will use it to bring real changes to the lives of women across this great country.

This brings me to the renewal of the women's program. The minister's vision for the women's program is that women become the true beneficiaries of its investment, that we see real results in the lives of women, and that there is accountability in using public funds. She has, therefore, taken the opportunity to review some of the program aspects through the process to renew the terms and conditions. As a result, the mandate, objective, expected results and recipients of the program have changed.

The current terms and conditions are designed to foster the full participation of women in the economic, social and cultural life of Canadian society. This means women are the direct participants of funded initiatives and direct beneficiaries of the outcomes.

Adjournment Proceedings

Let me reiterate that point: women are the direct participants of funded initiatives. As I am sure the member opposite would agree, program spending should benefit women directly. We need to be proactive when it comes to funding organizations that help women in the workplace and in their homes. At the end of the day, women must see and feel the difference that women's programs have made in their lives: economic security, elimination of violence, and greater participation in social and cultural sectors of society and others.

While we have made commendable progress in advancing the full participation of women, the Minister of Canadian Heritage and Status of Women recognizes that there is still much work to be done. She recognizes, for example, the need to address the situation of aboriginal women, the economic security of senior women, the lack of integration of immigrant women into Canadian society, increasing rates of poverty among single mothers, and the lack of services for women in remote and rural areas.

Given this reality, the women's program has an important role to play. Its investment is crucial and must be used carefully so that there is a difference in the lives of those women who are poor, who are victims of violence, who lack services, and who are not represented in our institutions.

As the status of women minister, she wants to make a difference in the lives of Canadian women, young women and girls. She wants to spend and to use money so that it is action oriented and will meet their needs. This government only approves funds that are needed to achieve measurable results in a way that is effective and provides value for money for Canadians.

• (1825)

[*Translation*]

Mrs. Maria Mourani: Mr. Speaker, as they say, if it walks like a duck and it quacks like a duck—

I agree with my colleague: the government did not touch the Women's Program. However, it is clear that the \$5 million is no

longer there. It was cut from Status of Women Canada's budget. We are told it was transferred to an administrative area.

What I see happening, what a lot of women see happening, and what many women's groups see happening is that losing that \$5 million will undermine Status of Women Canada's ability to do research, analysis and policy development, to consult with women and to ensure that policies, laws and programs promote equality between men and women. Unfortunately, that is the reality of this situation.

The government can tell the people that the Women's Program is still in place and will be around for another five years all it wants, which is true, but women will not be fooled. Status of Women Canada's budget was cut by \$5 million. That will have a direct impact on women everywhere.

[*English*]

Mr. Tom Lukiwski: Mr. Speaker, my hon. colleague mentioned the fact that the \$5 million which has been removed was administrative savings. That is quite correct. The point I wish to reiterate is that absolutely no money directly granted through programs to women has been cut.

We have a responsibility to all Canadian taxpayers. We have been able to find, through our expenditure review, approximately \$1 billion in savings, which will result in over \$650 million in additional funds to this government because of reduced interest payments. There are no funding cuts— let me repeat, no funding cuts—to women's programs per se, only administrative savings.

[*Translation*]

The Deputy Speaker: The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24 (1).

(The House adjourned at 6:29 p.m.)

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