

# House of Commons Debates

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OFFICIAL REPORT (HANSARD)

Tuesday, September 23, 2014

Speaker: The Honourable Andrew Scheer

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# **HOUSE OF COMMONS**

Tuesday, September 23, 2014

The House met at 10 a.m.

**●** (1005)

Prayers

# ROUTINE PROCEEDINGS

**●** (1000)

[English]

# CANADA-KOREA ECONOMIC GROWTH AND PROSPERITY ACT

Hon. Peter Van Loan (for the Minister of International Trade) moved for leave to introduce Bill C-41, An Act to implement the Free Trade Agreement between Canada and the Republic of Korea.

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

\* \* \*

# RAILWAY SAFETY ACT

**Ms. Joyce Bateman (Winnipeg South Centre, CPC)** moved for leave to introduce Bill C-627, An Act to amend the Railway Safety Act (safety of persons and property).

She said: Mr. Speaker, today it is my pleasure to table a bill that would improve rail safety, not only in my constituency of Winnipeg South Centre but in communities all across Canada.

The bill would help protect children, cyclists of all ages, and motorists from treacherous conditions at rail crossings that are in disrepair. The bill would also protect seniors and the disabled from the many risks associated with ill-maintained rail crossings. In fact, one of my constituents, a senior citizen in a motorized wheelchair, became stuck at a poorly maintained crossing. Fortunately, a good Samaritan came to her aid, averting a potentially disastrous situation.

Because of this, I have decided to take action to ensure that a similar circumstance does not take place again. My proposed amendments to the Railway Safety Act give additional powers to the Minister of Transport and railway safety inspectors so they may intervene when required to better ensure the safety of Canadian citizens.

I invite all of my colleagues in the House of Commons to join me in making my bill a reality.

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

#### CANADA SHIPPING ACT

**Mr. Nathan Cullen (Skeena—Bulkley Valley, NDP)** moved for leave to introduce Bill C-628, An Act to amend the Canada Shipping Act, 2001 and the National Energy Board Act (oil transportation and pipeline certificate).

He said: Mr. Speaker, I thank my colleague from Victoria for seconding this most important bill, an act to defend the Pacific northwest.

This piece of legislation is borne out of a crisis that was imposed on the northwest of British Columbia in a proposal for an 1,100 kilometre bitumen pipeline from Alberta to the shores at Kitimat, and then the proposal of 11,000 supertankers to ply the north coast.

This crisis has borne within it an opportunity that is written in the bill to, for the first time in Canadian history, have a legislated ban of supertankers off of British Columbia's north coast. It has been debated for more than 40 years in this place. The bill would put it into law once and for all. It would also strengthen the voices of communities that engage with the federal government on any proposed pipeline across Canada, and ask the government to consider what type of product we are putting in these pipelines and its impact on the Canadian economy.

We look to receive the support of first nations who have stood against Enbridge northern gateway, the labour community, towns, municipalities, environment groups, and a broad coalition of British Columbians who have stood up in opposition to it.

I also seek support from my colleagues around this House: New Democrats, Liberals, Greens, and from my colleagues across the way, the Conservatives, particularly those from British Columbia. This is a rare opportunity for us to stand up and protect British Columbia's coast, to stand up and protect Canada's interests once and for all, to take this crisis, turn it into the opportunity that it is, and stand up for Canada.

#### Routine Proceedings

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

\* \* \*

#### **PETITIONS**

#### SEX SELECTION

Mr. Stephen Woodworth (Kitchener Centre, CPC): Mr. Speaker, I have two petitions to present. The first is from residents of Cambridge, Kitchener, and surrounding area, who point out that Canada is a nation that has long promoted the equal protection and benefit of the law for everyone. Preventing the birth of baby girls through sex selection abortion is an affront to the dignity and equality of women.

Therefore, they call upon the House of Commons to condemn discrimination against girls through sex selective abortion.

#### ABORTION

Mr. Stephen Woodworth (Kitchener Centre, CPC): Mr. Speaker, the second petition is again from residents of the Kitchener-Cambridge area, pointing out that Canada is the only nation in the western world, in the company of China and North Korea, without any laws restricting abortion. They also point out that Canada's Supreme Court says it is Parliament's responsibility to deal with that and call upon Parliament to do so.

#### RAIL TRANSPORTATION

Mrs. Carol Hughes (Algoma—Manitoulin—Kapuskasing, NDP): Mr. Speaker, I am pleased to stand in the House to table petitions on behalf of residents from Sault Ste. Marie who want their voices heard here. The petition is with respect to the funding that was removed from the Algoma Central Railway and the impact this will have on the economy, their health and safety, and the accessibility of the area.

There has been some movement on this specific area. The government has reinstated a bit of funding, but only up to a year. There has been a request for interest put out by the working group, but this remains a point of contention. The constituents in Sault Ste. Marie would appreciate the government taking mind of the need to maintain the Algoma Central Railway passenger line.

# OFFSHORE SAFETY

Ms. Judy Foote (Random—Burin—St. George's, Lib.): Mr. Speaker, I present a petition today on behalf of my constituents who are calling on the government to put in place an independent offshore safety regulator. This is a serious issue for the people of Newfoundland and Labrador, in particular relating to people who work in the offshore industry and the loss of life we have experienced.

Judge Robert Wells, in recommendation 29 of his report, called for the setting up an independent safety regulator, which was referred to as the most important recommendation that he made. That has not happened. Therefore, the petitioners are calling on the Government of Canada to create an independent offshore safety regulator to encompass the prevention of injury and loss of life, and the protection of the environment.

(1010)

#### NAVIGABLE WATERS PROTECTION ACT

**Ms.** Christine Moore (Abitibi—Témiscamingue, NDP): Mr. Speaker, I would like to table a petition that has been signed by people in my riding of Abitibi—Témiscamingue and the riding of Nipissing—Timiskaming on the changes the government made to the navigable waters protection act.

The people in my riding and the neighbouring riding are worried about the protection of water and want to be sure they will be able to continue to fish, and to hunt, because the animals use that water. They also want to continue activities such as kayaking. They are worried, and that is why I am tabling this petition today.

#### AGRICULTURE

Ms. Jean Crowder (Nanaimo—Cowichan, NDP): Mr. Speaker, I have three petitions, which all deal with the same matter. They are calling on Parliament to refrain from making any changes to the Seeds Act or to the Plant Breeders' Rights Act through Bill C-18. It is the petitioners' belief that the bill would restrict farmers' rights or add to farmers' costs.

The petitioners are also calling upon Parliament to enshrine in legislation the inalienable right of farmers and other Canadians to save, reuse, select, exchange, and sell seeds.

[Translation]

# CANADA POST

Mr. François Choquette (Drummond, NDP): Mr. Speaker, I have the honour of presenting dozens of petitions from people in my riding who are upset about and speaking out against the cuts to Canada Post. They are also speaking out against the fact that door-to-door delivery will be eliminated. People are shocked by that. They came to meet with me at my office to sign and drop off petitions about it. They want Canada to be a decent country, one that is worthy of being in the G7. As we all know, we will be the only G7 country without door-to-door delivery.

That is why I am presenting these petitions from the people of Drummond.

\* \* \*

[English]

# QUESTIONS ON THE ORDER PAPER

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

The Deputy Speaker: Is that agreed?

Some hon. members: Agreed.

# **GOVERNMENT ORDERS**

[English]

#### BUSINESS OF SUPPLY

OPPOSITION MOTION—EMPLOYMENT INSURANCE

#### Hon. Scott Brison (Kings—Hants, Lib.) moved:

That, in the opinion of the House, the Employment Insurance (EI) plan announced by the government on September 11, 2014, and which will begin on January 1, 2015, will not create jobs and growth but will instead provide a financial incentive for employers to lay off workers; and therefore, the House urges the government to redirect those resources by providing employers an EI premium exemption on newlycreated jobs in 2015 and 2016.

He said: Mr. Speaker, today in my remarks I will speak to the problems concerning the Conservative government's small business job credit and the design flaws in that tax credit. I will also propose a better policy plan that will help create jobs and economic growth for Canadians.

In my remarks, I will examine how errors in the design of the Conservative tax credit will have a real and negative impact on the Canadian economy, namely how these changes will actually discourage the creation of new jobs and potentially slow down already abysmally slow economic growth. I will also propose a way to fix these problems by replacing the Conservatives' flawed tax credit with an EI premium exemption for the creation of new jobs. Finally, I will discuss why it is so important that the government focus on jobs and growth, fix this mistake, and replace the small business job credit.

# [Translation]

Canadians deserve a government that has a plan for jobs and growth. The government's EI rate reduction proposal provides neither.

**●** (1015)

[English]

The problems with the small business job credit indicate that the Minister of Finance was not thinking of jobs or growth when he introduced the proposal earlier this month. The scheme he introduced will lower EI premiums for qualifying firms in 2015-16, from \$1.88 for every \$100 of insurable income, to \$1.60, which is a reduction of about 15%. However, and this is the key, the tax credit is only available to Canadian businesses that pay \$15,000 or less in EI premiums in those years.

Because of how the tax credit is designed, it encourages small businesses to potentially slow their growth in order to stay below the \$15,000 threshold. With this tax credit, the Conservatives have introduced a perverse incentive for businesses to potentially reduce the hours of their workers, or in some cases even fire workers, in order to get below the \$15,000 threshold.

This perverse incentive has caught the attention of economists and public policy experts, who are lining up to slam the Conservatives' poorly designed scheme.

One economist and tax expert the Conservatives often quote is Jack Mintz. In fact, they have included him in their last three

# Business of Supply

budgets. However, Jack Mintz will not endorse their small business job credit; instead, he calls it "a disincentive to growth".

Mike Moffatt recently wrote about the tax credit in an article for *Canadian Business*, entitled "The Small Business Job Credit actually makes it weirdly profitable to fire people". He wrote in the article that "the proposed 'Small Business Job Credit' has major structural flaws that, in many cases, give firms an incentive to fire workers and cut salaries".

#### He also noted:

Although this is sold as a job credit, there is no requirement that companies hire new workers. A firm can have fewer workers and a lower payroll than they had the year before and still receive a tax credit.

#### Mr. Moffatt went further and said:

A larger problem with this proposal is the discontinuity that occurs when a firm reaches \$15,000 in EI payments to the government.

The way this proposed system is designed is that the maximum benefit a company can receive from firing a worker and going under the \$15,000 threshold far exceeds the maximum benefit a small business can receive from hiring an additional worker:

#### Specifically, Mr. Moffatt wrote:

The maximum benefit a firm can receive from firing a worker is \$2234.04.

The maximum benefit a firm can receive from hiring a worker is \$190.52.

#### He concluded with the following statement:

The challenge now is to get the details right, before this incredibly flawed plan becomes reality.

# [Translation]

To understand this point, take the Minister of Finance's own example of a firm with 14 employees and payroll of \$560,000. Under the federal government's proposal, this business would be eligible for a refund of about \$2,200.

However, if one new worker was hired, the Conservatives' full EI credit would be lost. Even worse, take another company slightly over the arbitrary threshold. It would be incentivized to actually lay off a worker in order to receive that \$2,200 benefit.

# [English]

This is perverse, and that is why Jack Mintz and Mike Moffatt are not alone in their criticism of this plan.

In a piece entitled "Why the new EI tax credit could do more harm than good" in *Maclean's* magazine, Stephen Gordon, an economist at Laval University, has written:

For firms that are just under the \$15,000 threshold, hiring a new worker would mean crossing the line and losing the tax credit entirely. For firms that are just over the threshold, the incentives are even more perverse: firms may choose to actually reduce employment in order to be eligible for the tax credit. To be sure, not all small businesses are in this position and many will be able to hire and take advantage of the tax credit. But it's by no means clear at this point that the positive incentives to hire more workers will outweigh the negative ones.

Earlier this week Barrie McKenna wrote in *The Globe and Mail* about this tax credit and how it discourages small businesses from growing. He wrote:

Unfortunately, our love of the small isn't doing the larger economy any good. It may even be causing harm by creating a perverse disincentive for small companies to grow

Larger companies, and particularly fast-growing ones, are more competitive, invest more, offer better wages and benefits, and are more likely to become exporters. And when they do that, they become job-creation machines.

Put simply: Growing companies, not small ones, drive economic growth.

Governments should want more of them. But our policies are sending exactly the opposite signal: Stay small. Don't grow.

It is clear that the Conservatives are putting Canadian jobs and economic growth at risk with this poorly designed small business job credit. They are prepared to spend \$550 million on a scheme that would encourage firms to stay small and actually incentivize businesses to fire workers. There is a better way to use this money. We could reduce EI premiums, promote job creation and support economic growth all at the same time.

That is why the Liberals are calling on the government to replace its poorly designed small business job credit with an EI premium exemption for newly created jobs. For the same cost as the small business job credit, the government could provide employers with an EI holiday on new jobs created in 2015-2016.

Unlike the Conservative scheme, the EI holiday would not reward companies that reduce wages or staffing levels in order to make it under an arbitrary \$15,000 threshold. Instead, it would reward all employers with up to \$1,300 for every new job they create. This EI holiday would apply to any business regardless of size, but to qualify, employers would have to hire new workers and increase their EI payroll over the previous year. That way, the plan would only reward real job creation. This plan could help create over 175,000 net new jobs.

Rewarding job creators with lower EI premiums is a plan that works, and it has been done before, by a previous Liberal government. In budget 1997, the Liberal government of the day introduced a new hires program, which virtually eliminated EI premiums specifically on new hires by small businesses in 1997-1998. This is what was said in budget 1997:

The New Hires Program announced in November 1996 will provide employment insurance premium relief to small firms that create new jobs in 1997 and 1998. By reducing the cost of new workers, this program will encourage small firms to accelerate their job creation plans....

While the new hires program was targeted to small business, it did not create a disincentive against jobs and growth as those businesses grew. Instead, it benefited any business that had premiums of \$60,000 or less in 1996 and then grew in 1997-1998.

#### (1020)

In budget 1998, the Liberal government built on the new hires program and introduced an EI holiday for all employers, regardless of size, who helped create new jobs for young Canadians.

This is how the new program was outlined in budget 1998:

To encourage employers to hire young Canadians, this budget proposes to give employers an employment insurance (EI) premium holiday for additional young Canadians, between the ages of 18 and 24, hired in 1999 and 2000. As with the New Hires Program, ...employers will be allowed to stop paying premiums when they reach the 1998 level of payroll, or they can claim a rebate when filing their tax forms.

Unlike New Hires, however, there will be no minimum threshold and all firms will be eligible without limitation on size.

There is an important difference between that plan, which worked, and the current Conservative plan, which not only will not work but will potentially render damage to the Canadian economy.

As Liberals, we know that government must help create the right conditions for jobs and growth. That is why Liberal governments introduced an EI premium holiday to reward job creation. It is why Liberal governments lowered taxes time and time again, both income taxes and EI payroll taxes. It is why Liberal governments introduced significant new investments to infrastructure. It is also important to recognize that Liberal governments turned deficits into surpluses, paid down debt, and left the Conservative government with the best fiscal situation of any incoming government in the history of Canada.

Liberal governments know that a pro-growth agenda requires both infrastructure investments and competitive tax rates. This is a significant area of disagreement between Liberals and Conservative governments. Currently, instead of supporting economic growth, the Conservatives are actually slashing the new Building Canada fund by nearly 90% over the next two years. The Conservatives are doing this at a time when unemployment remains well above pre-recession levels and Canada's economic recovery has stalled, a time when we have 230,000 fewer jobs for young Canadians than before the downturn in 2008.

Our economic growth has fallen behind that of the U.S. and the U. K. In the last 12 months, Canada has created a paltry 15,000 net new full-time jobs across the entire country and young Canadians are struggling with unemployment and under-employment.

Meanwhile, the EI tax rate under the Conservatives is significantly higher today than it was in 2008. Each year since 2011, the Conservatives have raised the EI tax rate during an economic downturn. First they increased it from 1.73% to 1.78%, then to 1.83% and finally, last year, to 1.88%. Raising payroll taxes during a time of stagnant economic growth and poor job numbers does not make sense.

The Conservatives have promised to set the EI tax rate at a sevenyear break-even cycle. Now they actually want us to applaud them for freezing the tax rate at 1.88% until 2017, but if the Conservatives had actually kept their promise and allowed the EI tax rate to be set at a break-even rate, the EI rate would have fallen to 1.62% this January.

Earlier this month, the Office of the Superintendent of Financial Institutions released its 2015 actuarial report on the EI premium rate. According to OSFI and the government's own numbers, it is set to take in an additional \$3.5 billion in EI taxes next year, above and beyond what is required to pay for the EI program. Even with the small business tax credit, the Conservatives will still collect over \$3 billion in excess EI taxes next year.

The Conservatives are hurting the Canadian economy by cutting infrastructure investments and keeping EI taxes artificially high just to pad their books to try to achieve a political surplus on the eve of an election.

#### **●** (1025)

Canadians want their government to focus on jobs and growth, but the Conservatives are not listening. Instead, they are trotting out old job creation numbers from 2009 and 2010 and telling Canadian families who are struggling not to worry and to be happy that we are better off than Spain. Canadians deserve better than this. Young Canadians, and their parents and grandparents, deserve better than this.

Liberals understand that the government must create the right conditions for jobs and growth. Government can do this by identifying and removing barriers to growth, barriers including the Conservatives' small business job credit, which perversely punishes businesses for growing.

#### [Translation]

It is not too late for the Conservatives to fix their mistake. We have offered a counter-proposal, a real plan to create jobs and growth.

#### [English]

In fact, last week the NDP finance critic, the member for Skeena—Bulkley Valley, spoke in favour of the principle behind this motion. He was speaking about the flawed small business job credit when he said in the House:

How about we offer tax breaks to businesses when they actually create new jobs, rather than this hope, wing and a prayer for long-term prosperity?

We agree with the NDP finance critic and appreciate his party's support for the principle behind our policy, which is, in his own words, that we offer tax breaks to businesses that actually create jobs.

We are here today to discuss ways to move the Canadian economy forward, to reduce impediments to growth, and to create the conditions whereby Canadian businesses of all sizes can move forward and create jobs, opportunities, and growth for the Canadian economy. That is why we are asking the government to replace its flawed small business job credit with an EI holiday for employers who, to again borrow a phrase from the member for Skeena—Bulkley Valley, "actually create new jobs".

# Business of Supply

I hope that members from all sides will listen to reason and support this motion, which supports an EI tax credit that rewards job creation instead of punishing it. It was a measure that was successful in the late 1990s under a previous Liberal government in creating jobs and growth for Canadians.

I would hope that we have a robust debate and discussion today on this issue, but that we put our partisan differences aside to agree on a policy that can offer real hope to Canadians and real opportunities for Canadian businesses to create good jobs across this country.

#### **●** (1030)

Mr. Gerald Keddy (Parliamentary Secretary to the Minister of National Revenue and for the Atlantic Canada Opportunities Agency, CPC): Mr. Speaker, I listened intently to the comments of the member for Kings—Hants with respect to EI premiums. I could not follow his logic and I could not remember the same voting record either

In 1997 and 1998, that member and I sat in the same party and voted against the Liberal budget that had those changes to the EI account, yet his memory has been very selective.

I would like to quote the Canadian Federation of Independent Business, which dismissed the ridiculous claim that somehow employers would lay off employees. It stated:

Some have suggested companies will lay off staff or hold off hiring just to stay under the threshold to receive the credit. I've got news for them, a small business owner doesn't have time to research the eligibility requirements and then carefully manage their payroll to receive a few hundred dollars over two years.

Any statement based on any kind of information that we have out there will tell us that employers have embraced the small business hiring credit. It will generate more jobs in Canada, not fewer, and I still do not understand the member's logic.

**Hon. Scott Brison:** Mr. Speaker, I appreciate the question from my friend, the member for South Shore—St. Margaret's, with whom I served as a Progressive Conservative. Ten years ago the word "progressive" was removed from the Conservative brand. It was a reflection not only of style but of substance in that party. I understand that the member, after distinguished service to the people of South Shore—St. Margaret's and Canada, is retiring from public life and I wish him well in his future.

The question here is whether this public policy will work to create jobs and encourage small businesses to grow. The reality is that—and this is according to Jack Mintz, a significant economist at the University of Calgary, or Mike Moffatt—the Conservative measure would, perversely, provide a disincentive to grow businesses. In fact, it would potentially pay a small business \$2,200 to fire someone while only \$190 to hire someone.

There is a flaw in the design of this policy and I would urge the hon. member to stick to the public policy on this. He is a smart fellow. He has been a small business person and he understands business. I think he would agree with me that it does not make sense to encourage businesses to fire people. We should encourage them to hire.

**●** (1035)

[Translation]

Mr. Robert Aubin (Trois-Rivières, NDP): Mr. Speaker, I represent a riding and a region where the unemployment rate is especially worrisome, so when a debate about employability measures gets under way in the House, you had better believe I will be here. However, there is something bothering me this morning about both the Conservatives' and the Liberals' approach, and that is the feeling I have of witnessing a swarm of bees that have just found a source of sugar.

Not only did these two parties hijack \$57 billion in employment insurance contributions over the years, but now that there is a surplus in the employment insurance fund, they want to do exactly the same thing and steal another \$550 million.

The real question is: why is there a surplus in the employment insurance fund? The answer is pretty simple: fewer than four in ten workers who contribute to the fund do not qualify when they need employment insurance. The surplus might actually be smaller if the money had been used for the purpose it was contributed for.

That does not stop us from taking a look at job creation measures. If the job creation measure my colleague proposed is really effective, should the money for it not come from the government's general revenue fund instead of the employment insurance fund, which should be able to continue providing the services it is supposed to provide?

**Hon. Scott Brison:** Mr. Speaker, I thank my NDP colleague very much for his question.

It is always important to strike a balance with respect to the employment insurance fund. The Conservatives were foolish to increase employment taxes during a recession, a time when economic growth was very slow and the unemployment rate was higher.

Now we have to correct the design flaw in the Conservatives' policy and come up with another way to stimulate economic growth and create jobs.

We have come up with a better approach that reflects the principle espoused by the NDP finance critic, who says we should support businesses that create jobs. I hope the NDP will support this motion.

Mr. Emmanuel Dubourg (Bourassa, Lib.): Mr. Speaker, I would like to congratulate my colleague on his speech in this debate. The Conservative Minister of Finance proposed something that would allow businesses to apply for a credit worth up to \$2,200 if they pay \$15,000 in EI premiums. From what I understand, when the minister made the announcement, he said the goal was to support job creation in Canada.

However, if the amount paid in premiums is \$15,001, businesses might try to get in under that threshold in order to take advantage of

the \$2,200 credit. In that case, no jobs will be created. In addition, are businesses that pay around \$14,200, for example, likely to hire in order to get that \$190 credit? It makes no sense. This measure will not boost job creation.

I would like to ask my colleague if he thinks that the Conservative minister only proposed this because he is panicking, given the many months of job losses in this country.

(1040)

**Hon. Scott Brison:** Mr. Speaker, I thank my hon. colleague for the question.

Clearly, the government was wrong to propose this. It was ridiculous to create a program with such a flawed design. A program with bigger incentives can reduce the number of jobs, rather than create jobs.

We are trying to be constructive in this debate, which is why we proposed a more reasonable and more effective option—a Liberal program that reflects the principle espoused by the NDP finance critic. This program will help all businesses that create jobs. I do not understand why the government refuses to work with us to improve its approach and develop a stronger program that is more likely to create economic growth across the country.

[English]

Mr. Gerald Keddy (Parliamentary Secretary to the Minister of National Revenue and for the Atlantic Canada Opportunities Agency, CPC): Mr. Speaker, before beginning debate, I should let the House know that I intend to split my time with the member for Prince Edward—Hastings.

With this motion, my hon. colleagues are suggesting that somehow the government job credit for small businesses is nothing but an incentive to lay off employees. As I mentioned in my first question to the member for Kings—Hants, it is a little difficult for us to wrap our heads around the logic, and I suspect it is difficult even for the Liberals, that somehow any government, not just this government with a reputation of creating jobs, would take any action to reduce the number of jobs available. It is truly ludicrous.

What we are doing is exactly the opposite. The small business job credit will lower EI premiums for small businesses by 15%. Over the next two years, the premium reduction will save employers \$550 million, money they can use to hire more Canadians.

The Canadian Federation of Independent Business estimates the credit will create 25,000 person-years of employment over the next two to three years. The Minister of Finance also confirmed that in 2017, EI premiums will go from the current \$1.88 per \$100 of earnings down to \$1.47 per \$100 of earnings. This means that employers will have more money to invest in things like training and increasing wages, and workers will have more money in their wallets at the end of the day.

Our government has a responsibility to create the right conditions for economic growth, and it is clearly one that we do not take lightly. Since the economic downturn, we have had a steady increase in employment, low interest rates and the kind of economic growth that has made us the envy of other countries. We got here by implementing concrete measures to ensure Canadians have the skills they need for the jobs that are in demand. That is a big part of it. On the other side of the coin is how we are supporting employers to ensure they continue to grow their businesses and create jobs for Canadians. The small business job credit is simply the latest step in a broader plan to support job creation in our country.

Another element of our plan, as members know, is the Canada job grant, an employer-driven approach to help Canadians gain the skills and training they need to fill available jobs. So far we have finalized agreements with all of the provinces and territories, and six of them are already accepting applications from employers with a plan to train people for jobs. Matching employers with employees across this country will continue to create jobs across Canada. What this means is that employers can be sure they will have an employee with the skills that the job requires. It means as well that there is a real job at the end of the training.

We are also partnering with several colleges and training institutions to get more businesses directly involved in ensuring there is a better matchup between skills taught and skills wanted. That is also why we invest so much in apprenticeships. However, support for apprentices will not accomplish much if it is difficult for people to hire them. To change this, the government has provided tax credits for employers who hire eligible apprentices.

Employers can also take advantage of provisions in the EI system for supplemental unemployment benefits or SUB plans. Employers with a registered SUB plan can provide supplemental payments to EI benefits for temporary periods of unemployment due to a temporary stoppage of work, training, illness or injury. So far close to 3,000 employers across Canada have approved SUB plans, and over 887,000 workers are benefiting from these payments. The SUB plan, among other things, solves a major challenge for employers who hire apprentices. It means that employers can pay up to 95% of their apprentice's regular salary, while the apprentice is completing his or her technical training at college.

Our priority is clear. Since the depths of the global recession we have implemented a range of measures to create jobs and prosperity for all Canadians, and we are seeing the results. Canada's economy is performing well in the context of the weakened global economic recovery. We have created over 1.1 million jobs since July 2009, and over 80% of these jobs have been in full-time positions. Nearly 80% are in the private sector and 65% of those are in high-wage industries.

**●** (1045)

As I said, this job credit for small business is the latest measure in a much broader plan, a plan that includes a commitment to a national EI program that is more reflective of, and responsive to, local labour market conditions and that stimulates job creation. The job credit we announced two weeks ago intends to do just that.

However, it is increasingly clear that the Liberal leader does not have a plan for the economy. He believes that budgets balance themselves, and now he is trying to make us believe that taxing small businesses would somehow create jobs. In fact, it is the opposite.

# Business of Supply

The Liberals' plan for employment insurance would cost Canadians nearly \$6 billion. This would lead to a massive increase in payroll taxes, with an increase in EI premiums of nearly  $50 \rlap/e$ , and would kill thousands of jobs.

If we take a look at just one part of this plan, the 45-day work year, its cost alone would be over \$4 billion. Other parts of their plan are equally thoughtless, including \$3 million to provide EI for prisoners. They would compensate perpetrators of crime.

It is abundantly clear that we do not need the measure that our Liberal colleagues are proposing today. Therefore, I urge all members not to support the motion. This applies particularly to the members of the NDP, who I am sure do not need to be reminded of their record of being the least democratic party in the House, without a single dissenting vote against the party line since becoming the official opposition.

In closing, I know my colleague from Prince Edward—Hastings has more to add to this speech. What we have here is flawed Liberal logic backed up by flawed NDP logic. Really, the facts speak for themselves. This is a good incentive. It would create jobs across this country. This is legislation we need. We do not need the naysayers.

**(1050)** 

Ms. Lois Brown (Parliamentary Secretary to the Minister of International Development, CPC): Mr. Speaker, for the last 15 years, I have been a small-business owner in my municipality of Newmarket. The one thing that is always a disincentive to our small businesses hiring more people is the cost of payroll taxes. When I attend the events hosted by the chambers of commerce in my two municipalities of Newmarket and Aurora, over and over again I see small businesses that are trying to take that next step in employing new young people, but unfortunately, payroll taxes are hampering their ability to make that move.

I wonder if my colleague could talk about some of the conversations he has had with small businesses in his own riding and what they are telling him about this job credit.

**Mr. Gerald Keddy:** Mr. Speaker, the reality is that on this particular job credit, small businesses in my riding are ecstatic. This will include nearly 90% of the small businesses across Canada that pay remittances of less than \$15,000 in EI payments. To a small business, \$15,000 worth of EI payments is a lot of employees. Most of the time we think of small business as having 20 or 30 employees. We are talking about 300 or 400 employees, in many cases. It is a real incentive to continue to hire more.

What we have done as a government is get rid of the Liberal practice of taking the EI surplus and putting it into general revenue. We are making EI self-sustainable. This continues to allow EI to be self-sustainable, plus, it is an incentive for employers.

**Hon. Wayne Easter (Malpeque, Lib.):** Mr. Speaker, I am surprised that the member opposite continues to perpetuate the myth about what happened around the EI fund originally. Originally it had a \$42-billion deficit. As the economy got growing under good Liberal policy, then of course, that deficit had to be covered.

My question is on process. The member is rejecting out of hand this proposal that I believe is well thought out. Why would the member not allow this chamber to work as it should work? There is a proposal from, in this case, the third party. There will be other proposals from the official opposition that make good sense for Canadians and for the Canadian economy. Why would the government reject it out of hand, when this really is an incentive for firms to hire more employees? If they hire more employees, that incentive is there through the EI tax break. Why would we not do that in this chamber?

**Mr. Gerald Keddy:** Mr. Speaker, unfortunately, it is not about one party working with another party. It is about whether something is correct or incorrect.

The hon. member sat there when the member for Kings—Hants talked about the support for the Liberal 1998 project. The hon. member was here at that time, as I was, and the member for Kings—Hants voted against that budget.

Speaking of selective memory, we have total selective memory on the Liberal side. The reality is that he is incorrect.

Our plan would allow for jobs to be created. The Liberal plan would be a disincentive. It would end up that they would be giving them a holiday. New hires would not affect the EI plan immediately, but eventually they would have to start paying into it.

The whole point of our Conservative strategy on EI is to make EI self-supporting. If we continue with that plan, we can continue to reduce the level of EI remittances across the country from \$1.88 to \$1.47 and at the same time continue to make EI self-supporting and encourage employers to hire more employees.

(1055)

Mr. Daryl Kramp (Prince Edward—Hastings, CPC): Mr. Speaker, today I am honoured to add my voice in support of the new small business job credit, which builds on our government's commitment to lowering taxes and leaving more money in the pockets of hard-working Canadian families and job-creating businesses.

Our government has a proven track record of success when it comes to supporting families and communities. Regretfully, the high-tax NDP and Liberals do not believe that we are on the right track. They think that Canadians should pay more taxes. We have an obvious difference of opinion. Respectfully, that is a difference.

In the last federal election, we said that Canadians should pay less tax and that we would end up having more revenue for the government. That is exactly what has happened. In fact, our strong record in tax relief has seen savings of nearly \$3,400 for a typical family of four in 2014. It has allowed people to invest those savings in important family matters that have benefited not only typical families but their communities.

Members should also be aware that this low-tax plan we have has produced the strongest middle class in the world. We have put over \$30 billion back into the pockets of everyday Canadians in a number of different ways. It is a shame that the Liberals and the NDP, our opposition, have consistently voted against lower taxes.

Our economic action plan will play a key role in strengthening our economy, not just now but in the future, with positive measures that advance economic progress, and subsequently, the prosperity that runs along with it.

Today let me highlight just one small measure. It is our government's small business tax credit, which will lower EI premiums for small businesses by approximately 15%. Over the next two years, the premium reductions will save employers \$550 million, money they can use to hire more Canadians.

The Canadian Federation of Independent Business, of which I was a proud member for many years, estimates that the credit will create 25,000 person-years of employment over the next two to three years alone. The Minister of Finance also confirmed that in 2017, EI premiums will go from the current \$1.88 per \$100 of earnings down to \$1.47. In 2017, we will definitely have moved to the point where we are in an accountable and completely structured program that at the point we might say is self-supporting.

This means that Canadians and employers will have more money to invest in other requirements, such as training and increased wages. Workers will have more money in their wallets at the end of the day.

Yes, it is a positive measure. That fact remains clear. It is something organizations across the country, those that understand small business, recognize will go a long way in helping the Canadian economy, given the importance of small business to the Canadian economy.

Let me quote the Canadian Federation of Independent Business. It said:

This will make it easier to hire new workers or invest in additional training to help entrepreneurs grow their businesses....

This announcement is fantastic news for Canada's entrepreneurs and their employees, and as such, can only be a positive for the Canadian economy.

It should be noted that the Canadian Federation of Independent Business represents a huge, broad percentage of small businesses in Canada.

Our government has a responsibility to create the right conditions for economic growth. Clearly, it is one that we do not take lightly. Since the downturn, we have had a steady increase in employment. Interest rates have been low, and we have experienced the kind of economic growth that has made us the envy of every other country. This has been documented by independent organizations such as the IMF and the World Bank.

We got here. How? It was by implementing concrete measures to ensure that Canadians have the skills they need for the jobs that are in demand.

#### **●** (1100)

My riding was very pleased to see that we were able to contribute to a new skills development building at Loyalist College, which certainly aids the local trades people in our area in gaining the skills that are necessary to not only compete but gain the jobs that are readily available.

By insuring that federal funding responds to the hiring needs of employers and by giving them the opportunity to participate meaningfully as partners in the skills training, the Canada jobs grant has and will continue to transform skills training in Canada. The Canada jobs grant provides up to \$15,000 per person for training costs, including tuition and training materials, which includes up to \$10,000 in federal contributions, with employers contributing an average of one-third of the total costs of training.

As important as this milestone is, economic action plan 2014 even went one step further by creating the Canada apprentice loan to help registered apprentices with the costs of their training. It will do so by expanding the Canada student loans program to provide apprentices registered in the Red Seal trades with access to over \$100 million in interest-free loans each year. To further support apprentices, economic action plan 2014 takes steps to increase awareness of the existing financial supports available to apprentices through the employment insurance program while they are in technical training.

It also announced that our Conservative government would improve the youth employment strategy to align it with the evolving realities of the job market, and to ensure federal investments in youth employment would provide our young Canadians with real-life work experience in high-demand fields such as science, technology, engineering, mathematics and the skilled trades. There is an evolutionary change that we have taken to match skills to jobs to ensure our young people have a sustainable future.

Although Canada boasts high levels of post-secondary achievement, the transition, as we all know, to the first job in particular can be very challenging. That is why, through our economic action plan, our government dedicated over \$40 million toward supporting up to 3,000 internships across the country in these high-demand fields. Lasting between six and twelve months, these internships will give participants the opportunity to gain real-life work experience and skills necessary to succeed in the workplace now and in the future.

All these measures stand in stark contrast to the Liberals' over \$6-billion tax grab on Canadian businesses: money from the economy, money from employers, money from businesses and organizations, money they desperately need to compete with. This would lead to a massive increase in payroll taxes, EI premiums of nearly 50¢ and kill thousands of jobs. If we look at just one part of the Liberals' plan alone, the 45-day work week, its cost alone would be over \$4 billion. It is abundantly clear that we do not need that measure and certainly not the one the Liberals propose, and continue to propose today.

We will remain focused on what matters to Canadians: jobs, economic growth and ensuring that Canada's economic advantage we have today will translate into the long-term prosperity of tomorrow. Our recent small-business job credit shows a commitment to Canadian employees and employers. They should not take our

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word for it; we are always standing up for small business. Again, they should take it from a source that we know has and will continue to support our government's actions in this regard, the CFIB, which stated, "Small businesses in Canada should be thrilled with this announcement because they are told time and time again that payroll taxes like EI are the biggest disincentive to hiring. So any relief that the government can provide will encourage them to be hiring more Canadians".

Therefore, I urge all members to not support this job-killing motion from the Liberal Party, and remember that it is this government that has the best interests of small businesses and every Canadian who is looking, and will continue to look, for a job, albeit in the short term. We are providing a future of hope for all those people who do, can and get the job they need.

# **●** (1105)

[Translation]

**Mr. Robert Aubin (Trois-Rivières, NDP):** Mr. Speaker, I listened closely to my colleague's speech.

Did I miss something? It sounds like an election has been called, but no one told me about it. It seems to me that there has been more talk about the Conservatives' election platform than about the Liberal motion.

Since it is clear that today's debates are going to focus on the proposals made by our friends from those two parties, I feel quite comfortable asking my colleague a very specific question about that \$550 million, which could be used to create new jobs.

I would remind the House that the money was originally taken from the employment insurance fund. The money reimbursed would be redistributed to employers, which would create new jobs.

Let us compare that to the tax breaks the Conservatives are offering to major corporations. I remember that one day, former finance minister Mr. Flaherty urged big business to reinject that dead money into the economy in order to create jobs. That was nothing but rhetoric. What guarantee do we have that jobs will actually be created?

#### [English]

**Mr. Daryl Kramp:** Mr. Speaker, there appears to be a bit of a platform coming from the member, who gave what I consider to be some informative comments on EI and the economy. At some point, I certainly hope he could take counsel in those comments and not simply oppose the measures that have proven, and will continue to prove, to bring jobs for the Canadian public.

Mr. Scott Simms (Bonavista—Gander—Grand Falls—Windsor, Lib.): Mr. Speaker, the member and others keep mentioning this 45-day work week. I assume they mean a 45-day work year, given that the first part would probably be quite onerous.

I want to focus on that for just a moment. I have heard members use keep saying the term by way of disincentive or anything else. Yet in the first part of his speech, the member talked about the realities of the employment situation.

I know his area fairly well and a great deal of seasonal work exists in that region. In mine, the amount of seasonal work is tremendous. This is the reality of seasonal work, which is what Conservatives call the 45-day work year. These people would rather be working far greater than 45 days. The realities of the forestry and fishing industries, by way of just two examples, dictate that the employment insurance program must be there to allow these people to survive.

Remember that the people and businesses investing in these communities need these measures by way of seasonal work or, as he likes to call it, the 45-day work year. They need them for these places to survive. I think the hon. member misunderstands the concept of seasonal work in this debate.

**Mr. Daryl Kramp:** Mr. Speaker, yes, I recognize that I misspoke when I said "week", and I thank my hon. colleague for the correction.

He has been relatively successful in politics and I relate that a bit to his spending some time in my riding, in which he attended Loyalist College and received an adequate education that, I suppose, enabled him to get a job.

There is seasonal employment in all of our ridings, and I recognize that in the hon. member's area seasonal employment is a significant problem. There is also seasonal employment in my riding, high in tourism and industries like that.

However, moving from that argument to the Liberal motion, the suggestion is that we need to spend more and more money simply to attract and/or create new jobs. The Liberal motion would simply reward employers that create jobs. There are a lot of businesses and a great proportion of businesses that simply would love to survive and maintain jobs. It does nothing for them, whereas the tax credit would accomplish that for businesses, albeit not large businesses but small ones, as well as those who try to maintain and keep the jobs they have.

#### **●** (1110)

[Translation]

Mr. Robert Aubin (Trois-Rivières, NDP): Mr. Speaker, to begin, I must point out that we do not have enough time to debate a motion such as this one, and since equality and sharing are part of the NDP's DNA, I am happy to be sharing my time with the hon. member for Newton—North Delta. That way, we can hear as many points of view as possible on this issue.

Let us start with where I come from, Mauricie. In light of the many company closures, including Rio Tinto Alcan and Resolute Forest Products, I will be participating in a large-scale public demonstration on Saturday in Mauricie. Actually, it will be in Shawinigan, to be more precise. We are going to take to the streets to show how proud we are to live in the region. We will also be showing our solidarity with the many workers who have lost or will unfortunately be losing their jobs because of these closures.

It is therefore clear that when it comes to measures that would create jobs, I would love to hear the proposals and see how they could benefit my own region. However, when these measures are funded out of EI surpluses while most workers who have contributed to the plan do not receive benefits when they need them, my ears really perk up. Members will have to work hard to convince me that the Liberal or Conservative approach is a good thing.

Of course, as the NDP employment insurance critic, I wanted to take part in the debate since the Conservatives and the Liberals seem to have similar approaches in taking advantage once again of EI surpluses to fund a job creation policy that, in one case, offers no guarantee of job creation and, in the other case, is based on a mathematical and financial calculation that is flawed and would make people fear the worst if these same thinkers came to power some day. The only thing these two measures seem to have in common is that they are a reflection of the two old parties and a direct result of their ferocious appetite for EI surpluses. In addition, the Liberals and Conservatives always make policies at the expense of workers who make contributions and yet are receiving fewer and fewer services. Need I remind the House that the Liberals diverted over \$50 billion from the premium surplus for purposes other than EI? Need I remind the House that the Conservatives followed suit when they came to power and took at least an extra \$3 billion, in addition to eliminating the EI account and imposing their reform, which had no consequences other than reduced benefits and more and more unemployed people without access to the plan?

To quote Mr. Hassan Yussuff of the Canadian Labour Congress:

How is it acceptable to be accumulating annual surpluses in the EI account, when 63% of unemployed workers aren't receiving any benefits?

In fact, 63% of contributors do not receive benefits and the Conservatives and Liberals want to use the surplus to supposedly establish a job creation program.

Instead of addressing the issue, the Liberals and the Conservatives are wallowing in the surplus. They want to siphon it off and are only providing relief to employers or premium holidays in the hope that they will create new jobs. It is still to be defined what qualifies as a new job.

Before we go on to the crux of the matter, let us finish examining the execution. For the time being, all I see in the Conservative and the Liberal proposals on the table is the withdrawal of \$550 million or so from the employment insurance program, which will be diverted for other purposes while, I repeat, only employers' contributions decrease.

If they really wanted to talk about a measure that could create new jobs, they would recognize that the only serious proposal that would pass the test and that is both fair and balanced is the NDP proposal. Allow me to cite just the fact that the hiring tax credit proposed by my party will be funded through the government's general revenues. In other words, it will be funded by all Canadians, businesses and corporations, rather than in large part by workers, as proposed by the Liberals and the Conservatives in their approach.

#### **●** (1115)

In fact, since the government blithely dips into the employment insurance fund, what exactly is insurance? Before going any further in my speech, I made sure to look up the definition of terms, and I went back to the dictionary definition of insurance, which is:

The act or an instance of insuring property, life, etc.; a sum paid for this; a premium; a sum paid out as compensation for theft, damage, loss, etc.

Our employment insurance requires employees and employers to pay a premium to an employment insurance plan, run by the government, in order to provide temporary benefits when the worst possible thing happens in the life of worker, who has to devote his or her time to looking for a new job.

Contrary to what some quite often suggest, on average an unemployed person receives less than 20 weeks of benefits before being placed in a job that matches his or her skills.

The problem right now is not that people are making a lifestyle out of going on EI, but rather that the benefits are not there when they need them. Currently, our employment insurance program allows less than 4 out of 10 workers who contribute to the plan to be eligible for benefits when they lose their jobs. Do hon, members know of any insurance company that would stay in business for long with that kind of record?

The NDP understands how important job creation is to economic growth. However, that growth must be done without undermining the social safety net we have had for so long.

We are proposing a hiring tax credit and my leader, the hon. member for Outremont, has clearly indicated our commitment to abolishing the Conservatives' employment insurance reform when the NDP forms the next government in 2015.

In June, the hon. member for Dartmouth—Cole Harbour introduced a bill in the House that I had the honour of supporting. The bill lays out how an NDP government will protect the employment insurance fund to ensure that the contributions are used for their intended purpose.

Can Canada protect itself from the temptations of the Liberals and the Conservatives to misuse the fund?

Although the Supreme Court ruled on the legality of the successive Liberal and Conservative governments' actions, it did not comment on the legitimacy of this approach.

I believe, as do many Canadians, that the Liberal and Conservative proposals are nothing more than a new employment tax on workers. Workers are clearly being told that they will have a very difficult time getting employment insurance benefits when they fall on hard times, that their contributions will remain the same and

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that, in contrast, employers will get a tax break for rehiring them. That is quite the imbalance.

In other words, ordinary workers will have to pay for their benefits and for being rehired, since both the Liberal motion that was moved this morning and the position announced by the Liberal leader last week do not define what actually constitutes a new job.

Let us look at an example. An employee of an SME, factory, industry or some other employer is laid off because there are not enough orders coming in to keep the job open. A few months later, new clients are found and more orders start coming in, and the company is in a position to rehire the worker. Does that constitute a new job? God only knows. The Liberals may think so, but they are not admitting it.

Since I am almost out of time, I will end by saying that it is in the Liberals' and the Conservatives' DNA to come up with reverse Robin Hood measures. While workers continue to pay for services to which they no longer have access, many employers will be relieved of some of the burden of participating in the employment insurance program in exchange for a job creation dream that will not necessarily add new jobs to our economy.

#### **●** (1120)

The societal model that the NDP is proposing to all Canadians is based on the principle of strong solidarity. Canada is a rich country where no one should be left behind, a country where economic development and the solidarity that comes from developing our social safety net are not mutually exclusive.

#### [English]

Ms. Jinny Jogindera Sims (Newton—North Delta, NDP): Mr. Speaker, I want to thank my colleague from Trois-Rivières for the work he has done on this file. I have been so impressed with his thorough notes and his passion as he speaks up for those who are vulnerable, those who lose their jobs and are then abandoned by the government and denied access to EI.

I would like him to explain how, despite the rhetoric we are hearing from both the government and the other opposition, both have been party to stealing from EI and how both have reduced access to EI.

#### [Translation]

Mr. Robert Aubin: Mr. Speaker, I thank my colleague for her question.

It is often said that the past is an indication of the future, and this is particularly applicable to our Conservative Party and Liberal Party colleagues. The past has indicated, without a doubt, their ferocious appetite and their capacity to take the surpluses generated by the employment insurance fund and to spend those surpluses on other things.

The two job creation measures we heard about last week and this week propose the exact same thing. The NDP presented its own hiring credit proposal, since this is a valid measure. However, this time, it would be supported by all Canadians, without an imbalance between the EI premiums charged to employers and those paid by workers.

All the measures put in place with the Conservatives' reform have generated a significant surplus. If the premiums had been maintained at what they were before the Conservatives' announcement, the surplus would be around \$2 billion a year, because services are not being provided at the other end, or at least so few services are being provided that the money is piling up. Now we have this swarm of Conservatives and Liberals buzzing around a pile of money. However, this money was contributed by employers and workers so that unemployed workers could receive services.

**Mr. Emmanuel Dubourg (Bourassa, Lib.):** Mr. Speaker, I listened carefully to my NDP colleague's speech. He said that he looked up the word "insurance" in the dictionary. However, I do not understand why he said that the Liberal Party's proposal was a new employment tax on workers.

I do not know whether the member has a dictionary there, but I would like him to explain his claim that this is a new employment tax on workers.

**Mr. Robert Aubin:** Mr. Speaker, I would like to thank the hon. member for Bourassa for his question.

The principle is very simple. In terms of the employment insurance fund, there was a balance between the premiums paid by employers and the premiums paid by employees. Using the surplus in the employment insurance fund to lower employer premiums or to offer employers a credit, reduction or exemption, while the employees are left to contribute the same amount, creates an imbalance between what employers pay and what employees pay. Employees are paying more and more, but they are not receiving insurance services, although they are being told that everything is fine and that jobs may be created. In fact, they will have in part funded the tax break given to employers.

**(1125)** 

[English]

**Ms. Jinny Jogindera Sims (Newton—North Delta, NDP):** Mr. Speaker, it is a delight to stand in the House today to speak on behalf of my constituents and other Canadians across this country who are probably listening to this debate and wondering what planet many of these parliamentarians live on, when they see the challenges they are facing.

We have a high unemployment rate, but we also have many workers who have to work two or three part-time jobs, with many working seasonal jobs. They have seen access to EI go down.

Let us remember that employment insurance is a shared insurance plan paid for by the employer and the employee so that employees can access the plan at times of unemployment. However, what we have seen happening, both under the Liberal government and now under the Conservatives, are more and more barriers placed in the way of people accessing an insurance plan they have paid into.

By the way, this is an insurance plan that was very well funded. The Liberals did not hesitate take over \$50 billion—I'm not talking about millions here; I'm talking about billions—out of the EI plan in order to fund tax cuts for corporations and whatever other pet projects. The Liberals also reduced access to EI during their tenure from 80% of the unemployed getting EI to 45%. Working people were hit with a double whammy. This huge surplus was taken out

instead of being paid to workers or used to train workers for other employment.

The Conservatives continued to raid the EI account as well. When too many questions were asked, they just shut that account. They had created even more barriers and challenges. I have talked to many constituents in Newton—North Delta who say that it is so difficult to get EI now that many do not even bother to fill out the forms. Now, under the current Conservative government, we have seen that only 36.5% of the unemployed will get access to the insurance plan that they paid into. I think that is shameful and something that needs to be addressed.

However, neither party has apologized for the stealing from the workers that took place. At the same time, once they did away with the discrete account and used the surplus, the Conservatives then raised the EI premiums.

Members will notice that this EI holiday, break, or tax credit, and I do not see why they call it a "tax credit", is only being given to the employer. The employees will still be paying their insurance premiums, but there is no evidence and no guarantee that this will lead to greater job creation.

As a matter of fact, the Conservative government has given billions in tax cuts to huge corporations and we have seen very little job growth flowing out of that. Economists have studied this and have not seen the links. However, we see a history of companies that take our tax breaks and subsidies and then go over the border anyway, taking the jobs with them and leaving Canadians struggling.

Once again, I see that my colleagues in the Conservative and Liberal parties are trying to treat the EI contributions made by employees and employers as something that they own. I would say that the NDP is the only party that can be trusted to stick up for workers. The Liberals are always so full of rhetoric. They make promises galore, yet when it comes to real action, there is very little there.

**●** (1130)

I am proud of our leader, the leader of the official opposition, the NDP, because our party has tabled a motion to protect EI contributions so that no government and no political party, no matter what its colour—orange, red, blue, or whatever—when it is in government can raid the EI fund and use it as a slush fund. That money would be targeted to assisting those who are unemployed.

A lot of disillusionment has resulted from only 36.5% of people being able to access EI. There is a psychosis that sets in when people cannot get work. I can still remember today a young man who came to see me in my office. By "young", I mean 55, because 55 is the new young. He had been out of work for over 12 months. I asked him if he had applied for EI, as he would have qualified. His response was "I went, and they were asking me these questions and they gave me all these forms, and you know what? I just couldn't get over those hurdles."

Those are the kinds of hurdles that the government has put in the way of workers being able to access EI.

The government cannot keep doing the same things and expecting different results. We should use the EI fund for what it is meant for, but we should also look at real job creation ways. Let us take a look at real tax credits for small and medium-sized businesses to have job creation. There are many other ways that we could support our businesses.

I know that my colleagues across the way have very little respect for those who lose their jobs through no fault of their own. That happens because of the conditions that the Conservatives helped to create with a vast number of temporary foreign workers, which has led to a lot of instability. We have seen the government calling those who are unemployed "repeat offenders" over and over again. Is that not an offensive term? I can tell members that unemployed people who are unemployed through no fault of their own find that very offensive, and let us not forget the Conservative minister who stood and attacked the EI eligibility by saying, once again, the NDP is supporting the bad guys.

Surely this is the 21st century, and knowing today's reality, that is no way for our parliamentarians to speak.

I pointed out the very high number of people who are not qualifying. As a result, many Canadians end up having to appeal once they are turned down. With only 36% getting approval, we can imagine that the appeal rates are very high, but the government has broken the social security appeal system by creating the Social Security Tribunal, and the EI appeals under this new system that the Conservatives created have a dismissal rate of 80%. The government has made the system so dysfunctional that it is almost impossible for those who are denied EI to make a presentation except through written submissions. There were over 1,000 referees all over the country; the government has replaced them with 75 tribunal members.

# • (1135)

This system is working exactly the way the Conservatives wanted it to work, and they are making sure they are denying the rightful access to EI that unemployed workers who paid into that system deserve.

**Hon. Scott Brison (Kings—Hants, Lib.):** Mr. Speaker, I appreciate the speech and the remarks from my colleague in the New Democratic Party.

Does the member agree with her party's finance critic, the member for Skeena—Bulkley Valley, who said last week in the House:

How about we offer tax breaks to businesses when they actually create new jobs, rather than this hope, wing and a prayer for long-term prosperity?

Does the member agree with her critic? We certainly do. If she agrees with the member for Skeena—Bulkley Valley that we ought to offer tax breaks to businesses when they actually create jobs, can we count on her support for the Liberal policy that does exactly that?

Ms. Jinny Jogindera Sims: Mr. Speaker, I really appreciate that question.

I am very proud of the work done by our finance critic. I absolutely agree with the finance critic that we need a real job

creation plan that gives real tax breaks to businesses when they create jobs.

The focus there is on "when". This, like other half-thought-out ideas, uses Kijiji math. I looked at the math and I read some of the stuff economists have put out. The math the Liberals are using is so way out there that I can only call it Kijiji math.

This kind of Kijiji math and this kind of a hope and a prayer that is in this proposal as well is not a job creation plan. This is another way of pretending to do something without actually taking real action, which is to offer real tax breaks when jobs are created.

**Mr. Charlie Angus (Timmins—James Bay, NDP):** Mr. Speaker, I listened with great interest to my hon. colleague.

In fairness, I would like to acknowledge that at least the Liberals are bringing forward a policy, which is something they have not done in this session. In light of the fact that they have offered a suggestion, I would like to look at it.

The problem I see is that it looks as though they have hired Tim Hudak to crunch their numbers. The Liberals tell us that this great scheme of theirs is only going to cost \$225 million, but they cannot seem to add. When we add it up, it actually costs \$1.2 billion. We know how much ridicule Mr. Tim Hudak got for being unable to count by a factor of eight when he was running for premier of the Province of Ontario, yet the Liberal leader would like to run for leader of the country.

I would like to ask my hon. colleague what she thinks is the point of debating a plan that is off by over \$1 billion. Is it just incompetence? Do the Liberals actually care about the policy? Have they not done their homework? Perhaps they hired poor Mr. Tim Hudak, who I understand is now unemployed, to be another adviser to the Liberal leader.

How could the Liberals have gotten it so wrong as to be off by over \$1 billion in the first proposal that this party has actually brought forward in this House?

**Ms. Jinny Jogindera Sims:** Mr. Speaker, many of us have been wondering exactly the same thing, wondering where the math came from and why the proposal is before us. This is the first policy that the Liberal Party has put on the table, and it is badly flawed.

I find it very hard to trust anything the Liberals say on employment insurance when it was the Liberal Party that stole over \$50 billion from the EI fund the Liberal Party that reduced accessibility from 80% right down to 45%. In light of those kinds of things, maybe the Liberals could not think of anything to debate on their opposition day, so they thought they could do a little bit of Hudak, a little bit of Kijiji math, and would try to bamboozle the public into thinking that they actually have a policy.

**●** (1140)

**Hon. Wayne Easter (Malpeque, Lib.):** Mr. Speaker, I am indeed most pleased to second, and to speak on, the motion by my colleague, the member for Kings—Hants, which reads:

That, in the opinion of the House, the Employment Insurance...plan announced by the government on September 11, 2014, and which will begin on January 1, 2015, will not create jobs and growth but will instead provide a financial incentive for employers to lay off workers; and therefore, the House urges the government to redirect those resources by providing employers an EI premium exemption on newlycreated jobs in 2015 and 2016.

The proposal that we are presenting today is a tangible response to the need to create jobs across Canada. We are seeing that need everywhere in the country. We know that the manufacturing sector is down in terms of job creation. We know that the middle class is suffering. We know that in many of the regions, my own in particular, there is a shortage of jobs, and that shortage is causing great difficulties for communities and families across the country.

The proposal is based on the proposition that there should be an incentive for those who create jobs, and that is what is seriously missing from the Conservative proposal.

The Conservatives recently announced the creation of what they call the small business job credit, which many economists have called a disincentive for companies to grow. This Liberal counterproposal would reward companies that are growing and creating new jobs.

The Conservatives' small business tax credit has a design flaw that discourages job creation and economic growth. My colleague, the finance critic, has outlined that fairly extensively in his remarks. Simply put, under the Conservative scheme, only businesses with EI payroll taxes below \$15,000 would get any money back. This creates a perverse incentive for businesses to fire workers in order to get below the \$15,000 threshold. I know that earlier some colleagues disputed the fact that would happen, but in fact it does. That is the reality of the world.

The Conservative scheme offers up to \$2,234.04 for firing a worker and only up to \$190.52 for hiring a worker. Those are the extremes at both ends. The mix would be somewhere in between.

My colleague also outlined in detail the tragedy of the Conservative proposal. He used quite a number of quotes, but let me add a couple.

I will first quote from Stephen Gordon, who is an economics professor at the University of Laval. He was quoted in *Maclean's* magazine on September 11. He stated:

Reducing payroll taxes is usually a clear win-win situation, resulting in increased employment and higher wages. The Conservatives have passed up this opportunity by creating yet another targeted boutique tax credit.

Clearly, he does not see that this incentive is really a win-win solution that is going to work.

Mike Moffatt, an economics professor at the Ivey Business School, was also quoted in *Maclean's* on September 15. He stated:

...it is clear that firms under the \$15,000 EI threshold have a big incentive to keep wage increases to a minimum so they do not lose their tax credits. Conversely, firms that are just over the \$15,000 EI threshold have an incentive to cut the pay of their staff in order to gain the tax credit.

• (1145)

Mr. Moffatt's remarks make the point that there is also the perverse situation where, because of the \$15,000 threshold, there is pressure on companies to either cut back a bit on wages or cut back on employees to stay within that \$15,000 threshold.

Why would the Conservatives put forward this proposal? Why would they not go with the better proposal that we are proposing today? I would submit that to a great extent, it is all about spin, with a little Conservative manipulation thrown in.

The minister knows that the business community is incensed about the changes made to the temporary foreign worker program and the blanket treatment across the country. Those changes were made without any real consultation. All of us are hearing concerns from small businesses, from large businesses, from fish companies, from trucking companies, you name it, about the temporary foreign worker program. While changes need to be made, the way they have been made by the government, without consultation, could shut down some small businesses, some larger businesses, and some trucking companies and could hurt the economy.

The government has been told that in some instances, the temporary foreign worker program will shut down the economy and could cause small businesses to shut down, with a loss of jobs for Canadians. That is part of the reason a number of ministers are now concocting a scheme to throw a little bone to the business community. The problem is that the bone does not have much meat on it in terms of creating jobs.

Some of the statements made by the Minister of Finance himself indicate to us that this proposal is really a lot about spin. It is a lot about leaving Canadians with the impression that the government is doing something positive for small businesses with the EI insurance program, when it really is not doing that at all. It is all about leaving the impression it is doing something, when really it is not.

My colleague from Vancouver Quadra summed that up best last week when she asked a question of the Minister of National Defence. She said that what we have had from the Conservative government has been 10 years of deception. We know that it is not really 10 years. It is really eight years, but it certainly feels a lot longer than eight. The fact is that there have been years of deception by the government.

The deception in this policy is that it is support for small businesses for a limited period of time, when in reality, it could have the perverse reaction of costing some jobs in the small-business sector. The reality is that when we compare the Conservative proposal with what we are proposing here today, it is an opportunity lost. If the government does not support the proposal coming from my colleague, the Liberal finance critic, it is an opportunity missed for Canadians, for the small business sector, and for job creation in this country.

**●** (1155)

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That is where the House of Commons comes in. This should be a place, and it has not been for some time, where proposals come forward from a member and are looked at seriously, rather than through the entrenched positions, without discussion, we get from the Government of Canada. We know that the Conservatives do not consult. They only consult with a few people, and they are usually their friends. It does not consult generally.

#### **●** (1150)

This is an opportunity for the government and the House of Commons to show that things can change in this chamber in the fall of 2014 to make better policy for Canadians. My colleague, the critic for finance for the Liberal Party of Canada, has put that proposal on the table. I encourage those backbench members who really do not have to take their direction from the cabinet to stand up in their own right and support this proposal. It would be quite a change on the government side.

While on the point of deception, we have seen it in a number of other areas. I talked to a lot of construction companies in my province this summer. I have talked to both the rural section of the Federation of Canadian Municipalities and the big city sector, and they are crying for infrastructure. If we raise the question in the House, the minister or a backbench government member gets up and says that they have announced the biggest infrastructure program in Canadian history. If we look at this over 10 years, it may look that way, but again, it is deception by the government. The Conservatives, in fact, cut the infrastructure program, from this year up to 2019, by somewhere around 87%, because the big numbers are only over a 10-year period, and the program does not really kick in until 2019. As a result, communities' infrastructure deteriorates. Construction companies are not creating the jobs that they could. I am making the point that it is another case of deception on the part of the government.

We have seen this deception in my area, in a serious way, with regular EI changes by the government in the last couple of years. It claimed there would be an incentive to work longer. It has had the opposite impact in my riding, and certainly in P.E.I. Worse, it has taken money directly out of Prince Edward Island's economy and right out of the back pockets of Prince Edward Island's seasonal workers. Between the clawback of 50¢ on the dollar the minister proudly announced and the loss of the five-week pilot project, it has cost Prince Edward Island workers and its economy about \$18 million this year. That is a loss. As I said, it comes right out of workers' pockets. It is money that would have been spent, whether on heating oil or groceries or other things for businesses, in my community. That is what the minister took out of Prince Edward Island when he said that it was an incentive to work. That is so sad and so wrong.

Let me get back to the subject at hand. The results achieved by the government are failing to address a growing need for jobs across Canada, and the proposal being presented today by the Liberal Party would address that vacuum. I am surprised by some of the questions coming forward from government members. They should not see this proposal as divisive. They should see it as an opportunity for this chamber. Yes, we have our partisan differences, and that is fine, but we are talking about ways to do a better job of creating jobs for Canadians.

I look especially to the MPs in the Conservative Party and the backbench from Atlantic Canada. This is an opportunity for them to stand up and be counted, to create more jobs in this country, and to

be seen to be allowing this place, this chamber, this House of Commons, to work as it should.

What is being proposed by the Liberal Party is an EI premium exemption for firms that actually hire new employees. That is the essence of what this proposal is all about. Our proposal would represent a benefit for every newly hired worker in 2015-16.

With the Conservative plan, only businesses with EI taxes below \$15,000 would see savings, creating an incentive for businesses to either cut back on salaries or lay off workers.

The Conservatives have announced an annual \$225-million measure that is unlikely to produce anywhere near the number of jobs that this proposal would produce. The plan we are putting forward would represent a benefit of up to \$1,279.15 for every hire, which, for \$225 million, could produce over 176,000 jobs. I heard New Democrats speak to the figures earlier. The fact of the matter is that not everyone would be at the maximum level. Some would be less and some would be more. Therefore, that estimate we believe to be pretty accurate.

The Liberal plan would grant every business that creates a new job, regardless of the size of the business, an EI premium exemption for the employee who fills that new position. Unlike the Conservative plan, the Liberal EI exemption would actually reward businesses that are growing their payrolls. It would not reward companies that reduce wages or staffing levels to make it under an arbitrary \$15,000 threshold.

The Liberal plan would reward companies up to \$1,280, the maximum annual employee contribution announced in 2014, for each new job they created. The employer would not have to pay EI premiums for the employee working in that new position. For the same cost as the Conservative proposal, the Liberal plan could create more than 176,000 new jobs.

To move a little further afield on the issue of employment insurance, the latest measures taken by the regional minister and the minister in charge of employment insurance have impacted my province really seriously. With respect to my home province of P.E.I. and my constituency of Malpeque, the damage the government has inflicted is having a devastating impact on a number of families. That relates to the new Charlottetown region and rural region. We are receiving endless numbers of calls from people confused about the new program and where it will leave employers and employees with respect to this new change.

When we call Service Canada to get answers, we cannot get any. We are getting confusion around the new zone in the rural area, where one needs more hours to work for less in benefits. Who is in the zone and who is out? Service Canada is saying that it could apply to the postal code or it could apply to the address.

Service Canada cannot give us the answer. Can the minister outline specifically these zones and whether it is the postal code or the address? Who is in and who is out of the zone, because it really matters to these folks in terms of how they survive the winter months, the off-season. If he cannot answer now, can he answer later?

**●** (1200)

The regional minister promised answers. It is time we had some.

To conclude, I ask for people's support of the Liberal plan to create jobs in this country.

Mr. Harold Albrecht (Kitchener—Conestoga, CPC): Mr. Speaker, I listened to my colleague's message, and I was troubled many times during his speech when he used the word "deception". I do not know whether the word deception is parliamentary language when a member is accusing another person of deception. To me, it is like he is accusing the government of lying.

It is appropriate in this chamber to have legitimate differences in terms of our political direction. However, I would urge the member not to use that term because the Canadian Federation of Independent Business, and many people, see this as a credible plan. In fact, to suggest that companies will lay off staff or hold off on hiring just to stay under the threshold for receiving the credit is a ridiculous assertion. Even the Canadian Federation of Independent Business points that out.

I would like to ask a question, and it should have a very clear answer. It should not take the member long to reply, not as long as his speech, hopefully. Could the member identify where the \$52 billion in EI funds are that were misappropriated during the Liberal administration? We could perhaps use that for the benefit of workers.

Hon. Wayne Easter: Mr. Speaker, I have two points.

In terms of the member's question on the \$52 billion, it is clear where that money went. When the Liberal government of Jean Chrétien took over the former Progressive Conservative government, not a right-wing government like this one, the EI fund was in an extreme deficit. As the Liberal government improved the balance sheet and got the books in order, that money, which was in effect from the EI fund, had to be returned to the public treasury, according to the Auditor General. That is what was done.

However, let me get to the point on "deception". It is parliamentary. The government is not completely lying in terms of what it said about the biggest infrastructure program in Canadian history; it is just not telling the truth about the first four years of the program. It is an 87% cut in infrastructure for Canadian communities.

That is the reality. I call that deception; I do not know what you call it.

The Acting Speaker (Mr. Barry Devolin): I want to remind the hon. members to make their comments to the Chair rather than directly to their colleagues.

[Translation]

Mr. Guy Caron (Rimouski-Neigette—Témiscouata—Les Basques, NDP): Mr. Speaker, I will start by saying that if the Liberal Party had kept to condemning the Conservatives' plan during its

opposition day, we would have gone along. However, I have serious problems with the Liberals putting forward their own plan, which makes no sense economically. This has been mentioned a number of times. I would like to point out two things. I would like to hear what my colleague has to say about these two main criticisms.

First, they say that the plan put forward would create 176,000 net jobs, but based on the trend in recent years, creating 176,000 net new jobs would require \$1.5 million. Considering only the average premiums paid by employers currently, this plan would cost from \$1.1 billion to \$1.2 billion, while they say it would only cost us \$225 million.

Then, economists, such as Kevin Milligan, said that this measure would create only one additional job per eight other jobs that would have been created anyway. They would give companies a premium holiday, while eight jobs out of nine would be jobs that would have been created anyway. It is simply a gift at an extremely high cost that will in no way be constructive.

I would like to know how my colleague can justify the economic plan proposed that, to my mind, makes no sense at all.

[English]

**Hon. Wayne Easter:** Mr. Speaker, maybe the member was not listening earlier when I dealt with that question. This is the same cost as the Conservative plan, and those are the same parameters that the finance critic for the Liberal Party decided to operate in.

How could we have a plan that would create new jobs through the EI system by giving this break in premiums for new hires? The numbers are there. Not everyone is at the maximum; not everyone is at the minimum. However, the numbers are certainly close to the reality, and they are for new hires.

There seems to be a little froth coming from the NDP lately, if I can put it that way. It is toward our leader. The NDP is playing politics on any issue that the Liberals put forward.

However, as I said earlier, this is an opportunity for the House of Commons to do good work. Whether it comes from the NDP, the Liberals, or a Conservative backbench member, this is an opportunity for this chamber to help create jobs for Canadians who are in dire need of them.

**●** (1205)

**Hon. Scott Brison (Kings—Hants, Lib.):** Mr. Speaker, I thank my hon. colleague, the member for Malpeque, for his comments and understanding of the economic challenges faced by businesses of all sizes in creating jobs in this environment. That is the flaw with the Conservative plan. It limits the capacity for businesses above a certain size to benefit from their policy and create jobs.

We recognize the importance of small business in Canada. They are an important segment of our economy. I would appreciate the member's thoughts on the comments from Dan Kelly, the president and CEO of the CFIB, who said this morning, "Love the [Liberal

Party of Canada] plan to exempt small [business] from EI premiums for new hires over 2 years. Lots of job potential".

Does my colleague from Malpeque agree with the CFIB that there is a lot of potential for jobs in this Liberal policy?

Hon. Wayne Easter: Mr. Speaker, I am extremely pleased. I did not recognize that the CFIB was so on its toes, in terms of watching the debate and hearing the motion put forward by the member for Kings-Hants, the Liberal critic for finance, and recognizing the wisdom of this proposal. I certainly congratulate the CFIB on listening to the debate, on looking at the proposal, and recognizing that it does indeed have merit.

Again, I come back to how this chamber can improve proposals. We have the government proposal. I would hope that the Minister of Finance comes in at question period and uses a point of order or a ministerial statement to say that they believe the Liberal proposal has merit, that the chamber is working the way it should, and that parliamentarians, as a collective, are proposing solutions that will create jobs for Canadians. That would be a good thing.

I would hope that the Minister of ESDC comes back and also perhaps makes a statement to clarify whether it is postal codes or regional boundaries in Prince Edward Island in the new EI rules.

Mrs. Carol Hughes (Algoma-Manitoulin-Kapuskasing, NDP): Mr. Speaker, my colleague rightly pointed out a few minutes ago that the Liberals do not know how to count because their math is all wrong on this one.

I would like to go back. The member also talked about deception. and I think a lot of people will remember that it was the Liberals who deceived the Canadian public by taking so much money out of the EI fund, making more and more people unable to claim EI when they so rightly deserved it.

My question for the member is this. Does he not agree that the EI fund was put in place as an insurance for people who lose their jobs so they have a little money to go out and look for a job? Does he believe that it should be there to protect workers when they lose their jobs? We looked at prior Liberal reforms, and the numbers of unemployed Canadians receiving unemployment benefits were reduced under the Liberal government. Therefore, could be please respond to that question, along with the fact that the premiums in the employment insurance fund belong to the workers?

#### **(1210)**

Hon. Wayne Easter: Mr. Speaker, it is clear, and this is one of the difficulties we have with some of the government proposals on EI. The employment insurance fund is not government money. It is employers' and employees' money. Government is charged with management of the program, and the government has clearly done a terrible job. It is believed that there is a \$3.5 billion surplus in the EI fund at the moment, yet the Conservatives continue to cut benefits to workers. I see that vividly in my province.

On the point of deceiving the public, we are very proud of our record as a Liberal government. We turned a deficit into a surplus

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and turned over the biggest surplus to an incoming government in Canadian history. That is what we did.

Ms. Lois Brown (Parliamentary Secretary to the Minister of **International Development, CPC):** Mr. Speaker, I will be splitting my time with the hon. member for Sarnia—Lambton.

Let me begin by reminding the hon. member that the new small business job credit is only the latest of our government's actions to create jobs, growth, and long-term prosperity. We have been taking numerous measures to lower the tax burden on small businesses since we came to office. By leaving more money in the hands of entrepreneurs and businesses, they can hire more Canadians and expand their operations. We understand that lower taxes make Canada's economy stronger and create good long-term jobs for Canadians.

According to the Canadian Manufacturers and Exporters:

Reducing business taxes creates jobs, boosts investment, makes Canada more competitive and puts more money in the pockets of the Canadians....

...business tax cuts are critical drivers of the Canadian economy.

As a result of our Conservative government's low-tax plan, a small business earning \$500,000 now saves over \$28,000 in taxes. That includes tax cuts such as reducing the small business tax rate from 12% to 11%, increasing the amount of income eligible for the small business tax rate, and increasing and indexing the lifetime capital gains exemption.

Every time our government lowers taxes, the Canadian small business community and the workers they employ receive concrete benefits, and they benefit greatly from our fantastic small business job credit. However, no one has to take my word for it. Let me quote Monique Moreau of the Canadian Federation of Independent Business, who stated, "Small businesses in Canada should be thrilled with this announcement because they told us time and time again that payroll taxes are the biggest disincentive to hiring".

The Canadian Federation of Independent Business also estimates that the new credit would create 25,000 person years of employment over the next few years alone. Indeed, job creation is one of the many reasons that our government is committed to keeping payroll taxes and all other taxes low for Canadians.

However, we know that more needs to be done. We are well aware that Canada must continue to generate the highly skilled individuals and new ideas that will help our businesses innovate, secure new markets, and create well-paying jobs. That is why I would like to devote my time today to our government's commitment to strengthen education, skills training, and innovation in Canada.

For example, it is important for young Canadians to have access to information on a variety of careers in order to make informed choices about their education early in life. Good choices early on can help to ensure that young Canadians obtain the skills and experience necessary to find work quickly, avoid unnecessary debt, and get a better start on their careers. For instance, if young Canadians are interested in lifelong careers as skilled tradespeople, they need to know when, where, and how they can obtain the training that will secure them the real jobs that are in demand.

I would like to refer hon. members in the House to an article in the August 23 edition of *The Economist*. It is the Schumpeter article entitled "Got Skills?", and it refers to the issue of vocational training at length. I would encourage members to take a look at it.

Of course, there are many different career options in Canada. Our government will continue to promote education in high-demand fields, including the skilled trades, science, technology, engineering, and mathematics. We take youth employment very seriously. Since coming to office, we have helped over two million youth obtain skills, training, and jobs.

In economic action plan 2013, we reallocated \$19 million, over two years, to inform young people about fields of study that are relevant to existing and forecasted demand for labour in particular occupations. As well, our government is providing more information on the job prospects and benefits of working in various occupations. It is developing new outreach efforts to promote careers in such high-demand fields as science, technology, engineering, mathematics, and the skilled trades.

# • (1215)

Although Canada boasts high levels of post-secondary achievement, the transition to a first job can be challenging. To ease this transition, the career focus program supports paid internships for recent post-secondary graduates, ensuring they get valuable hands-on work experience. Economic action plan 2012 provided funding for an expected 3,000 additional paid internships in high-demand fields. Economic action plan 2013 announced an additional investment of \$70 million over three years to support an additional 5,000 paid internships.

Building on these measures, economic action plan 2014 introduced the flexibility and innovation in apprenticeship technical training pilot project to expand the use of innovative approaches to apprenticeship technical training. With this initiative, we are continuing to work with provinces and territories to harmonize apprenticeship systems and reduce barriers to certification in the skilled trades so that apprentices can more easily work and train where the jobs are. To further support apprentices, economic action plan 2014 takes steps to increase awareness of the existing financial supports available to apprentices through the employment insurance program while they are on technical training.

It also announced that our government will improve the youth employment strategy to align it with the evolving realities of the job market, and to ensure federal investments in youth employment provide young Canadians with real-life work experience in high-demand fields such as science, technology, engineering, mathematics and the skilled trades. Our future certainly depends on these high-demand fields to create the well-paying jobs of the future. This is

especially the case when it comes to research and innovation. The government plays an important role in Canada's science, technology and innovation system. Since 2006, the government has provided more than \$11 billion in new resources to support basic and applied research, talent development, research infrastructure and innovative activities in the private sector, including more effectively aligning federal support for research with business needs.

To be successful in the highly competitive global economy, Canada must continue to improve its ability to develop high-quality talented people performing world-leading research and generating new breakthrough ideas. In 2013, our government's support exceeded \$3 billion for research in the post-secondary education sector alone. Economic action plan 2014 builds on these commitments with the creation of the new Canada first research excellence fund. The fund will provide significant flexible resources to further drive Canadian post-secondary research institutions to become the world's best.

Our government's investments in science, technology and innovation have helped ensure Canada leads the G7 in postsecondary research expenditures as a share of the economy, and our commitment remains strong. In economic action plan 2014 alone we announced the largest annual increase in funding for research through the granting councils in over a decade. This includes \$46 million per year on an ongoing basis to be allotted as follows: \$15 million per year to the Canadian Institutes of Health Research for the expansion of the strategy for patient-oriented research, the creation of the Canadian consortium on neurodegeneration in aging, and other health research priorities; \$15 million per year to the Natural Sciences and Engineering Research Council to support advanced research in the natural sciences and engineering; \$7 million per year for the Social Sciences and Humanities Research Council to support advanced research in the social sciences and humanities; and \$9 million per year for the indirect costs program.

**●** (1220)

If I had more time today, I could easily continue highlighting our government's many initiatives to position Canada at the forefront of innovation and excellence in education. Unfortunately, I must conclude.

# [Translation]

**Ms. Rosane Doré Lefebvre (Alfred-Pellan, NDP):** Mr. Speaker, I thank the Parliamentary Secretary to the Minister of International Development for her speech.

When it comes to employment insurance, I have a very hard time trusting the Liberals, who moved the motion on EI today, or the Conservatives. In this case, it is six of one and half a dozen of the other, and unfortunately, the two parties have shamelessly plundered the employment insurance fund. That is so, so sad.

I would like to know what my colleague thinks, not of raiding the employment insurance fund, but of the fact that the third party, the Liberal Party, is having trouble with its numbers, with counting and with presenting a sensible motion about the employment insurance fund.

[English]

**Ms. Lois Brown:** Mr. Speaker, my colleague is absolutely right. The Liberals cannot do math.

It was the Liberals who raided the substantial amount of money that was in the EI coffers. Money that was contributed by employers and employees in this country who had worked hard to see that sizeable resource available for a rainy day.

It is very difficult to believe that the Liberals, who would do such a terrible thing as taking that money out and using it for their own pet projects, could have any idea, today, on what should happen with FI

Mr. Charlie Angus (Timmins—James Bay, NDP): Mr. Speaker, I listened to my hon. colleague. What concerns me is that the employment insurance fund is a form of insurance, and like any insurance, if it is house insurance, it should be for house insurance; if it is life insurance, it should be for life insurance.

However, we see this idea that when we set aside funds that are meant to secure families when they lose their employment, that money can be raided, that money can be taken. In this case of the Liberals, they developed this job creation scheme that is off by over a billion dollars. I have deep concerns about that. We find that 68% of the people who are paying into the program are not receiving it. I do not know if the member deals with the kinds of people who I deal with, but when I deal with someone who has paid into the program who loses their job through no fault of their own and does not qualify, they can face really dire economic situations.

I would like to ask my hon. colleague what she thinks about this notion being put forward by the Liberals that, once again, EI could be some kind of political football, particularly, when their numbers are so obviously wrong.

**Ms. Lois Brown:** Mr. Speaker, first, what I talked about in my speech is that there are a number of initiatives that our government has taken to ensure that people have the opportunity to find good, well-paying jobs and to create the opportunity for new jobs for the future.

What we are doing here today is looking at an opportunity for small businesses, which are the backbone of the Canadian economy. Eighty per cent of the jobs that we see in our economy are provided by small businesses. We are looking at giving those small businesses

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a tax break so that they can open the door for new opportunities, particularly, for young people, who we know are often the ones who go into small businesses looking to get the kinds of job skills and experience they need to move forward with their own careers.

I own a small business. I know that when we look at the cost of the payroll taxes that are imposed upon new hires, it is often the breaking point between saying whether or not a business is going to take on a new employee or whether they are just going to contract that job out, because sometimes it is much easier to allow that contract work to be done on a short-term basis.

We want to create more jobs for young people particularly, ensure that small businesses can open the door for those opportunities and give those job opportunities, and open the door for the Canadian economy.

• (1225)

Mrs. Patricia Davidson (Sarnia—Lambton, CPC): Mr. Speaker, first of all, I would like to thank the member for Newmarket—Aurora for sharing her time with me. Also, since this is my first time speaking this fall session, I would like to welcome back all of my colleagues and wish them the very best as we continue serving Canadians in this very august chamber.

As hon, members can see from the debate today, our government clearly recognizes the vital role that small businesses play in spurring economic growth and creating jobs for hard-working Canadians. That is why we have consistently cut taxes and reduced red tape for small businesses.

It is under this government that Canadian businesses have seen savings of more than \$60 billion since 2008. In 2012, we lowered corporate taxes from 22% to 15%, leaving more money in the pockets of small businesses to help them grow and thrive. We also extended the temporary accelerated capital cost allowance for manufacturing and processing machinery and equipment through 2015, which has enabled companies in this industry to plan and invest for the future.

Both of these actions are part of our government's commitment to foster job creation, a commitment underpinned by a firm belief in keeping taxes low for Canadian businesses. Unfortunately for Canadians, both of these actions were also voted against by the same opposition that brought today's motion forward.

This government's commitment to tax relief has delivered real benefits to our country. Canada now has the lowest overall tax rate on new business investment in the G7. Moreover, Bloomberg recently ranked Canada as the second-best place in the world to grow and start a business. That is a record we can and should be proud of.

Unlike the reckless calls by the opposition to drastically hike taxes on businesses to pay for their risky spending plans, our government will remain committed to helping businesses in Canada succeed. That is why we are building on our success by introducing the new small business job credit. The credit is expected to significantly help over 780,000 small businesses in 2015, which is more than the number of businesses that benefited from the 2013 hiring credit.

In addition, while the amount of the EI hiring credit was capped at \$1,000, there is no maximum capping for the small business job credit. In fact, small businesses could receive significantly more tax relief under the job credit than under the EI hiring credit. All in all, the small business job credit is expected to save small businesses more than \$550 million and lead to the creation of several thousand jobs.

In contrast, the opposition have supported a 45-day work year that would drastically increase premiums by 35% at a cost of \$4 billion directly out of the pockets of Canadian employees and employers. Instead of providing small businesses with the tax relief they need to spur job creation, this burden would cause needless harm to important job creators in Canada.

Our government is constantly looking for ways to help create jobs and better connect Canadians with those available jobs. Indeed, many employers continue to identify the shortage of skilled labour as an impediment to growth. Recently, the Canadian Chamber of Commerce listed skills shortages as the number one barrier to Canada's competitiveness. I know first-hand about challenges like this as many skilled labourers from my own riding of Sarnia—Lambton are looking outside of my community for work right now, which represents a drain of skilled labour from an area that drastically needs it.

Faced with this challenge, our government has taken concrete action to support the development of a skilled, mobile and productive workforce. Last year alone, our government transferred \$2.7 billion to the provinces and territories to support labour market programming.

Moreover, we have also remained committed to fostering internship opportunities for Canada's youth. In economic action plan 2014, we invested \$40 million towards supporting up to 3,000 internships across the country in high-demand fields. In addition, we are reallocating \$15 million annually within the youth employment strategy to support up to 1,000 full-time internships for recent post-secondary graduates in small and medium-sized enterprises.

#### (1230)

All the while, we are continually improving our strategy to better align it with the evolving realities of the job market and to ensure federal investments in youth employment provide young Canadians with real-life work experience in high-demand fields such as science, technology, engineering, mathematics and the skilled trades.

At the other end of the spectrum, our government also recognizes that many older Canadians want to remain active participants in the workforce. That is why we have taken many steps over the years to support the labour market participation of older Canadians, including the budget 2011 extension of the targeted initiative for older workers and the budget 2012 expansion of third-quarter project, an initiative that has helped more than 1,200 experienced workers who are over 50 find a job that matches their skills.

Going forward, our government will renew the targeted initiative for the older workers program for a three-year period, representing a federal investment of \$75 million.

These are all important measures, measures which have helped to ensure that Canada has had the best record of job creation in the G7 since our government came to office.

The real game changer in our efforts to connect Canadians with available jobs has to be the introduction of the Canada job grant. By ensuring that federal funding responds to the hiring needs of employers and by giving them the opportunity to participate meaningfully as partners in skills training, this initiative is transforming skills training in Canada.

The Canada job grant could provide up to \$15,000 to individuals for training costs, including tuition and training materials, helping them to gain the skills they need to succeed. Once implemented, this measure will offer real support to Canadians toward improved employment and earning prospects.

While our government remains focused on creating jobs, we hear the same tired strategies from the opposition, policies that form a high-tax, high-spending agenda that would seriously threaten job creation and set hard-working families back a decade to a time when the government thought surplus belonged in its pocket and not the families

Our government is clear in its priorities. We will cut taxes to allow businesses to thrive and we will make targeted investments to help connect unemployed Canadians with available jobs.

These are just some of the central initiatives that continue to drive our government's jobs and growth agenda. I am proud of our record and would like to thank the hon. members for providing the opportunity to discuss it here today.

By helping Canadians acquire the skills that will get them hired or help them get better jobs, we are directly investing in our country's greatest asset, our people. The return on this investment is not just helping individuals, but it is also supporting their families, their communities and the country as a whole.

Given these measures and the ones listed by my colleagues, I would strongly encourage members to reject today's unilateral and ill-considered motion brought forward by the opposition. I would encourage all members to support our government's comprehensive plan to create jobs, spur economic growth and promote long-term prosperity for all Canadians.

#### **●** (1235)

[Translation]

Ms. Rosane Doré Lefebvre (Alfred-Pellan, NDP): Mr. Speaker, I thank my colleague from the other side of the House for her speech. We do not always agree on things, but we have worked on the Standing Committee on Fisheries and Oceans together. Our relationship has been very collegial, and I am happy she is here in the House today.

I would like to talk more about the Liberals' proposal and today's opposition motion. As I said earlier, I always worry about the fact that the Liberals do not have a very good track record on the employment insurance fund and the millions of dollars they looted in the past.

With respect to this motion, what really interests me is the numbers the Liberals came up with, numbers that the experts do not agree on, such as the cost of the Liberal proposal to exempt employers from contributing for newly created jobs and the amount they are proposing here.

Can my colleague comment on the Liberals' math? Does she think this makes sense, or did they pull these numbers out of a hat? [English]

**Mrs. Patricia Davidson:** Mr. Speaker, I certainly enjoy working with my colleague as well. I am pleased she was able to ask some questions. Perhaps she will participate in this debate later on.

That is an interesting question. We have heard a lot of comments regarding that very question this morning. We heard how the EI fund was raided and was used for pet projects. We heard how it was taken and not available when it was needed by the participants of that fund. We know that those are well-documented facts.

I cannot answer how the Liberals costed their motion before us today. I have heard some different responses this morning. Perhaps that part of the discussion will come out as we continue this debate in the House today. However, I know that on this side of the House we feel it takes a suite of programs to address some of the issues that Canadians feel today. That is why we have put in place what we have and why we will continue proudly with the small business job credit.

Mr. Scott Simms (Bonavista—Gander—Grand Falls—Windsor, Lib.): Mr. Speaker, many people have been quoting the CFIB, the Canadian Federation of Independent Business, quite a bit, including the Conservatives. Just a short time ago it was tweeted that Mr. Kelly endorsed our plan. He said that it was a good way to create jobs over the next two years.

Would the member like to comment on that?

**Mrs. Patricia Davidson:** Mr. Speaker, we know there have been many supportive quotes that have been stated in regard to the small business job credit. The CFIB had a couple of very supportive quotes when it was introduced.

Mr. Kelly said, "It is a big, big deal for small business. It is good news for people looking for jobs".

Monique Moreau, the director of National Affairs for CFIB, said, "Small businesses in Canada should be thrilled with this announcement because they told us time and time again that payroll taxes like

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EI are the biggest disincentive to hiring, so any relief the government can provide will encourage them to be hiring more Canadians".

It is not only the CFIB that has been making comments in support of it

Jay Myers, president of the Canadian Manufacturers & Exporters, said:

The cost of labour is one of the top five challenges hurting Canadian companies... The Small Business Job Credit will help a powerhouse — the thousands of small businesses — of the Canadian economy become more competitive.

I could not agree more. We know that small businesses are the powerhouse of our country. As a government, we will continue to do everything we can to make them successful.

**●** (1240)

**Ms. Kirsty Duncan (Etobicoke North, Lib.):** Mr. Speaker, I am pleased to rise today to speak on the Liberal opposition day motion regarding our premium exemption plan. I will be sharing my time with the member for Vancouver Centre.

My community of Etobicoke North and indeed all Canadians deserve a plan for jobs and growth. Unfortunately, the Conservatives' EI plan provides neither.

I have the privilege of serving a wonderful community. It is a place where I was born and raised. Etobicoke North is proudly one of the most diverse ridings in the country. Our constituents face challenges with family reunification, language barriers, a lack of jobs, and that is particularly for our youth.

Students' tuition, food, rent, transit and other costs have all been going up, yet student debt levels remain constant. The average post-secondary graduate carries \$28,000 in debt. The unemployment and underemployment rates for youth have long-term consequences because it takes years to repay their debt. Parents and grandparents often step in to financially support their adult children.

This is scarring a generation of young Canadians and contributing to higher household debt and poor retirement savings.

Let me share some stories from the summer in my constituency office. I have permission to share each in the House of Commons. In fact, one of my constituents said, "Tell my story, I'm a person, I need a job, I have a family to feed. Make them care, make them do something that actually helps and doesn't hurt my family or me".

From my community, an international doctor cannot practise medicine, bringing the total to dozens and dozens of international medical graduates I have met. A man previously had his own law firm back home for almost two decades, came to Canada for a better life for his children, repeated his law education in Canada and still cannot find a job. A countless number of students, parents and even grandparents came looking for summer jobs so they and their family could pay their fall tuition. An equally high number of college and university graduates have been out of work for one, two and three years.

A woman who had a good-paying job for 20 years lost her job to outsourcing. After months without work, she was living out of her car, afraid to go to sleep at night and unable to pay for her lifesaving drugs. We called her specialist and explained the problem, paid her gas money so she could drive to the doctor and she was able to pick up sample medication. Another woman could not afford the pain killers after her surgery. She came to my office in tears with an ice pack to kill the pain, so I bought her medication and paid for her trips to and from the hospital.

I am tired of hearing the government's rhetoric about jobs. It is time for the government to take unemployment, and particularly youth unemployment, seriously and provide meaningful support to Canadians who are struggling. I was in my constituency office almost daily this summer and almost 80% of those who came to see me needed a job. Because of unemployment, they also needed clothing, food and other supports. We helped them find jobs and got them the supports they needed. Just last week I spent six hours in the community with business leaders as part of a program to create jobs in Etobicoke North.

Etobicoke North residents and all Canadians deserve a plan for jobs and growth. Unfortunately, the Conservatives' EI plan provides neither. The Liberals' EI premium exemption plan would reward businesses for each new job created in 2015 and 2016. This would represent a benefit of up to \$1,280 for each newly created job, which for \$225 million could help to create over 175,000 new jobs.

On the other hand, the Conservatives' EI rate reduction only encourages businesses to stay small and punishes them if they grow and are successful.

#### **●** (1245)

With the Conservatives' plan, only businesses with EI taxes below \$15,000 would see any savings, creating an incentive for businesses to fire workers. The price tag for the Conservatives' new small business EI tax credit is estimated at \$550 million over two years; that is, the Conservatives have announced an annual \$225 million measure that is unlikely to produce jobs.

The Conservatives' EI tax credit is getting slammed by economists ranging from Jack Mintz to Mike Moffatt.

From Jack Mintz of the University of Calgary: "It becomes a disincentive to growth." From Stephen Gordon of Laval University: "But the Conservatives have yet again eschewed a straightforward and effective measure and adopted one that is complicated and most likely to have little effect on employment or wages." From David MacDonald of the Canadian Centre for Policy Alternatives: "So if you're an employer and your payroll is slightly over that \$550,000,

you've got a strong incentive to cut your payroll." From Mike Moffatt of the Mowat Centre: "...the proposed 'Small Business Job Credit' has major structural flaws that, in many cases, give firms an incentive to fire workers and cut salaries."

The Globe and Mail says that it is "...creating a perverse disincentive for small companies to grow".

The tax credit gives firms about \$200 to hire someone but over \$2,200 to fire someone.

The Liberals have a solution: use the money to give job creators an EI premium exemption for new jobs. I have heard from members of my community, who want to know when the Conservatives will drop their poor plan and adopt the Liberal plan, which would actually reward job creation and growth.

Under the Conservatives, 527 mid-sized firms of 100 to 499 employees vanished between 2007 and 2010. Canada has a lack of medium-size and large companies compared to the United States and most other developed countries. Also under the Conservatives, 9,000 exporters disappeared between 2008 and 2012 and may never come back.

Not only have jobs been lost, but Statistics Canada does not know where job vacancies exist in communities across Canada. The Auditor General's 2014 spring report confirmed that the Conservatives' undermining of Statistics Canada has left the government unable to accurately address the economic needs of Canadian communities.

Liberals believe the government must not only create the right conditions for economic growth but must also ensure that growth is sustainable in order to finally help the struggling middle class. We understand that we must create the conditions that allow for economic prosperity, including investment in education, infrastructure, and trade expansion. The Liberal focus is on creating new jobs and hiring more Canadians. This is the only way that we can grow the middle class and expand opportunities for Canadian families.

The people of Etobicoke North need jobs, and I have worked hard to get them jobs. I obtained funding for a Completing the Circle program, a \$500,000 jobs program in our community in remembrance of Loyan Gilao. I personally review and edit resumes late into the night, sometimes doing two and three drafts. We get our people into job programs and we follow up with them to make sure their job searches are going in the right direction. While they search, we help them with food, clothing and whatever other supports they might need.

I buy medicine. A lady was looking for help because she was in agony from an ear infection that had raged for three weeks. She had pus and blood running down her face. The sad reality is that she could not afford antibiotics because she could not find a job.

A constituent asked of me "How come you have to find me a job? Why doesn't the government make it easier for me to get a job so I can pay taxes, contribute, and have my dignity?"

• (1250)

[Translation]

Mr. Guy Caron (Rimouski-Neigette—Témiscouata—Les Basques, NDP): Mr. Speaker, I listened with great interest to my hon. colleague's speech. I have just one question for her. I already asked the member for Malpeque, but I did not get an answer, so I wonder if this member can answer.

She said that the Liberal plan involves granting a holiday from EI premiums for every new job created. Then she said that this could create 176,000 net jobs. She must realize that this means that about 1.5 million jobs would have to be created in total to get to the actual number of 176,000 total net jobs, considering job losses. If the economy creates 1.5 million jobs, that means that for every \$1,000 in premiums, on average, the plan would cost at least \$1.5 billion, and not the \$225 million that was announced.

Can the member help me with this math problem? The program would cost about five times more than what the Liberal Party is suggesting.

[English]

**Ms. Kirsty Duncan:** Mr. Speaker, it is disappointing that the NDP is playing politics.

Over the last year, Canada has experienced very little job growth. From August 2013 to August 2014, the entire country created a net of only 81,300 jobs. Only 19% of those were full-time. In contrast, the United Kingdom created 775,000 jobs over the past 12 months. The United States created 2.2 million jobs.

Our plan has the exact same cost as the Conservatives', but the Liberal plan would actually create real potential for jobs.

Mr. Dan Kelly of the CFIB has said that he loves the Liberal Party of Canada plan and that it has lots of job potential

[Translation]

Ms. Laurin Liu (Rivière-des-Mille-Îles, NDP): Mr. Speaker, I appreciate the member's remarks. She talked about her constituents and the problems they are having finding work.

However, I would remind the House that when the Liberals were in power, they reduced access to employment insurance, for one thing. Eligibility dropped from 80% to 40% under the Liberals. We must not forget that important detail.

It is also important to remember that the NDP introduced a bill to keep the Conservatives' and the Liberals' hands out of the EI fund.

Will the Liberal member support the NDP's bill and protect her constituents' contributions?

[English]

**Ms. Kirsty Duncan:** Mr. Speaker, I would like to thank my hon. colleague, whom I have worked with many times. I have enjoyed working with her.

We do have a plan. It has the same cost as the Conservatives', and our plan would actually create 175,000 jobs.

I really want the House to hear the plight of my constituents, so I will give one more story.

A woman who is working full time has raised two adult children and done so without support. Both children are at university. Both need to find summer jobs to pay for tuition. Both struggled to find work. She came to our office for assistance to get her children help for dental surgery, which both need. Unfortunately, she cannot afford the fee for the dental consult, and her children are in pain every day. She asked, "How do you think that makes me feel as a mother?"

This mother has done everything right and worked hard all of her life. Her children have also worked hard. They have one question: Where are the jobs?

**Hon. Hedy Fry (Vancouver Centre, Lib.):** Mr. Speaker, I am pleased to rise to speak to the Liberal opposition motion.

One of the things I want to stress is that this will be about jobs, jobs, jobs. When we look at what has happened with job creation in this country, we see that in the past year Canada has experienced negative job growth. In fact, as my colleague just said, from August 2013 to August 2014, the entire country created a net 81,000 jobs, but only 15,300, or 19%, of these are full time.

How do we expect families to live, to work, to pay their mortgages, to feed themselves, to send their kids to university, to do all the things that families have to do when they are working part time? It is not a sustainable way for people to live, so creating full-time jobs is what we need to talk about, not part-time jobs.

We can look at the United Kingdom. My colleague spoke about the number of jobs, but I want to put it into perspective. In the same period of this year, the United Kingdom created a 2.6% increase in new jobs, the United States 1.5%, and Canada 0.5% only.

Therefore, Canada is not doing very well. In spite of what we hear from the Conservative government, Canada is not creating new jobs, and when we do not create jobs and people keep losing their jobs and try to live on part-time jobs, there are huge effects that no one is talking about.

The health effects of unemployment were well documented in the 1990s, when many countries in the world were facing recession. We know there is a high incidence of high blood pressure, a high incidence of anxiety and depression, and a high incidence of suicide. A lot of people cannot afford to feed their families and a lot of people cannot afford to buy the prescriptions they need for chronic diseases. That is another impact that we are not even counting when we think about jobs and the ability of people to work, to pay taxes, to produce, and therefore to grow the economy. These things are inextricably linked.

The Liberal Party is not just saying that this is a terrible plan that the Minister of Finance announced; we are also offering a solution. We are offering an opportunity for the Conservatives to change the plan and moderate it so that it can actually start creating the kinds of jobs we are looking for.

The Canadian Federation of Independent Business suggests that this plan the minister tabled could create about 20,000 to 25,000 jobs. However, we also have economists saying that it could create no new jobs and actually cause a loss of jobs. These are things we have to take into consideration.

What we are presenting is evidence-based. I will go on to say why it is evidence-based, but we are talking about a way the government could help to stimulate businesses to create about 175,000 new jobs. We can compare 20,000 jobs, or a possible loss of jobs, to the creation of 175,000 jobs.

If the government is serious about doing the right thing to help stimulate the economy and create jobs, then the government will listen. This is not about politics. This is not about the Liberals saying they know better than the Conservatives and pointing out what they did; it is about finding the best solution when Canadians are having a difficult time.

This is where we in Parliament should work well together. All of the political parties should look for the best evidence-based solution.

The government has heard our solution. We are suggesting that for every new job created by any kind of business, small, medium or large, the business will get a holiday from EI premiums for two years, the same length of time the government is proposing for its plan. That is the first thing we are proposing.

I want to explain why I say it is evidence-based. When we became government in 1993, we had an unemployment rate of about 14%. By the time we left government, that unemployment rate was down to 6.5%, so that measure surely worked. The evidence shows that when we did something, it achieved the objective.

In 1997 we brought in a new hires program for two years. In this program, for every new job that was created, the company, regardless of its size, was given freedom for two years from EI premiums. That was an important thing. Then we topped that up in 1998 with a new hires program for young people, who were facing an 18% unemployment rate. We brought that down to about 12%.

#### • (1255)

We are talking about stuff that worked. We said that every business, regardless of its size, that hired a young person between the ages of 18 and 24 would actually get a holiday from EI premiums.

As a physician I have talked, and as a party we have talked, about being evidence-based. It means looking at what works. We can say that it worked. The figures are there. Everyone may deny it, but they are there. Members can go and look them up. It is true. We also started bringing down EI premiums overall. Every year, we dropped those so that by the time we left government in 2005, EI premiums across the board were down for all businesses. That is the way to stimulate work, agreeing that, in fact, it is small and medium-sized businesses that create the majority of jobs in this country.

We are offering a very important solution. This is not something that, again, looking at the evidence, we made up. We can see that this plan the Minister of Finance tabled was a very bad one.

Barrie McKenna, of the *The Globe and Mail*, said, "Put simply: Growing companies, not small ones, drive economic growth". He said that growing companies, period, drive economic growth.

He continued, "Governments should want more of them. But [these] policies are sending exactly the opposite signal: Stay small. Don't grow".

Then we have Mike Moffatt saying, "...it is clear that firms under the \$15,000 EI threshold", which the current government is setting, "have a big incentive to keep wage increases to a minimum so they do not lose their tax credits".

Those firms can do a couple of things once they get over \$15,000 in EI premiums: they can lower the incomes of their employees, or they can cut their hours of work. This is a disincentive, not an incentive to create jobs.

Sometimes I think the government across the way has to put big flashy things in the window. The Conservatives think it is going to work, but they have not done their homework. They have not actually looked at the consequences of what they are going to do. They have not looked at the outcomes. This is where their plans are nearly always flawed and blow up in their faces.

I also talked about the evidence the Liberals had when we brought in an across-the-board payroll decrease in EI premiums, year after year. Here is what Stephen Gordon, who is an economic professor at Laval University, said:

Reducing payroll taxes is usually a clear win-win situation, resulting in increased employment and higher wages. The Conservatives have passed up this opportunity by creating yet another targeted boutique tax credit.

Instead of making things easier for everyone, the current government has actually created a more complex tax system. It has created these little boutique tax credits. It seems to thrive on giving little boutique tax credits to certain groups, and we have seen that this has not worked. It has not actually resulted in what the government wants.

I like to say that this particular plan by the finance minister is right up there with the brilliant plan, with a \$13-billion surplus left by a Liberal government, to cut the GST by two percentage points, which cost \$13 billion. One does not have to be an economist to know that 13 from 13 is zero, so the current government ended up with a zero balance at the time it needed it most, because a year later, there was a recession. The government was unable to deal with this. We have seen the snowballing consequences of what the government does.

If the Conservatives really mean to do well by Canadians, it is important that they pay attention. We are not asking to take all the credit. We are saying that if they do it, we will back them up. We will support them on this, because in this House, this is not about playing politics. Sometimes, yes, we do play politics. We are in politics, after all. However, it is most important, at a difficult time in our history, for us to come together, all political parties, to do the best thing, based on evidence and based on what the outcomes are going to show us we will achieve. We would work together to do the right thing to create jobs at this particular time, when people are losing jobs and suffering as much as we know they are.

# • (1300)

Mr. Dan Albas (Parliamentary Secretary to the President of the Treasury Board, CPC): Mr. Speaker, I thank the member opposite for her speech. Hearing the 1990s recast in a completely different light was quite enlightening to me.

I do think, as the member has mentioned, that evidence-based policy should be a goal of all parties. I agree with that. Let us start with some evidence from the 1990s. They cuts transfers to provinces. At the same time, the economy was rising, so there were more revenues coming into government coffers.

If we contrast that with the way the government has acted, we have increased and held all our obligations to the provinces in transfers. We also have seen lower revenues for the government because of the recession, the great recession. By the same token, we have kept taxes low and actually have been able to replenish the EI fund, which bore such a toll, going into a negative balance, and made sure that the support of EI during the great recession was there for the people who needed it. To see that fund replenished and to now be able to offer some money back I think is a good thing.

Now, I would like to ask the member a question. Does she really believe that a small-business owner is going to look at firing someone, thereby creating costs and severance and the letting go of a skilled worker just to be able to claim \$2,500? To me that seems backwards.

#### • (1305)

**Hon. Hedy Fry:** Mr. Speaker, I do not know if the hon. member really understands anything about how policies have consequences for people.

If we have small and medium-sized businesses, which, as we well know, create about 70% of the jobs in this country, and we are using a policy to create these jobs, surely to goodness we want to ensure that these small and medium-sized businesses hire people. If, as the member says, they will not fire people, at least they will not hire anyone, because it will increase their threshold over \$15,000. Therefore, this is a disincentive.

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I do not know if the member completely understands this. This is not about what we write on a piece of paper. It is what actually happens in terms of people getting jobs.

Mrs. Carol Hughes (Algoma—Manitoulin—Kapuskasing, NDP): Mr. Speaker, I think that member needs to get a calculator, because the Liberal proposal could be expected to cost as much as \$700 million.

Let us hear what Jerry Dias, the president of Unifor, had to say. He has slammed the Liberal plan to misuse the EI funds, saying, "it's as scandalous as recent #CPC changes to make it even more difficult for ppl to qualify".

I can tell members that in White River, Ontario, right now, they are looking for workers, full-time workers. The problem is that between the 10 years under the Conservatives and the 13 years under the Liberals, they have made it more difficult for people to be trained, for people to go out there and search for jobs, and for people to make a living.

I wonder if she can answer one simple question. Why should Canadians rely on them, when they are the ones who were responsible for the sponsorship scandal and for raiding the EI fund in the first place?

**Hon. Hedy Fry:** Mr. Speaker, as a physician, I have to tell members that when we treat a patient or we intervene on a patient, what we look at is what the outcome shows.

When the Liberal government came in, in 1993, there was a \$43-billion deficit. We had a 14% unemployment rate, reaching 18% for youth between the ages of 18 and 24—

Mrs. Carol Hughes: We just have to look at the stats now.

Mr. Charlie Angus: We are looking at the body on the floor, all right.

**Hon. Hedy Fry:** Mr. Speaker, shall I sit down, or shall I answer? Will the hon. member allow me to answer? If I am asked a question, I want to answer it.

What we saw was that we actually got rid of that deficit within three years and started to post 10 years of balanced budgets, with surpluses. We put in the largest amount of money ever put into health care, \$41.2 billion. It was by Paul Martin, in 2004, for the 2004 health accord.

Money was being spent, innovation was moving, and jobs were being created. Canada was number one in 2000, according to *The Economist*. It was number one in the world in economic growth.

Mr. Andrew Saxton (Parliamentary Secretary to the Minister of Finance, CPC): Mr. Speaker, I would like to address the points raised by the hon. member opposite with respect to the employment insurance credit the government is offering small and medium-sized enterprises, and more generally, what this government has done to create more and better jobs for Canadians in addition to the small business job credit.

Let us start with the obvious one.

Canada has had a remarkable job creation record in recent years. Our prudent management of the nation's finances and careful targeting of incentives to spur our economy's job creators, particularly small and medium-sized enterprises, are, in large part, the drivers behind this success.

#### [Translation]

The core strength of the Canadian labour market became especially evident following the recent global recession. Despite a weak economic framework, the Canadian economy is one of the strongest in the G7 in terms of growth, production and job creation. Over 1.1 million net new jobs have been created since the beginning of the recovery in July 2009. Today, the number of jobs in Canada has increased by over 675,000 since the pre-recession peak.

# **•** (1310)

# [English]

That is not all. Over 80% of all jobs created in Canada since July 2009 have been full-time positions. Nearly 80% are in the private sector, and over two-thirds are in high-wage industries. However, while we are extremely proud of our job creation record, as long as there are still Canadians looking for jobs, our work is not done.

Since the end of the great recession, Canada's employment growth has been second only to that of the United States among the G7, at 6.6% compared to 7.3% south of the border.

#### [Translation]

In light of this, I am pleased to inform the House that the government has a clear plan to do even better. That is imperative given that there are still too many Canadians who are out of work or unable to find a job in their area at a time when skills and labour shortages are emerging in certain sectors.

The need for increased employment and better jobs is the reason why the government published the Jobs Report earlier this year.

The results speak for themselves. Despite significant labour mobility in Canada, Canadian firms are having more difficulty in hiring than the unemployment situation would normally warrant, with imbalances between unemployment and job vacancies persisting in certain regions and occupation groups.

# [English]

Our government believes that the solution requires a more mobile, flexible, and highly skilled labour force to keep up with rapidly advancing technology and increased worldwide competition.

At this point, I would like to say that I will be splitting my time with the Parliamentary Secretary to the Minister of Employment and Social Development.

The solution also requires putting small and medium-sized businesses in the best position to create new jobs for Canadians. These businesses play a key role in the economy, and our government recognizes that one way to create jobs is to limit the barriers preventing small businesses from flourishing and becoming more effective job creators.

This brings us to the motion today. The Liberals will suggest that our recent small business job credit will not create jobs and growth but will instead provide a financial incentive for employers to lay off workers. Let me begin by saying how absurd this assertion is.

It is only our government that clearly recognizes the fundamental importance of small businesses in fueling the Canadian economy.

#### [Translation]

Our government is taking ongoing steps to support jobs and growth, particularly in small businesses. We have frozen EI premiums in order to give small businesses certainty and flexibility. We have cut red tape by eliminating over 800,000 payroll deduction remittances to Canada Revenue Agency by thousands of small businesses in Canada. We have increased the income threshold for small businesses to \$500,000. We have reduced the small business tax rate from 12% to 11%.

# [English]

All in all, small businesses have, in total, seen their taxes reduced by 34% since 2006, but there is more. A recent small business job credit will lower EI payroll taxes by 15% and save small businesses over \$550 million over two years. In addition, we have made certain that beginning in 2017, premiums will be set according to a seven-year break-even rate, ensuring that premiums are no higher than they need to be. It is estimated that this measure alone will create 25,000 person-years of employment.

Therefore, I am a bit confused why the Liberals would accuse us of not creating jobs when the facts speak quite the opposite. It reminds all members here today how they just do not understand small businesses. To suggest that small businesses would cut jobs to receive this credit is, frankly, insulting to small business owners across Canada.

I would like to share two quotes that reiterate how out of touch the Liberals are with small businesses and their needs. The Canadian Federation of Independent Business had this to say about the Liberal accusation:

Some have suggested companies will lay off staff or hold off hiring just to stay under the threshold to receive the credit. I've got news for them, a small business owner doesn't have time to research the eligibility requirements and then carefully manage their payroll to receive a few hundred dollars over two years. But \$550-million in the hands of Canada's entrepreneurs instead of the federal government just can't be a bad thing.

If the Liberals do not feel like listening to the CFIB, they should listen to Canada's largest trade and industry association, which stated:

The cost of labour is one of the top five challenges hurting Canadian companies....

The Small Business Job Credit will help a powerhouse—the thousands of small businesses—of the Canadian economy become more competitive.

#### **●** (1315)

# [Translation]

Our government is not saying that this is the only thing that we are doing to connect Canadians with good-paying jobs. However, it is a major step in the right direction. I am proud that our government is taking practical measures to help Canadian employers and workers. We are listening to experts, and we are definitely not taking any lessons from the Liberals.

#### [English]

These are the same Liberals who raided the EI account of nearly \$60 billion when they were in power. Premiums paid by hardworking employees and businesses, they used as a political slush fund. It is these same Liberals and the NDP attacking job creators with massive tax hikes and ideas like a 45-day work year that would drastically increase EI premiums by 35%, at a cost of over \$4 billion.

Today, as the Minister of Finance noted at the recent G20 meeting, many challenges remain and they are no less important than the recent global downturn. With a fragile global economy, we must stay the course with our low-tax plan for jobs and growth.

Canada's labour market has succeeded in meeting recent challenges and performs extremely well compared to most other nations in job creation, yet we can continue and will continue to do better for Canadians. The small business job credit is part of our economic efforts, but as I have described, it is only one very important part. We have demonstrated yet again how we are lowering payroll taxes for 90% of businesses, which is why our government will remain focused on the policies we put in place to create an environment conducive to new investment, economic growth, and most importantly, job creation.

Mrs. Carol Hughes (Algoma—Manitoulin—Kapuskasing, NDP): Mr. Speaker, this is a very passionate issue for me.

I can say that in White River, Ontario, right now the service industry, the retail industry, the mill, and the construction industry are all looking for workers. I was just at the Canadian Cattlemen's Association's fall picnic here at East Block and it talked about the fact that it has labour shortages as well.

Looking at what my colleague has said, the fact of the matter is that the Liberals took over \$50 billion out of the EI fund and these guys here helped them. I am wondering where the member finds the nerve to boast about giving small businesses a \$550-million credit on their employment insurance premiums after wiping out a \$57-billion surplus that was already in this account.

This is workers' money. It should be used to ensure that they have access to it when they need it the most. Why is it that the Conservatives are taking that money and putting it elsewhere?

**Mr. Andrew Saxton:** Mr. Speaker, our government recognizes the fundamental importance of small businesses in fueling the Canadian economy. In fact, small businesses are the largest employer in our economy and they create the most jobs. That is why we have been focusing on helping small businesses. The introduction of this credit builds upon our government's strong support for small businesses since 2006.

# Business of Supply

Let me just name a few of the things that we have done for small businesses. We froze EI premiums to provide certainty and flexibility for small businesses. We cut red tape by eliminating over 800,000 payroll deduction remittances to the CRA. We reduced the small business tax rate from 12% to 11%. The results are clear. In total, small businesses have seen their taxes reduced by over 34% since 2006. This is good for small businesses, good for the economy and good for job creation.

(1320)

**Mr. Sean Casey (Charlottetown, Lib.):** Mr. Speaker, the EI premium debate we are having hits home for me, being from Prince Edward Island where there are more than 20,000 who rely on the EI program. On the benefit side of the equation, the government has gutted EI. That has drastically affected small business operators, particularly in the tourism sector in my province.

I heard the member speak glowingly about the Canadian Federation of Independent Business. This would be the same Canadian Federation of Independent Business that this morning said, "Love the [Liberal Party] plan to exempt small biz from EI premiums for new hires over 2 years. Lots of job potential".

Does the member still align with the position of the Canadian Federal of Independent Business, and will he be supporting the motion?

Mr. Andrew Saxton: Mr. Speaker, it is quite galling that the member opposite, a member of the Liberal Party, would get up and talk about the EI fund. They were the ones that basically gutted the fund of nearly \$60 billion when they were in office. They used it as a political slush fund for their own purposes, so he does not have the certitude to stand up and to criticize us for what we have done for small businesses.

It is also the party that supports a 45-day work year that would drastically increase EI premiums by 35% and cost over \$4 billion to implement.

Ms. Elizabeth May (Saanich—Gulf Islands, GP): Mr. Speaker, I remember clearly one of the Conservative administration's big efforts on job creation. In fact, the then minister of finance referred to the Canadian corporate sector as the job creators and made the leap of believing that if we were to cut corporate taxes to far lower than any other country in the OECD, in fact to half the corporate tax rate of the United States, the job creators, the large corporations, would plow that money back into job creation.

We then had the former governor of the Bank of Canada, Mark Carney, call it dead money; \$600 billion piled up in the coffers of these corporations. It is not working for Canadians. It is not creating jobs. A staggering 32% of GDP is not creating jobs.

I wonder if the Conservative administration is now rethinking the idea that shovelling money toward corporate Canada will automatically result in jobs? It has not. They are sitting on it. It is dead money. Is it not time to get it to stand up and walk?

Mr. Andrew Saxton: Mr. Speaker, I would like to explain to my hon. colleague some of the benefits that have happened for Canada and the Canadian economy as a result of lower taxes for small businesses. For example, let us take Tim Hortons. Tim Hortons moved its head office back to Canada from the United States after years of being away, specifically because the taxes in Canada are lower than those in the United States.

Let us hear what others are saying. Bloomberg, for example, says that Canada is the second-best place in the world to do business, second only to Hong Kong. Why is that? It is because of our low-tax regime for small businesses.

Mr. Scott Armstrong (Parliamentary Secretary to the Minister of Employment and Social Development, CPC): Mr. Speaker, I want to be clear from the beginning that I do not think Canadian businesses are so selfish that they would fire employees just so they could continue to be eligible to receive the small business tax credit.

My family has been in small business for over 100 years in Truro, Nova Scotia. To say that small businessmen like my father, grandfather and great-grandfather would lay people off just to stay underneath the limit to get this credit is absolutely ludicrous. They are more interested in hiring good employees, training those employees and keeping those good employees in place so they can be more productive and the business can run better. That is what small businesses do. They grow the economy. They hire people. They build the employment structure in this country. That is what the small business people are all about, not firing people or laying people off to get underneath some limit to get a credit. That is not what small businesses typically do.

All businesses would rather put their efforts into making their enterprises grow, and hire new workers and expand their business. I do not understand why our colleagues across the way are opposed to the small business tax credit, which the Canadian Federation of Independent Business said will create over 25,000 new jobs for Canadians. This measure is the next step in the government's economic action plan, which has made Canada the envy of the world. Job creation and economic growth are the top priorities for our government, unlike the Liberal Party, which would tax businesses and treat the EI fund like a slush fund to pay for reckless investment schemes.

Now let us start with the EI changes that were introduced under the connecting Canadians with available jobs initiative. This helps Canadians get back to work more quickly. The changes were not about restricting access and benefits, but they were about giving unemployed Canadians the information and tools they need to get back to work. We have heard success stories from employers who have said those changes have helped them to find available workers. We have also heard success stories from workers who have been able to connect themselves to jobs that are available.

This was the case, for instance, in a company in Quebec that included 1,500 employees. Now this company, Regroupement des employeurs du secteur bioalimentaire, was able to connect and hire new Canadians because of the connecting Canadians to available jobs program.

As part of the EI changes, we have enhanced our jobs alert system, which has so far sent out 165 million job alerts to over 354,000 subscribers since January of last year.

These changes are just one part of the government's broader agenda to equip Canadians with the skills and training they need to help create jobs. While this country has weathered the global recession better than most, the recovery has varied across regions and across different parts of our economy. By connecting Canadians with jobs that are available and putting our priority on skills and training, we are ensuring that continued economic growth, job creation and long-term prosperity remain the priority of the government.

The measures we are taking fit into Canada's economic picture right now. We have recently completed free trade deals with the European Union and South Korea, giving us access to over 550 million consumers. Over half of the global GDP is now available to Canadian businesses to export their goods to. Under the leadership of the Prime Minister, Canada enjoys free trade with a total of 44 countries. This will have a tremendous impact on the economy and create tens of thousands of new jobs. It is a win-win.

It means growth opportunities for Canadian firms and also more jobs for Canadian workers with the right skills. This is especially true in the extraction and resource industry where hundreds of major projects are scheduled to come on stream over the next decade. For these sectors, projects like this hold much opportunity for prosperity, but they also carry real challenges.

As Canada's population ages, so does our workforce. The pipefitters, engineers, draftsmen and technicians will soon be in short supply because of the retiring baby boomer generation. This is particularly the case in the construction sector, the mining industry and the petroleum sector. At the same time, there will be 550,000 unskilled workers who will not be able to find work by 2016, according the Chamber of Commerce. That number could be well over a million by 2021.

How are we going to meet these challenges? We are going to meet them by moving towards a better way to match skills and training with in-demand and about to be in-demand jobs.

One of the elements of our plan is the Canada job grant, an innovative, employer-driven approach to help Canadians gain the skills and training to fill new and available jobs. Agreements have now been signed with all the provinces and territories to implement the grant. It is a critical step to ensuring that Canadians are equipped and prepared for the jobs that are going to be out there.

(1325)

At the same time, we are providing incentives for young people to consider studying a career in the in-demand skilled trades. Since 2007, we have provided Canadians with nearly \$700 million in apprenticeship grants. Through economic action plan 2014, we are creating the Canada apprenticeship loan to give apprentices interest-free loans of up to \$4,000 during their training. It is estimated that starting in January 2015 at least 2,600 apprentices a year will benefit from this loan.

The government is also working to ensure the well-being of under-represented groups, such as Canadians with disabilities, aboriginal people, and new Canadians. The late finance minister had a special eye on helping those who are less fortunate, by creating the registered disability savings plan. These qualified people are too often sitting on the sidelines without jobs to go to every morning when they are perfectly able to work. For example, there are currently 800,000 working-age Canadians with disabilities who are not working, but whose disability will not prevent them from doing a job. Almost half of these, 340,000, have post-secondary education. That situation needs to change. To this end, we are providing \$220 million each year through our labour market development agreements for programs and services, helping Canadians with disabilities to join the labour force.

Recently our government also reformed the temporary foreign worker program, to ensure that Canadians would always come first when it comes to the hiring of new Canadians in available jobs. We have introduced tough measures so that the program remains a last and limited resort when employers cannot find Canadians to do these jobs. Our government recognizes the fundamental importance of small business in fuelling this Canadian economy. That is why our government has announced the introduction of a small business tax credit.

It is estimated that this will result in savings of approximately \$550 million for small businesses over the next two years. The introduction of this credit builds on our government's strong support of small businesses since 2006. We froze EI premiums to provide certainty and flexibility for small businesses; we reduced the small business tax rate from 12% to 11%, and we increased the small business limit to \$500,000. The results are clear: a typical small business with \$500,000 in taxable income is seeing a savings of approximately \$28,600. In total, small businesses have seen their tax rate reduced by 34% since 2006, and the list goes on.

I think I have made the point. Our government is wholly committed to helping Canadians find good jobs, and Canadian small businesses are creating these jobs to support our families and communities. Therefore, there is no need for the measure that the Liberals are now promoting. For that reason, I urge my fellow members to join us in saving no to this motion.

• (1330)

Mr. Ted Hsu (Kingston and the Islands, Lib.): Mr. Speaker, I have a question about the first thing my hon. colleague mentioned, which essentially was that the incentive in the Liberal plan would not make small businesses behave differently. If one makes a graph of the number of small businesses as a function of their taxable income reported to the government when they file their tax returns, one can see historically that there has been a spike in the number of businesses just under the small business tax deduction income limit. Then, when that limit has been moved in the past by governments, miraculously the spike in the number of businesses just below the limit has also moved.

It is a good thing that businesses are trying to manage their taxes and trying to be tax efficient, but that shows that incentives do matter and that the incentive being proposed in the Liberal plan will matter. It makes a difference at the margins, and, as we know, people make economic decisions at the margins.

**Mr. Scott Armstrong:** Mr. Speaker, we encourage small businessmen and women across the country to hire new Canadians. We expect them to take a look at their own business to see what their tax thresholds are and to do what is appropriate for their business. That is why we are giving them an incentive with the small business tax credit to hire more Canadians. This is all about hiring those one or two additional people so we can continue to get young Canadians in particular to work in small business, which is the economic driver of our economy.

Since the pit of the economic recession in July of 2009, 1.1 million Canadians have had a telephone call from an employer, many of them small businessmen and women, who have told them they have a job. We want to continue to support small businesses with incentives to hire more people. That is what this is all about.

Mrs. Carol Hughes (Algoma—Manitoulin—Kapuskasing, NDP): Mr. Speaker, it was the Liberals who raided the EI fund by \$50 billion. It is the current government which legalized it. Now we are seeing Conservatives wanting to raid the EI funds even more. If Canadians want someone who can do EI reforms, it is the NDP leader and New Democrats who can do that. We will sit down with the stakeholders and workers and employers to make sure it is done right.

The NDP has tabled a bill that would ensure that never again could the Conservatives or the Liberals raid the employment insurance coffers. Will the member support the NDP's bill and protect his constituents from premiums, as opposed to raiding the pot?

**●** (1335)

**Mr. Scott Armstrong:** Mr. Speaker, imagine if the NDP were in government and in charge of the EI fund and what they would do with it. This is the creator of a 45-day work year. How would that help small businesses? How would that help larger corporations in Canada find the employees they need to do the jobs?

As I said, over the next decade there are hundreds of thousands of jobs that are going to be available in the skilled trades and natural resource industries. There are many projects that are going to be started up across Canada. A 45-day work year that is promoted by the NDP would be devastating for the overall labour force. Those companies would not be able to find the employees they need. Quite frankly, if they do not have the trained labour force in place, they are not going to engage in those operations. They are not going to start new mines, the new hydroelectric projects. They are not going to be able to build pipelines to get our natural resource projects to the international market.

This is what we want. We want to make sure we have an employment insurance system that is there for people when they truly need it, but that also removes any incentives for people not to go to work.

Mr. Scott Simms (Bonavista—Gander—Grand Falls—Windsor, Lib.): Mr. Speaker, I would like to start on the tail end of that conversation. There is something that is starting to annoy me as a representative of many constituents who are in this situation, as well as others, and that is the concept of this disincentive created by a 45-day work year. Keep in mind that the 45-day work year as it is proposed would put benefits into the employment insurance system that allow people with seasonal work, for example, to bridge into the next season.

Essentially what the members are saying is that the 45-day work year is a disincentive. We have to make the basic assumption that these people are absolutely lazy; we have to assume that all of them are. That is a very broad sweeping generalization that is not true.

Of all the seasonal workers in my riding, the vast majority of them want to work for more than 45 days per year. The rest of the year, they are only making 55% of their total wages. Certainly many of them want to make a full salary and to enjoy a standard of living for both them and their families.

Putting that aside for a moment, I want to get into the motion we have today. To take an excerpt from it, I believe it would create the incentive by which we would be able to hire new people. Certainly it would create the incentive to hire young people.

When the people in my riding get to the age of employment, whether they are educated or not, many of them drift further west to seek higher wages. Many of them go around the world seeking higher wages. Many of them who receive higher wages do not actually have trades skills, but because the incentive is there to make the big bucks very quickly, they go about doing that. That drains the pool of employees who are available for small businesses in my area. The perverse thing about it is that even though the demand for their goods and small business in the riding is high, the disincentive is there.

Let us be honest: most of these small businesses cannot compete with the wages being supplied by the industries in western Canada. I do not mean to isolate just that one area of Canada, but what I am isolating is the oil and gas sector. I use that as an example. The wage rates of these places are incredibly high. Small businesses cannot compete.

However, there are those who want to receive an education to have lifelong high wages because of the talents they possess, rather than filling a gap here or there. People want to have work in their own areas. To do that, we have to create incentives. They may be small, but at least they would create some incentive to allow people, especially young people, to be hired into areas where they can reduce their premiums such that it makes it more feasible.

In addition to premiums, we had a discussion last week about the minimum wage. Of course, we have to talk about the minimum wage in the sense that it is a provincial jurisdiction, but it has an effect. We would love to pay people a higher minimum wage, but it has an effect on small business.

I would like to point out, and I am honoured to do so, that I will be sharing my time with the prestigious member for Winnipeg North. He will be able to provide us with some great explanations of why we should be voting yes for this today. I, like all other members, am eagerly awaiting the words he will bring to us today and his experiences in his riding of Winnipeg North.

However, going back to the situation at hand, I would like to talk about the incentive we would be providing here. One of the things I like is that we are not just saying we would downgrade a particular measure that was brought forward by the government. We would provide an answer and another part of a suite of programs that would allow us to create incentives for smaller business.

The Conservatives recently announced the creation of the small business job credit, which many economists have called a disincentive for companies to grow. This counterproposal we are bringing today would provide this holiday, which we believe is a far more flexible situation for small businesses.

**(1340)** 

Over the years, we have seen evidence of this. We did this as government back in the 1990s. The new hires program serves as a good example.

However, the Conservatives' small business tax credit has a design flaw that discourages job creation and economic growth. Under the Conservatives, only businesses with EI payroll taxes below \$15,000 get any money back. This creates a perverse incentive for businesses to fire workers in order to get below the \$15,000 threshold.

My hon. colleague from Nova Scotia pointed out that really small businesses would not do that just to take advantage of a small credit. However, if people have a marginal small business, there are certain things they will do to look after their bottom line. It may seem small, but they will certainly take advantage of it.

I believe this plan could provide a disincentive. It may started out with the greatest of intentions, but certainly it has morphed into something that may create disincentive, which we need to address.

Therefore, what we are proposing today is certainly a greater alternative. It was endorsed earlier by the CFIB. In a Tweet from Dan Kelly, the president of the Canadian Federation of Independent Business, he said that he the loved the Liberal Party of Canada plan to exempt small businesses from EI premiums for new hires over two years and that it had lots of job potential. Indeed, there is a lot of job potential.

However, the Conservative plan offers up to \$2,234 for firing a worker and only up to \$190 for hiring a worker. Again, it may have started out with the best of intentions, but unfortunately we can see the discrepancy in dollars. This tells us that the plan we are proposing today would certainly be a better spearhead toward creating more employment, especially when it comes to new hires.

Over the past year, Canada has experienced little job growth. From August 2013 to August 2014, the entire country created net jobs of 81,300, with 15,000 of them full-time. By contrast, the United Kingdom created 775,000 jobs over 12 months and the United States 2.2 million jobs.

On September 11, the current Minister of Finance announced the creation of this plan. For small businesses, we are looking at an estimated cost of \$550 million over the next two years, or \$225 million per year. The minister said, "We believe it will encourage growth and employment opportunities".

Any business that pays less than \$15,000 in EI premiums in 2015 or 2016 will receive a refund when it files its tax returns for those years. However, \$15,000 in premiums represents a total payroll of about \$567,000, assuming no employee makes more than the EI contribution maximum, which in 2015 will be set at a \$49,500 yearly salary.

The employer EI premium rate is \$2.63 per \$100 of paid salary. The rate for companies that qualify for the credit will be \$2.24, which means the rebate is essentially 14.9% of the EI premiums that businesses pay.

Therefore, the maximum benefit for a company that pays just under \$15,000 in EI premiums would be \$2,234. However, a company that pays one dollar more than that would receive zero. Economists have pointed out that this could result in companies holding back on pay increases, reducing hours, or in the worst case scenario, actually laying people off.

Stephen Gordon from the University of Laval said:

Reducing payroll taxes is usually a clear win-win situation, resulting in increased employment and higher wages. The Conservatives have passed up this opportunity by creating yet another targeted boutique tax credit.

Mike Moffatt, assistant professor at the Richard Ivey School of Business, had this to say:

—it is clear that firms under the \$15,000 EI threshold have a big incentive to keep wage increases to a minimum so they do not lose their tax credits. Conversely, firms that are just over the \$15,000 EI threshold have an incentive to cut the pay of their staff in order to gain the tax credit.

# Business of Supply

The Liberal plan could reward companies up to \$1,280 for each new job they create. Now that is a decent incentive.

(1345)

[Translation]

Mr. Guy Caron (Rimouski-Neigette—Témiscouata—Les Basques, NDP): Mr. Speaker, the hon. member for Etobicoke North accused me of playing political games, when in fact I am playing mathematical games.

[English]

I am asking this question for the third Liberal MP and I am certainly hoping to get an answer this time.

The Liberal proposal would give an exemption in EI premiums to businesses for each new hiring. They expect that this measure would create 176,000 net new jobs. When we talk about net jobs, we have to look at the total number of jobs created, but there are some job losses in this though. It is estimated that to get 176,000 net new jobs, 1.5 million would actually need to be created. If we look at an average of \$1,000 in EI exemption for each of these new hires, the plan would cost over \$1.5 billion.

I would like to know how the Liberal proposal can be estimated at only \$220 million because it could cost over five times more than what they have said. It does not make sense to me.

**Mr. Scott Simms:** Mr. Speaker, I am not quite sure which voodoo economic world this is a part of. The numbers state for themselves exactly what they are. I get the feeling that the member does not like this program whatsoever. I want to address his point.

I see my colleague from Manitoulin Island also wants to get up on this, so I hope she will address this as well.

We will introduce a job creation tax credit that will provide up to \$4,500 per new hire. Employers will receive a one-year rebate on the employer contributions for employment insurance premiums for each new employee hired. Where did I get that? That is from the 2011 election platform of the New Democratic Party of Canada. Does that party like it or does it not?

**Mr. Ted Hsu (Kingston and the Islands, Lib.):** Mr. Speaker, I want to see if I understand exactly the contrast between the Liberal plan and the Conservative plan.

If a small business is just below the \$15,000 threshold and it wants to keep its doors open for a couple of more hours, would there not be a disincentive to keep its employees working for a couple of more hours and go over the \$15,000 limit?

**Mr. Scott Simms:** Yes, it would be, Mr. Speaker, because a business would start playing with that because it would suddenly find itself saving a few thousand dollars just by doing that one thing. Hopefully a business would not lay off people to get around this, but a reduction in hours would have to be looked at. The potential to cut down on people and their income would need to be looked at also. A business could lose an employee quickly because it needs to save that money. A marginal business like this needs to do these things to survive

Let us put it in context with provincial rules and regulations. Let us say there is an increase in the minimum wage. A business has to get around that too in addition to all of the other. This may seem small to them, but to someone who is in small business, these are the types of measures that have to be taken.

Granted, as I said earlier, I do not have experience in small business, but I do listen to people in my area and others as well as other members in the House who have a lot of experience in small business. They are saying the same things. They are saying that small business has to adapt.

What we are proposing today would provide a measure that could be easily adapted to and would be far more flexible for small business to create employment and to get young people hired.

#### (1350)

**Mr. Kevin Lamoureux (Winnipeg North, Lib.):** Mr. Speaker, it is with pleasure that I rise today to speak to what I believe is a very important issue, an issue that affects all Canadians, no matter where we live in Canada. It is ultimately an issue to which Canadians can relate. For the first time, they see a political party that actually has an idea to create jobs.

The New Democrats can wish all they want where they might be on this position, but the Conservatives might want to reflect on their idea, and I would encourage them to do so. I will provide some comments on their idea and how that could be improved upon.

The Liberal caucus and our leader are very much focused on the middle class. We recognize that if we want to assist the middle class, we need to work on job creation. Jobs are very important. We get that message in the Liberal caucus. However, we do not understand why the Conservative government has missed the mark so badly.

To give an example, since May 2013, there has been a net loss of full-time jobs to the Canadian economy. Everyone here should be concerned about that. At least one party wants to see direct action taken by the government that would have a positive impact on the creation of full-time jobs. This debate is all about that.

We come to the table with experience on the issue. As has been already pointed out, back in 1993 the unemployment rate in Canada was at 14%. I remember the commercials and I remember former prime minister Kim Campbell saying that we would have to settle for double digit unemployment rates into the future.

Back then, Jean Chrétien of the Liberal Party said that we did not have to settle for that. At the end of the day, the Liberal Party of Canada was able to bring down that double digit unemployment rate of 14% under the Progressive Conservatives to 6.5% when Paul Martin left office in 2006.

Not only did we bring down the unemployment rate to 6.5% nationwide, we handed the Conservative government a multi-billion surplus as well as a multi-billion trade surplus. The Conservative government had a wonderful opportunity to really develop our economy, to provide the jobs that were important to Canadians, to ensure that there were full-time jobs for those individual Canadians who wanted full-time work and it blew that opportunity.

In the last couple of weeks we have seen a great example of government incompetence, the inability of the government to recognize that it made a mistake. All the Conservatives have to do is look at the small business jobs grant. The program is flawed. An honourable government, a strong leader in the Prime Minister's Office, would recognize that it blew it. It is time the Conservatives changed the program, and I have an idea for them.

**Hon. James Moore:** Mr. Speaker, I rise on a point of order. I thought I would give everybody's ears a break.

The Acting Speaker (Mr. Barry Devolin): Order, please. The Chair would remind all hon. members, including ministers, that points of order are to be taken seriously and not abused. I would encourage all members of the House on both sides to refrain from yelling at one another so we can all hear the debate.

The hon. member for Winnipeg North.

**Mr. Kevin Lamoureux:** Mr. Speaker, I trust and hope I will get an additional two minutes added to my time because of that point of order.

Having said that, I am very passionate about this issue. I recognize what Canadians want us to be talking about. They want us to be talking about full-time jobs. They want their members of Parliament to be talking about ideas that are going to have a positive impact on that particular front. Canadians believe that is the number one issue, because if we can create the jobs that are necessary, we will be able to improve the circumstances of the middle class and in fact of all Canadians, no matter where they live in our country from coast to coast to coast.

I want to get back to that flawed small business job credit program that the current government introduced earlier this month. If the Prime Minister had the political courage to recognize that his ministers have actually made a mistake here, we could improve this program so that more full-time jobs would be created.

Some of the quotes I saw in our media are interesting. In Macleans.ca, I thought this was interesting on September 11. Referring to the government's program, it said:

...the government has set up a tax credit that can only be claimed by small businesses whose EI contributions are less than \$15,000 a year.... As Kevin Milligan noted on Twitter, this sets up yet another "kink" in the tax schedule: small businesses will lose this tax credit if they grow too large.

#### The article goes on:

For firms that are just under the \$15,000 threshold, hiring a new worker would mean crossing the line and losing the tax credit entirely. For firms that are just *over* the threshold, the incentives are even more perverse: firms may choose to actually reduce employment in order to be eligible for the tax credit.

That means losing jobs. It means jobs being lost because of this federal program. It is not creating the jobs that it could be creating, and that is why we are saying that they are losing an opportunity to do something good.

The Liberal Party has brought forward what I believe is a

reasonable opposition day motion that would do something that the current government has not been able to do with regard to EI premiums, which is to clearly demonstrate that it will create full-time jobs across our country. We believe that if the government opened its mind somewhat, it would recognize the value of providing an EI premium exemption for every new hire to fill a new job in 2015 and 2016, because that particular program has been cited as being able to generate in excess of 150,000 jobs. Compared to what the Conservatives are creating, whereby there will even be some losses of jobs among certain employers, it is night and day.

We call on and challenge the government to recognize that, because those 150,000 jobs that I just referred to are not going to cost any more than what the Conservatives are proposing in their

My colleague made reference to NDP voodoo economics, and I do not know where they get their numbers. What we do know is that the Liberal proposal would cost no more than the Conservative proposal, yet it would exceed by 100,000 new jobs what the Conservatives have on the table today.

Therefore, the question that I have for the government is this: why not? Why not allow for the Liberal plan to become a part of the government policy? There is no additional cost to it, and at the end of the day we would have 150,000-plus Canadians with full-time or part-time employment.

• (1355)

In the last 12-plus months, we have seen a net loss of full-time jobs. We have before us a resolution that would create jobs. This is an opportunity for the government of the day to recognize that it has made a mistake and adopt an idea that has been well spoken of even outside the Liberal caucus.

It is time that we move forward and look toward the future, one in which we can generate the types of jobs that are important to Canadians, full-time jobs, and ensure that opportunities will exist well into the future. That is what we in the Liberal Party-

**(1400)** 

The Acting Speaker (Mr. Barry Devolin): Order, please. The time for government orders has expired. Questions and comments for the hon, member for Winnipeg North will take place after question period.

# STATEMENTS BY MEMBERS

[English]

# CANADIAN MUSEUM FOR HUMAN RIGHTS

Mrs. Joy Smith (Kildonan-St. Paul, CPC): Mr. Speaker, last week Canadians celebrated the opening of the first Canadian national museum built outside of Ottawa, in the centre of Canada in Winnipeg, Manitoba.

It is a tribute to all who suffered in the Holocaust, the Holodomor, and other unspeakable atrocities down through history. It is a tribute to the survivors who lived to tell the world what happened to them and to demand that it never happen again. It is a symbol of hope to

Statements by Members

those suffering today in the modern-day slave trade known as human trafficking, right here in Canada and worldwide.

The museum stands tall for all to see, for all to experience, for all to learn, and for all to be inspired to build a better world. Many thanks to our Prime Minister for his vision to have a national museum outside Ottawa to make our history more accessible to all Canadians. Our thanks go to Izzy Asper for his vision and to the Asper family and friends of the museum for making Izzy's vision become a reality.

This is the Canadian way.

[Translation]

#### **GILLES LATULIPPE**

Mr. Pierre Nantel (Longueuil-Pierre-Boucher, NDP): Mr. Speaker, I want to pay tribute to a great comedian, humorist and theatre producer who passed away today.

Gilles Latulippe loved to make people laugh. He was the man responsible for much of my laughter as a child, but he was a comedian to more than just one generation. He shaped Québécois humour and was one of the last performers who was influenced by burlesque. Above all, he was funny.

Respected by all, the comedian behind Symphorien Laperle worked alongside Quebec's finest actors. Everyone saw him for the great theatre personality he was—someone who had a unique comic style that reflected this era of change. People knew him as much for his jokes as for his respect for the profession, but they also recognized the special place he made in his projects for up-andcoming comedians.

Right up until the end of his life, Gilles Latulippe was recognized by his peers. This summer, the Just for Laughs Festival paid tribute to him and his 55-year career.

He lived in Longueuil for more than 30 years. It was in Montreal in 1967, at the corner of Mont-Royal and Papineau, that he created his legendary Théâtre des Variétés, which is now named after him. Welcome to La Tulipe.

In his honour, I would like to conclude with his now-famous line "Une fois, c'tun gars...", "There was this guy...". We owe him a great debt of thanks.

[English]

#### CN RAIL NATIONAL TRAINING CENTRE

Mr. Lawrence Toet (Elmwood—Transcona, CPC): Mr. Speaker, recently I had the pleasure of attending the grand opening of the new CN Rail National Training Centre, located in my riding of Elmwood—Transcona.

#### Statements by Members

Winnipeg is the hub of CN Rail's transcontinental network, and this major investment is great news for jobs and our local economy in Winnipeg. This state-of-the-art training centre features a revamped company-wide training program for both its current and future employees. The 100,000-square-foot training centre is located at the well-known Transcona Shops and will be able to accommodate more than 350 CN students from across Canada every week.

Significant investments such as these create opportunity for greater innovation, skills, productivity, and global competitiveness, all of which are vital to our long-term economic growth here in Canada.

CN has been at the heart of Transcona for over 100 years, and this investment celebrates that long-standing and proud connection. I wish to thank CN Rail for its remarkable investments in our community and I look forward to many more years of CN innovation and achievement in Elmwood—Transcona.

\* \* \*

#### CLARENVILLE HIGH ROBOTICS TEAM

Ms. Judy Foote (Random—Burin—St. George's, Lib.): Mr. Speaker, I rise today to congratulate the Clarenville High robotics team on its outstanding achievements at the remotely operated vehicle international competition held in Michigan.

Clarenville High was one of 60 teams chosen from 600 entries worldwide to compete in this prestigious event. The team was entered in the ranger category, in which it was named the overall champion. It placed first in the intermediate category and won the award for innovative design. Mackenzie Dove, a member of the team, was recognized with the engineering evaluation MVP award.

Under the guidance of dedicated mentors Michael Spurrell, Bert Roberts, Chris Clarke, Steven Butt, and Nolan Porter, the 12-member team of Christopher Barnes, Michaela Barnes, Gregory Brockerville, Courtney Clarke, Kyle Clarke, Mackenzie Dove, Patrick Dove, Kyle Evans, Ian King, Claire Sawler, Amy Short, and Brooke Snow competed against high school and university teams from 18 states and 13 countries.

I ask all members to join me in congratulating the remarkable youth and mentors of the Clarenville High robotics team.

. . .

**•** (1405)

# MPP FOR OTTAWA—ORLÉANS

Mr. Royal Galipeau (Ottawa—Orléans, CPC): Mr. Speaker, I recently had the pleasure of attending my first working meeting with Marie-France Lalonde, the new MPP for Ottawa—Orléans, her executive assistant, Anick Tremblay, and mine, Bryan Michaud. [Translation]

Ms. Lalonde, a political newcomer, was elected by the people of Orléans last June.

[English]

Ms. Lalonde's election to Queen's Park is welcome and marks the start of a new era in federal-provincial-municipal relations in Ottawa—Orléans.

[Translation]

Of course, there is no shortage of work to be done when it comes to ensuring that Orléans continues to be a good place to live, work and play. One of our joint priorities is cleaning up the Ottawa River so that the people of Orléans and the entire region can enjoy our "jewel"—Petrie Island—to the fullest.

[English]

I have assured Marie-France Lalonde that my door is always open, and she made the same pledge.

\* \* \*

[Translation]

#### CANADA POST

Mrs. Djaouida Sellah (Saint-Bruno—Saint-Hubert, NDP): Mr. Speaker, for months, we have been asking the government to reconsider its position on the Canada Post job cuts and the elimination of the home delivery service. To date, we have collected more than 1,000 signatures, in Saint-Bruno—Saint-Hubert alone, against the elimination of this service. The government is turning a deaf ear.

It is now the municipal officials' turn to mobilize. I congratulate the municipal officials from Saint-Bruno-de-Montarville for taking a firm and clear stand by passing a resolution asking Canada Post to abandon its plan to unilaterally impose the termination of the home delivery service.

What is the government waiting for to finally listen to Canadians and local elected officials too?

\* \* \*

[English]

#### SUICIDE PREVENTION

Mr. Mark Strahl (Chilliwack—Fraser Canyon, CPC): Mr. Speaker, on September 4, I hosted a round table with local mental health service providers in Chilliwack to discuss suicide prevention and mental illness as part of the Mental Health Commission of Canada's 308 conversations initiative.

We talked about innovative programs that were working and talked about gaps in the system of care. We identified the importance of mental health first aid training, not only for front-line emergency services personnel but for the general public. We talked about problems in getting patients the mental health care they need when they need it, especially in emergency situations, and we discussed the challenges of treating concurrent disorders in mental health patients.

I would like to thank all of the participants for their contribution and for their work in our community. Mental illness has an enormous impact on our society. We need to talk about this issue and educate ourselves on the factors that contribute to it. Together, we must continue to share the message that help is available if someone is suffering. Together, we must continue to fight the stigma surrounding mental illness.

\* \* \*

[Translation]

## FRANCO-ONTARIAN DAY

Mr. Bruce Stanton (Simcoe North, CPC): Mr. Speaker, Franco-Ontarian Day is almost upon us. It is a time to celebrate francophones in Ontario and pay tribute to their contribution to Ontario's rich culture and history. The francophones in my riding, who live mainly in Lafontaine, Penetanguishene, Perkinsfield and the townships of Tiny and Tay, carry on in the tradition of generations of francophones who, since the late 18th century in Upper Canada, have invested their time and talents in agriculture, education, business and the arts.

I salute the Franco-Ontarians in Simcoe County and across the province for their contribution to our history and our society.

\* \* \*

● (1410)

[English]

#### JIM DEVA

**Ms. Libby Davies (Vancouver East, NDP):** Mr. Speaker, it is with great sadness that I rise today to pay tribute to Jim Deva, who died unexpectedly in Vancouver on September 21.

Jim was so much a part of Vancouver that it is hard to verbalize the full impact of his life on our city and its people. He is a legend in the LGBTQ community. He successfully fought Canada Customs censors for decades for freedom of expression for the Little Sister's bookstore. Jim was a leading advocate against hate crimes and pioneered better police liaison and community action.

He inspired us, made us laugh, showed us courage and selflessness, and never shied away from challenging bigotry and injustice. He held the door open for many to come out.

This dear man will be hugely missed. It is hard to imagine our city without Jim. Our love and support goes out to his partner, Bruce Smyth, and his family and friends, as we grieve this terrible loss of a great advocate, champion, friend, mentor and leader in our community.

## ROSH HASHANAH

Mr. Mark Adler (York Centre, CPC): Mr. Speaker, tomorrow evening at sundown, Jews here in Canada and around the world will mark the start of the high holidays, beginning with Rosh Hashanah and concluding 10 days later with the Day of Atonement, Yom Kippur. This Rosh Hashanah will mark the beginning of the year 5775. It is a time to reflect through prayer and self-examination, and to perform teshuvah, or repentance, which is when we take the time

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to apologize to those we have wronged and commit to bettering ourselves.

During the 10 days, the Jewish community will come together to pray and fulfill the mitzvah of hearing the blowing of the shofar, the ram's horn, as a reminder to repent, to look within ourselves, to recommit ourselves to prayer, remember the blessings that come from helping those in need, and most importantly, to believe in the power of humility and compassion to deepen our faith and to repair our world. During this time of repentance and renewal, let us recommit ourselves to a more hopeful future, a future filled with sweetness, health and prosperity for all.

L'Shanah Tovah Tikatevu. May we all be inscribed in the Book of Eternal Life for a good year.

\* \* \*

[Translation]

## INTERNATIONAL DAY OF PEACE

Ms. Hélène Laverdière (Laurier—Sainte-Marie, NDP): Mr. Speaker, each year the International Day of Peace is observed around the world on September 21. The United Nations General Assembly has declared this a day devoted to strengthening the ideals of peace, both within and among all nations and peoples.

This year marks the 30th anniversary of the Declaration on the Right of Peoples to Peace, and that is the theme of this year's International Day of Peace.

[English]

This year we think about the many peoples of the world who long for peace, those in the Central African Republic, in South Sudan, in Syria, in Iraq, in Israel and Palestine, in the Democratic Republic of the Congo, in Mali, in Ukraine, in too many places.

On behalf of the New Democrats, I would like to thank the many peace-builders and humanitarian workers who risk their lives every day with the aim of bringing peace to their communities.

T A NITOTA N

## **AFGHANISTAN**

Mr. Bryan Hayes (Sault Ste. Marie, CPC): Mr. Speaker, this past Sunday we learned that Afghanistan's leaders were able to put their differences aside to form a government of national unity. We congratulate the president-designate, Dr. Ashraf Ghani Ahmadzai, who yesterday moved decisively to confront Afghan corruption. We also congratulate his former rival, Abdullah Abdullah, who will assume the role as newly created chief executive. This agreement will bring about additional stability and prosperity to Afghanistan by ensuring that the new government will represent all Afghan citizens.

Our government welcomes and congratulates the people of Afghanistan in this historic transfer of power from one president to the next. Afghanistan still faces many challenges and the new government must be united in its efforts to address them. Our government stands ready to assist the new government in tackling these challenges.

#### Oral Questions

## ALZHEIMER'S DISEASE

**Hon. Hedy Fry (Vancouver Centre, Lib.):** Mr. Speaker, today, the Canadian Medical Association called on the federal government to engage the provinces in creating a pan-Canadian dementia plan. Canada is the only G7 country without a comprehensive national strategy.

The most common form of dementia is Alzheimer's disease. Currently, 500,000 Canadians live with this degenerative disease. That number will double in the next 20 years. While research into cause and treatment is important, the most vital missing element is building the health system's capacity to deliver care to the increasing number of Alzheimer's patients.

While the federal Minister of Health may shrug off this responsibility to the provinces, she is wrong. In every country with a national plan, the national government led the way, integrating dementia care into their health systems, which includes best practices in management, prevention of chronic disease, and ensuring that community and social services, housing and caregiving are integral parts of the system.

While there is currently no cure for Alzheimer's, research shows that by early identification and proper management we can delay its onset to the point of near elimination of the disease.

\* \* \*

● (1415)

[Translation]

#### RESUMPTION OF PARLIAMENT

Mr. Jacques Gourde (Lotbinière—Chutes-de-la-Chaudière, CPC): Mr. Speaker, during the End of Summer Tour by our political lieutenant and the hon. member for Roberval—Lac-Saint-Jean, a tour that took him all across Quebec, one thing became clear: Quebeckers' values have much more in common with Conservative values than those of the other parties.

Quebeckers want lower taxes for families, a balanced budget and job creation. They also want safer streets for our young people, the end of lenient sentences for offenders and the recognition of victims' rights.

In the meantime, what is the Liberal leader's priority? He thinks the most important thing for our country is to legalize marijuana.

While the member for Papineau tries to come up with a credible party platform, our Conservative government is already working on what truly matters to Quebeckers and Canadians.

## THE LIBERAL AND CONSERVATIVE PARTIES OF CANADA

Ms. Alexandrine Latendresse (Louis-Saint-Laurent, NDP): Mr. Speaker, if we want real change, not just the appearance of change, we cannot just keep switching from blue to red and back. When it comes to employment insurance, Keystone XL, Cacouna and the Senate, those two are cut from the same cloth.

The two old parties have grown so alike that they are courting the same candidates. This week, we learned that both the Liberals and

the Conservatives tried to recruit Nathalie Normandeau for the next election and that former Liberal organizer Beryl Wajsman is vying for the Conservative nomination in Mont-Royal. As we all know, Wajsman was booted out of the Liberal Party after he appeared before the Gomery commission, and Nathalie Normandeau was put through the wringer by the Charbonneau commission because of the many gifts she received from building contractors.

It is hard to believe that the Liberals and the Conservatives really want to clean house when they are raiding commissions of inquiry for candidates, in the same way they raided the employment insurance fund. Canadians who want change have a simple choice: vote for the old, worn-out parties rife with corruption and cronyism, or vote for the NDP, the only party that stands for change.

\* \* \*

[English]

## **JUSTICE**

**Ms. Roxanne James (Scarborough Centre, CPC):** Mr. Speaker, no reasonable person could disagree that Omar Ahmed Khadr is a heinous criminal. His murderous terrorist actions left one American army medic dead and another soldier blind. We learned today that he has not responded to the legal action put forward by his victims, and therefore owes them in excess of \$100 million.

Our Conservative government supports the efforts of his victims to receive compensation for their horrible loss. Unfortunately, but not surprisingly, the Liberals are opposed to this principled stand. In fact, the Liberal leader actually refused to rule out giving special payments to this convicted terrorist, but was silent on whether his victims should receive any compensation at all. He further went on to say that revoking the passports of radical Islamic terrorists was an affront to Canadian values.

Canadians want to know when the Liberal leader will stop running from important matters of national security and start standing up for the rights of victims.

## **ORAL QUESTIONS**

[English]

#### FOREIGN AFFAIRS

**Hon. Thomas Mulcair (Leader of the Opposition, NDP):** Mr. Speaker, the Prime Minister has failed to answer clear questions about his ill-defined military deployment in Iraq.

Yesterday, Conservatives refused once again to answer in this House, but the member for Selkirk—Interlake stated on CPAC that the mission will end on October 4.

Will the Conservative government confirm that the 30-day Canadian commitment in Iraq will indeed end on October 4?

Mr. Paul Calandra (Parliamentary Secretary to the Prime Minister and for Intergovernmental Affairs, CPC): Mr. Speaker, there is a great deal of confusion with respect to the NDP position on Israel

I wonder if the Leader of the Opposition could confirm for me whether Alex Anderson, who identifies himself as a fundraiser at the New Democratic Party, speaks for the NDP when he says "[eff] the IDF and all who supports them. I am sick and tired of the media [BS] trying to sell lies and hide an [effing] genocide".

Does Alex Anderson speak for the NDP when he says these shameful things?

**(1420)** 

Hon. Thomas Mulcair (Leader of the Opposition, NDP): Mr. Speaker, I can understand the confusion. We are in the Middle East and we are under the I's, but we are talking about Iraq.

It took over a week for the Prime Minister to answer a simple question about the number of troops involved in the Iraqi deployment. It now appears that Canadian soldiers may require visas approved by the Iraqi government.

Since this military deployment is still ongoing, and since it is set to conclude in 12 days, precisely how many Canadian soldiers are on the ground in Iraq today?

Mr. Paul Calandra (Parliamentary Secretary to the Prime Minister and for Intergovernmental Affairs, CPC): Mr. Speaker, what does the Leader of the Opposition not understand? Our friends in Israel are on the front lines combatting terrorism.

When people who work for the NDP, like Alex Anderson, who identifies himself as a fundraiser at Canada's NDP, calls what the Israel Defense Forces are doing an effing genocide, and calls the media BS for not supporting the fact that they call it an effing genocide, what does he not understand?

Israel is on the front lines. Canada will continue to support our friends in Israel. We will stand up for peace and security around the world. Unlike them, we are not confused by our position.

Hon. Thomas Mulcair (Leader of the Opposition, NDP): Mr. Speaker, there are rules in the book about question period. You are our arbiter. We ask you to enforce the rules on relevance and on question period.

When asked at foreign affairs committee just a couple of weeks ago, the minister said that a status of forces agreement with Iraq outlining operating rules for Canadian forces had not yet been completed.

Has that agreement now been completed? If so, when can Canadians see it?

Mr. Paul Calandra (Parliamentary Secretary to the Prime Minister and for Intergovernmental Affairs, CPC): Mr. Speaker, again, clearly the Leader of the Opposition does not identify or understand the fact that our friends in Israel are on the front lines combatting terrorism in the region.

That is why on this side of the House we support our friends in Israel. Unlike the NDP whose position is all over the place, Canada will stand up for Israel, will stand up for freedom around the world.

The NDP supporter calls it an effing IDF, and all those who support it. He claims that the media is ignoring it, and calls it BS.

We will stand up for Israel. We will stand up for—

Oral Questions

Some hon. members: Oh, oh!

The Speaker: The hon. Leader of the Opposition.

**Hon. Thomas Mulcair (Leader of the Opposition, NDP):** Mr. Speaker, well, that does not speak very favourably about your neutrality in this House.

Some hon. members: Oh, oh!

The Speaker: The hon. member for Papineau.

\* \* \*

## **EMPLOYMENT**

**Mr. Justin Trudeau (Papineau, Lib.):** Mr. Speaker, this morning the Conference Board of Canada confirmed what Canadians have been long telling us, that today's young people are perhaps the first generation of Canadians to be worse off than their parents.

The Conference Board says that this is a serious economic problem. We agree.

Will the government please tell us what the plan is to address this problem?

Hon. Joe Oliver (Minister of Finance, CPC): Mr. Speaker, under our Conservative government, we will continue to have one of the lowest unemployment rates in the G7. Since coming to office, we have helped 2.1 million youth obtain skills, training, and jobs. However, we recognize that more can be done, and that is why our economic action plan 2014 will help young Canadians get the skills they need for in-demand jobs, help young entrepreneurs start more businesses, and support more paid internships for graduates.

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## THE ENVIRONMENT

**Mr. Justin Trudeau (Papineau, Lib.):** Mr. Speaker, there is no question that we are also going to be leaving our children an environment that is ever more threatened. The Prime Minister has shown no leadership on climate change, and indeed cannot even be bothered to show up. He uses a megaphone on the world stage when it suits his purpose.

Why is the Prime Minister completely missing on climate change?

**●** (1425)

Mr. Colin Carrie (Parliamentary Secretary to the Minister of the Environment, CPC): Mr. Speaker, when we are talking about being missing on climate change, I think the Liberal leader should know I am in a difficult position right now. I agree with the Liberal leader's statement on the Liberal leadership, but not this leader's. Remember Mr. Ignatieff, who said we did not get it done? Under the Liberals' watch, greenhouse gases actually went up 130 megatonnes.

## Oral Questions

What we are doing is taking a sector-by-sector regulatory approach that is working, and that is leadership. We are the first major coal user to ban construction of traditional coal-fired electrical generating units. That is leadership. Yesterday, the Minister of the Environment announced three new regulatory initiatives that will lower air pollutants—

The Speaker: The hon. member for Papineau.

[Translation]

**Mr. Justin Trudeau (Papineau, Lib.):** Mr. Speaker, while the Prime Minister is missing from the UN climate summit, premiers Couillard, Clark and Prentice have supported an agreement between 73 countries and 1,000 companies to put a price on carbon pollution.

Will the Prime Minister finally admit that action must be taken to protect the environment and agree to be part of this agreement?

[English]

Mr. Colin Carrie (Parliamentary Secretary to the Minister of the Environment, CPC): As I said, Mr. Speaker, we are taking a leadership role. We are taking solid action. All the Liberals did was talk about it. They signed on to Kyoto with absolutely no plan to get to where we need to be. Thanks to our actions, we have seen reductions in greenhouse gases since 2005, without imposing a job-killing carbon tax, which the Liberals support.

Our government's record is clear: per-capita carbon emissions have fallen to their lowest level since tracking began. That is a fact. In 2012, greenhouse gases were more than 5% lower than at 2005 levels, while the economy grew by more than 10% in the same period, and that—

The Speaker: The hon. member for Halifax.

[Translation]

**Ms. Megan Leslie (Halifax, NDP):** Mr. Speaker, although he is in New York, today, the Prime Minister will not be attending a meeting of heads of state on climate change that is taking place there.

President Obama will be at the conference, as will Prime Minister Cameron. Today, the stage will be set for the Paris conference in 2015.

What will the Conservatives' contribution be, aside from a recycled announcement about measures that will not even take effect until 2017?

[English]

Mr. Colin Carrie (Parliamentary Secretary to the Minister of the Environment, CPC): Mr. Speaker, that is ridiculous. We are taking a leadership role. The Minister of the Environment is in New York City this week representing Canada at a number of climate change meetings.

Canada has and is taking significant efforts to curb climate change through a number of avenues, both domestic and international. Through our investments in clean energy and our sector-by-sector regulatory approach, we have seen our economy grow while emissions have gone down, unlike the Liberals and the NDP who want a job-killing carbon tax.

[Translation]

**Ms. Megan Leslie (Halifax, NDP):** Mr. Speaker, the only thing the Conservatives have done for the environment is to recycle their answers.

While the Conservatives are missing the boat, the entire world is taking action. A coalition of 73 countries and 1,000 companies led by the president of the very radical World Bank is proposing to put a price on carbon.

Where is the Prime Minister? He is absent again.

Why are the Conservatives ignoring the business community, which is calling for action on climate change?

[English]

Mr. Colin Carrie (Parliamentary Secretary to the Minister of the Environment, CPC): Mr. Speaker, the NDP has been telling people for years that it has to be one or the other; in other words, it will have to shut down the economy in order to help the environment. The reason New Democrats are so mad is that we have proven their whole ideology wrong.

We, under the leadership of our Prime Minister and our environment minister, have seen the Canadian economy grow 10%, while greenhouse gases have actually decreased 5%. That is why we on this side are correct in our approach, and they on that side are stuck in an ideology that has been proven wrong.

**Ms. Megan Leslie (Halifax, NDP):** Mr. Speaker, he should listen to the speakers of the UN, because the simple fact is this. By failing utterly and completely to come to grips with the climate crisis and make real reductions in greenhouse gas emissions, the Conservatives are setting Canada up to fail in the green energy economy of tomorrow.

Report after report, the latest on Monday from Clean Energy Canada, shows that Canada will be left behind in the clean energy revolution if the federal government does not wake up.

Why are the Conservatives asking Canadians to miss out on what could be a \$3-trillion market?

• (1430)

Mr. Colin Carrie (Parliamentary Secretary to the Minister of the Environment, CPC): Mr. Speaker, as I was saying, our party is the only party that is committed to protecting the environment and keeping the Canadian economy strong. We believe we can do both at the same time.

This is why we have made significant investments to begin Canada's transition to a clean energy economy and advance our climate change objectives.

Canada already has one of the cleanest electricity systems in the world, and it is the world's third-largest producer of hydroelectricity. Over three-quarters of Canada's power comes from emission-free sources, and that is something Canadians need to know.

**Ms. Megan Leslie (Halifax, NDP):** Mr. Speaker, let us be clear: this is the same government that has essentially given up on oil and gas regulations.

Canada is going to New York empty-handed in the global fight against climate change.

Our allies and our closest trading partner get the urgency, and they are taking real action to reduce emissions and boost clean energy.

What kind of climate impacts do we have to see here at home before the Conservatives get it?

Mr. Colin Carrie (Parliamentary Secretary to the Minister of the Environment, CPC): Mr. Speaker, our government gets it. We realize that we can both grow the economy and protect the environment at the same time.

Our government has taken important steps to help Canadians adapt to the changing climate. We have made significant investments to help Canadians understand and plan for climate impact, including Canada's north.

This helps our government to produce credible, science-based information to support planning and decision-making. This is something that New Democrats are against. All they want is a \$20-billion carbon tax that will increase the price of everything.

\* \* \*

[Translation]

#### EMPLOYMENT INSURANCE

**Mr. Robert Aubin (Trois-Rivières, NDP):** Mr. Speaker, when we discuss employment insurance, the Liberals and the Conservatives forget about the workers. They only care about the fund's surplus.

Over the years, they have managed to take no less than \$57 billion from workers. Today, history is repeating itself with the \$3.5-billion surplus forecast in the 2015 budget. The Conservatives plan to use this money to balance their budget while the Liberals would like to use it to fund a new but flawed tax credit.

When will the government stop using workers' money for purposes other than employment insurance?

**Hon. Joe Oliver (Minister of Finance, CPC):** Mr. Speaker, we froze employment insurance contribution rates for three years. In 2014 alone, job creators and workers saved \$660 million.

The new job credit will lower EI payroll taxes by 15%, saving small-business owners over \$550 million.

Beginning in 2017, premiums will be based on a rate—

**The Speaker:** Order. The hon. member for Dartmouth—Cole Harbour.

[English]

Mr. Robert Chisholm (Dartmouth—Cole Harbour, NDP): Mr. Speaker, the Liberals and Conservatives teamed up to take more than \$57 billion from the EI fund, money that was meant to pay for workers' benefits.

Atlantic Canada is still reeling from cuts to employment insurance, and access is at an all-time low.

Now they both have new plans to raid the fund for their own political advantage. This has to stop.

Will the minister support my bill to protect the EI account and finally put an end to Liberals and Conservatives stealing money from workers and employers?

## Oral Questions

**Hon. Joe Oliver (Minister of Finance, CPC):** Mr. Speaker, both the NDP and the Liberals have supported a 45-day work year that would drastically increase premiums by 35%, at a cost of \$4 billion.

Unlike the opposition, we will not attack job creators with massive tax cuts. In fact, we are introducing a credit for small businesses that would save them over half a billion dollars, which would generate employment, and which would be fair to the biggest creators of employment in this country.

**Ms.** Chris Charlton (Hamilton Mountain, NDP): Mr. Speaker, one moment the minister accuses the Liberals of raiding the EI fund, and the next he is doing the exact same thing, and neither plan helps the 60% of unemployed Canadians who cannot access EI at all.

Instead of raiding EI and shovelling that money to their corporate friends, why will the minister not admit it is not their money and allow the hundreds of thousands of unemployed Canadians to access the benefits they paid for?

• (1435)

**Hon. Joe Oliver (Minister of Finance, CPC):** Mr. Speaker, our small business tax credit would lower EI payroll taxes by 15% and save businesses over \$550 million.

The Canadian Federation of Independent Business says the credit will create 25,000 new jobs.

While we are lowering these payroll taxes for 90% of businesses, 780,000 of them, the Liberals and NDP are supporting a 45-day work year that would cost \$40 billion.

We will not attack job creators with massive tax cuts.

\* \* \*

## **ETHICS**

**Mr. Charlie Angus (Timmins—James Bay, NDP):** Mr. Speaker, the people who support a 45-day work year are all over in the Senate, speaking of which, the Mike Duffy trial has been announced. He is going up on 31 charges, including bribery.

Canadians are hoping they are going to finally find out how key people in the Prime Minister's Office were involved in setting up the bribe, but the only person charged is Mike Duffy so far.

To get back to the issue at hand, if the Prime Minister is asked to testify, will he hide behind parliamentary privilege, or will he help Canadians get to the bottom of this thing and come clean in court?

## Oral Questions

Mr. Paul Calandra (Parliamentary Secretary to the Prime Minister and for Intergovernmental Affairs, CPC): Mr. Speaker, the Prime Minister has already answered that question, and as we know, this case is before the courts, so we will let the courts make a decision on their own.

[Translation]

Mr. Alexandre Boulerice (Rosemont—La Petite-Patrie, NDP): Mr. Speaker, we now know the date of former senator Mike Duffy's trial. We hope that the trial, which will start in April, will finally shed some light for us on the role of the Prime Minister's Office in this scandal.

Rather curiously, at the heart of this fraud and corruption trial one man alone stands accused of receiving a cheque for \$90,000. We wonder how it is that the man who signed the cheque, the Prime Minister's former chief of staff, can be as pure as the driven snow, just like all the others who orchestrated these shenanigans.

Is the Prime Minister going to comply with his fixed election date legislation so that, next year, voters can go to the polls fully informed?

[English]

Mr. Paul Calandra (Parliamentary Secretary to the Prime Minister and for Intergovernmental Affairs, CPC): Mr. Speaker, as I just said, the case is before the courts. We will allow the courts to make a decision.

At the same time, of course, we know that the NDP itself has an outstanding bill of about \$1.5 million it owes Canadian taxpayers for illegal use of taxpayer funds to support offices in provinces where it actually has no members of Parliament.

I hope the NDP will, for once, do the right thing—repay taxpayers the money it took from them—and not follow the example of the Liberals, who took \$40 million and have never returned it to Canadian taxpayers.

# \* \* \* EMPLOYMENT INSURANCE

**Ms.** Chrystia Freeland (Toronto Centre, Lib.): Mr. Speaker, Canada lost a staggering 112,000 private sector jobs in August. Over the past year, our working-age population has grown by 375,000, but only 15,000 new full-time jobs were created.

The Conservatives' small business tax credit will make this dire situation worse by giving employers a perverse incentive to actually cut jobs. The Liberal plan would foster growth and help create as many as 176,000 new jobs.

Why would the government not adopt our plan?

Hon. Joe Oliver (Minister of Finance, CPC): Mr. Speaker, the last group to talk about EI should be the Liberal Party, which raided EI to the tune of some \$60 billion. It is hardly in a position to talk about what we are going to achieve, which is a balance in the EI account.

As to their ill-conceived, back-of-the-envelope policy, basically, it would encourage firing temporary and seasonal workers.

Hon. Scott Brison (Kings—Hants, Lib.): Mr. Speaker, economists from Jack Mintz to Mike Moffatt have slammed the

Conservative plan, saying that it will discourage job creation and economic growth. Liberals have a better idea: an EI break for firms that actually create jobs.

Today the CFIB endorsed our plan, saying:

Love the #LPC plan to exempt small biz from EI premiums for new hires.... Lots of job potential.

Will the Conservatives listen to reason and adopt the Liberal plan for jobs and growth?

**Hon. Joe Oliver (Minister of Finance, CPC):** Mr. Speaker, as I said, our plan, which will put \$550 million in the hands of small businesses, will create 25,000 new jobs. It will be affordable, and it will work.

We have created 1.1 million jobs since the depths of the recession. We are going to continue to work for hard-working Canadians, and we are going to achieve a surplus, which will enable us to do more.

(1440)

**Hon. Ralph Goodale (Wascana, Lib.):** Mr. Speaker, the CFIB and economists like Mintz, Moffatt, and Gordon all support the jobs approach of my colleague, the member for Papineau.

At a time when there are 230,000 more unemployed Canadians than before the recession, and 240,000 fewer jobs for young people, the country needs a relentless focus on new and incremental jobs. The government's plan does not do that. It caps employment, and it even incents layoffs, but for that exact same money, such failings can be fixed. So why not?

Hon. Joe Oliver (Minister of Finance, CPC): Mr. Speaker, our plan will work, unlike the Liberal plan. The CFIB has supported the plan, because it understands that it will create 25,000 new jobs. It will alleviate the tax burden for the great employers in this country, our small businesses. Some 780,000 businesses will benefit from this, 90% of all businesses.

We are proud of the plan. We know it is going to work, and it is supported by small business and the CFIB.

## SOCIAL DEVELOPMENT

Ms. Jinny Jogindera Sims (Newton—North Delta, NDP): Mr. Speaker, thousands of Canadians are waiting years for a hearing at the Social Security Tribunal, and now, with the lowest ever access, Conservatives reveal that this was part of their plan all along. Instead of helping, Conservatives decided that tribunals would simply hear 25% fewer cases.

Seniors, the unemployed, and people with disabilities are left years without income waiting for an appeal. Why are the Conservatives making it almost impossible for vulnerable Canadians to exercise their right to appeal? Hon. Jason Kenney (Minister of Employment and Social Development and Minister for Multiculturalism, CPC): Mr. Speaker, as is often the case, the member gives new meaning to "hyperbole". One thing she does not recognize is the very significant progress made by my department in reducing by some 90% the number of employment insurance appeals, because the department is now actually handling reconsiderations internally, resolving these cases without people having to make an appeal. This has reduced by 90% the number of EI appeals and has reduced the processing time for EI appeals from six months under the former board of referees to two months now.

When it comes to getting benefits to unemployed Canadians, we are getting the job done faster.

[Translation]

Mrs. Sadia Groguhé (Saint-Lambert, NDP): Mr. Speaker, the reality is completely different.

Since the new Social Security Tribunal was established, thousands of Canadians have been waiting for their appeals. Their employment insurance or pension cheques have been held up as a result. Now we are learning that the Conservatives have made draconian cuts to the tribunal's operating budget and that they want to reduce the number of appeals heard by 25%.

Clearly, the Conservatives are hoping that the congestion in the tribunal will save them money. It is obscene.

Why is the government trying to save money on the backs of our society's least fortunate?

Hon. Jason Kenney (Minister of Employment and Social Development and Minister for Multiculturalism, CPC): Mr. Speaker, at least the New Democrats are consistent linguistically. They repeat the same rubbish in French and in English.

We have seen a very welcome reduction of 90% in the number of appeals made by employment insurance claimants because my department reviews rejected claims. This has resulted in a 90% reduction in appeals. We have also cut the time it takes to process appeals, from six months to two months.

## HEALTH

Mr. Dany Morin (Chicoutimi—Le Fjord, NDP): Mr. Speaker, according to a study released this morning, half of all Canadians are unhappy with health care wait times.

In 2014, the Conservatives cancelled the transfer of \$250 million to the provinces, funds that were supposed to reduce wait times. Thus, the Conservatives broke their 2006 election promise. They also cut regular health care transfers and refused to listen when it came time to create a pan-Canadian health care plan for seniors.

When will the Conservatives show some leadership and work with the provinces to reduce wait times?

[English]

Hon. Rona Ambrose (Minister of Health, CPC): Mr. Speaker, the government has shown leadership on wait times by providing \$1 billion for the provinces and territories to establish guarantees in wait time priority areas. We have seen some very good progress with the

## Oral Questions

provinces. They have met almost 80% of their time targets, including for radiation therapy, hip replacements, and hip fracture repair. We will continue to work with them, but this is an area they are focused on.

I would remind the member as well that we know from the recent report of the Canadian Institute for Health Information that we have the highest level of physicians now working in Canada. This is a tough challenge for the provinces and territories, so we stand ready to support them.

● (1445)

Ms. Libby Davies (Vancouver East, NDP): Mr. Speaker, the minister is ignoring the fact that her government actually cut the money for wait times in this country. As we can see today from the new report from the Wait Time Alliance, Canadians are becoming increasingly frustrated with this government's inaction. In fact, 94% of Canadians are concerned about waiting too long to see specialists, and a majority of Canadians, according to a poll, believe things have gotten worse, not better, under the current government.

When will the government finally provide the leadership Canadians are looking for and work with provinces to reduce wait times?

Hon. Rona Ambrose (Minister of Health, CPC): Mr. Speaker, we have done exactly that, and of course, we have given all the tools necessary to the provinces and territories in terms of funding, and up to \$40 billion annually, year in and year out by the end of the decade, and are also providing funding above and beyond that to help them reach their priority areas for wait times. They are seeing some results in the areas where they have set priorities for wait time guarantees. We are working with them on that.

This is a complex area. As I have mentioned, we have more physicians now working in Canada than ever before, so it is more than just availability of doctors. The provinces are working on better models of care, and we will support them to do more.

\* \* \*

## FOREIGN AFFAIRS

Mr. Ed Komarnicki (Souris—Moose Mountain, CPC): Mr. Speaker, today we learned that the United States and its allies have carried out airstrikes against ISIL and Syria. As members are aware, ISIL has been using Syria as its launching pad for its operations in Iraq. These airstrikes were aimed at key ISIL areas, including ISIL's stronghold, Raqqa.

Can the Parliamentary Secretary to the Minister of Foreign Affairs please comment on this latest development?

## Oral Questions

Mr. David Anderson (Parliamentary Secretary to the Minister of Foreign Affairs, CPC): Mr. Speaker, Canada is united with our allies in recognizing the need to address this barbaric terrorist threat. We will not stand idly by while ISIL continues its murder of innocent civilians and religious minorities. Inaction is not an option. That is why Canada has deployed Canadian Armed Forces members to provide strategic and tactical advice. We have provided funding to support regional efforts to limit the movement of foreign fighters into Iraq and Syria, and we support the U.S. efforts to conduct airstrikes against ISIL in Syria.

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## CITIZENSHIP AND IMMIGRATION

Mr. Paul Dewar (Ottawa Centre, NDP): Mr. Speaker, the recent conflict in Gaza took a tragic toll on civilians, especially children. Yesterday the *Canadian Medical Association Journal* published an editorial in support of Dr. Abuelaish's initiative to bring injured Palestinian children to Canada for treatment. Health professionals are willing and able to help. Canadians want to help. Will the Minister of Citizenship and Immigration do the right thing and immediately grant visas for these children and their caregivers?

Ms. Lois Brown (Parliamentary Secretary to the Minister of International Development, CPC): Mr. Speaker, we applaud the humanitarian instincts of those who want to assist victims of Hamas. We recognize the importance of ensuring that innocent victims receive the medical support they need close to their families and their loved ones. That includes avoiding the medical risks and dangers of being transported overseas.

Our government is exploring options with international partners and stakeholders on how best to deploy Canadian medical expertise, financing, and material to support victims of Hamas and to create sustainable medical solutions in the region. We will continue to work with our allies on this.

[Translation]

**Ms. Hélène Laverdière (Laurier—Sainte-Marie, NDP):** Mr. Speaker, what the Middle East needs is a balanced approach that focuses on protecting civilians. The leader of the official opposition is the only one advocating this approach, which is why the Conservatives are spewing out rhetoric rather than answering questions.

The truth is that the children of Gaza will not receive the specialized care they need. In an unprecedented editorial, the *Canadian Medical Association Journal* is calling on the Conservatives to stop blocking efforts to bring approximately one hundred children who were injured in the conflict here to Canada for treatment

Why does the minister not care about the health of the children of Gaza?

[English]

Ms. Lois Brown (Parliamentary Secretary to the Minister of International Development, CPC): Mr. Speaker, as I said earlier, we are exploring ways in which we can deploy Canadian medical expertise over to Gaza because we want to eliminate the risk of overseas travel for the little ones who have been injured by Hamas.

They need their parents and their loved ones close to them during these difficult times.

We want to ensure that medical support in the Gaza Strip has greater capacity in the hospitals and that they will be able to treat the wounded and provide ways for doctors—

• (1450)

The Speaker: The hon. member for Laurier—Sainte-Marie.

[Translation]

Ms. Hélène Laverdière (Laurier—Sainte-Marie, NDP): Mr. Speaker, because of the Minister of Citizenship and Immigration's lack of leadership, Canada is once again missing an opportunity to do something useful on the world stage. While the civil war in Syria has been raging for four years and 43% of the population has been displaced, Canada has received "a huge" total of 150 refugees. Canada is clearly not living up to the expectations of the international community.

Since we have the expertise and resources to receive more refugees, why is the minister dragging his feet?

Hon. Chris Alexander (Minister of Citizenship and Immigration, CPC): Mr. Speaker, it is sad to see a former foreign service officer carrying out a misinformation campaign targeting the Canadian public.

We have said many times in this House that over 200 governmentsponsored refugees have arrived in Canada, and that more than 1,500 Syrian refugees are already receiving protection in Canada. Let us be serious about a serious crisis. That is what we are doing on this side of the House.

[English]

**Mr. Paul Dewar (Ottawa Centre, NDP):** Mr. Speaker, what is really pitiful is the Minister of Immigration, who will not do his job when the world community asks for Canada to do its job, sitting behind words and throwing mud at us.

The Syrian conflict is serious. The UNHCR has asked Canada to do more. It has asked us to take 10,000 refugees and what do we hear from the minister? Nothing, except that the government has brought in 200. That is not enough. What Canada should and must do is its job. It is the Canadian way. It is the right thing to do.

Why will the minister not do his job and accept more Syrian refugees?

Hon. Chris Alexander (Minister of Citizenship and Immigration, CPC): Mr. Speaker, we have not only done our job in Syria by taking in 1,500 refugees and growing, we have not only done our job in Iraq, by taking in 18,000 plus refugees, more than any other country in the world, we have not only done our job as a donor with over \$600 million of support in all fields to meet the needs of people affected by that crisis, but we have also done our job on the security front

Our Prime Minister and our government will revoke the citizenship of dual nationals who commit terrorist acts and will revoke the passports of those who go there. Why will the NDP not support us on these—

The Speaker: The hon, member for Charlottetown.

#### **ETHICS**

**Mr. Sean Casey (Charlottetown, Lib.):** Mr. Speaker, Mike Duffy's trial on 31 criminal charges represents the chance of a lifetime for the Prime Minister. He now has an opportunity to demonstrate from the witness box that he really is tough on crime.

The Prime Minister now knows the dates of the trial and that he will be a material witness. So as he said when authorizing the \$90,000 payment, is the Prime Minister good to go?

Mr. Paul Calandra (Parliamentary Secretary to the Prime Minister and for Intergovernmental Affairs, CPC): Mr. Speaker, as I said, the Prime Minister has already answered that question. This case is before the courts and we will allow the courts to do their job.

## NATIONAL DEFENCE

Ms. Joyce Murray (Vancouver Quadra, Lib.): Mr. Speaker, part of my responsibility as Liberal defence critic is to speak with serving members and see first-hand the conditions on bases right across the country. While previous governments always promoted this, I and my colleagues have been repeatedly blocked and denied permission to visit military bases. This is shocking partisanship because Conservative members have been invited onto bases inside and outside of their riding and even attended photo ops and cheque presentations on bases.

Why is there one set of rules for Conservative MPs and another set of rules for everyone else?

Hon. Rob Nicholson (Minister of National Defence, CPC): Mr. Speaker, the hon. member has it wrong. Members from all parties routinely visit bases outside their home, whether it is with a parliamentary committee to attend an important event or to otherwise participate in government work. Also, if any member has a base within their riding, a visit can certainly be arranged.

At all times we want to ensure that the resources of the Canadian Armed Forces are used effectively.

. . .

• (1455)

[Translation]

## RAIL TRANSPORTATION

Mr. Pierre Nantel (Longueuil—Pierre-Boucher, NDP): Mr. Speaker, people on the south shore of Montreal are worried. Rail cars transporting heavy oil have been regularly travelling between Saint-Lambert and Sorel for the past few weeks.

Transport Canada inspected the 72 km of rail between these two municipalities. However, despite repeated requests from local elected officials, the government refuses to make the reports public. There have been numerous accidents showing the tragic consequences of poorly maintained railways.

Why does the minister refuse to release the reports on the rail line between Sorel and Saint-Lambert? What is she trying to hide? [English]

Hon. Lisa Raitt (Minister of Transport, CPC): Mr. Speaker, as the hon. member will know, this government has done a lot with

## Oral Questions

respect to rail safety in the country. We have made sure to communicate with municipalities and industry on the issues.

Indeed, we are the government that has brought in more transparency when it comes to the goods being transported through communities. We issued a protective disclosure order last year to ensure that communities were being kept up to date with what was going on. We continue to facilitate the relationship between the rail, the condition of the rail and the Federation of Canadian Municipalities.

[Translation]

Mr. Hoang Mai (Brossard—La Prairie, NDP): Mr. Speaker, the Conservatives' approach to rail safety involves handing a blank cheque over to the rail companies. We saw evidence of that in the reports on the tragedy in Lac-Mégantic.

When the current Minister of Infrastructure, Communities and Intergovernmental Affairs was the transport minister, special permissions were being handed out like Halloween candy. We hope that the Conservatives have learned from their mistakes and that they will be more transparent and, especially, less careless.

What will the minister do to make the rail line between Sorel and Saint-Lambert safer?

[English]

**Hon. Lisa Raitt (Minister of Transport, CPC):** Mr. Speaker, we take rail safety very seriously and we do not make jokes about it on this side of the House whatsoever. It is a very serious matter.

We want to ensure that the resources are in place, that we have the inspectors in place. We have been acting on this file continuously since 2006 and we will continue to roll out measures on rail safety.

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## PARKS CANADA

**Hon. Peter Kent (Thornhill, CPC):** Mr. Speaker, our Conservative government created the Rouge national urban park act, which will result in the first urban national park in our country.

Last year, Ontario's Liberal government signed an agreement with our government to transfer lands to Parks Canada to help establish the Rouge national urban park, but Ontario is now backtracking on its commitment.

Could the Parliamentary Secretary to the Prime Minister please inform the House on the status of that agreement?

Mr. Paul Calandra (Parliamentary Secretary to the Prime Minister and for Intergovernmental Affairs, CPC): Mr. Speaker, as members know, Liberals both here and at Queen's Park have turned their backs on the Rouge Valley by supporting a proposal that would evict our local farmers and plant trees across 2,000 acres of class-one farm land.

We brought forward legislation that would protect the Rouge Valley and gave it the highest level of protection it ever had. We provided \$140 million to make Canada's first national urban park.

By attacking our farmers and by not supporting the Rouge, those Liberals have shown that they are just like the Trudeau Liberals of the 1970s who initially evicted the same farmers from these lands.

## Oral Questions

[Translation]

#### OFFICIAL LANGUAGES

**Hon. Mauril Bélanger (Ottawa—Vanier, Lib.):** Mr. Speaker, during the International Year of Co-operatives, the government put an end to the co-operative development initiative, the only national program for co-ops.

Five organizations filed a complaint, since this decision is harmful to the development of official language minority communities.

The office of the commissioner concluded that the government had not fulfilled its obligations under part VII of the Official Languages Act.

One of the recommendations required immediate measures to ensure that all employees who participate in the decision-making process understand their obligations under this act.

Did the government take these measures? If not, when does it plan on doing so?

Hon. Shelly Glover (Minister of Canadian Heritage and Official Languages, CPC): Mr. Speaker, as a government, we take our official language responsibilities in this country seriously.

Fifteen departments manage their own issues in the system we have created under this government. I encourage the member who just spoke to contact the minister responsible for this file.

\* \* \*

[English]

## CITIZENSHIP AND IMMIGRATION

Ms. Peggy Nash (Parkdale—High Park, NDP): Mr. Speaker, members of the Pusuma family were human rights activists in Hungary and have now been living in a Toronto church for the last 32 months. If any of them step out of the church, they risk being arrested and deported, but they have been subpoenaed to testify at a hearing into problems with their former lawyer and their daughter Lulu needs to go to kindergarten.

Will the minister listen to the 43,000 people who have already signed their petition? Will the Conservatives let the Pusuma family stay in Canada?

**●** (1500)

Hon. Chris Alexander (Minister of Citizenship and Immigration, CPC): Mr. Speaker, Canada's fair and generous immigration and asylum systems are second to none. There are numerous avenues of appeal open to all of those whose cases fail at the first instance. Once those avenues of appeal have been exhausted, we expect claimants to leave the country.

I would call upon all of those who care about this family to deliver that very clear message to the Pusuma family.

INTERNATIONAL TRADE

Mrs. Patricia Davidson (Sarnia—Lambton, CPC): Mr. Speaker, our Conservative government is committed to protecting and strengthening the long term financial security of hard-working Canadians. Yesterday, we witnessed the Minister of International

Trade, along with his Korean counterpart, sign the Canada-Korea free trade agreement. This agreement, Canada's first in Asia, will create thousands of jobs for Canadians.

Could the Minister of International Trade please inform the House about the next steps to implement this agreement?

Hon. Ed Fast (Minister of International Trade, CPC): Mr. Speaker, I would like to thank the hard-working member from Sarnia —Lambton for the excellent question.

Today, our government did in fact table in the House the Canada-Korea economic growth and prosperity act. Stakeholders from across Canada are openly calling on Parliament to pass the bill without delay so Canadians can reap the benefits of the agreement.

We know the NDP's anti-trade ideology and we know the Liberal Party's mediocre record on concluding trade agreements. Only our Conservative government understands how critical freer and more open trade is to the long term prosperity of our country.

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## FISHERIES AND OCEANS

Mr. Ryan Cleary (St. John's South—Mount Pearl, NDP): Mr. Speaker, the fall food fishery off Newfoundland and Labrador has been officially under way since Saturday, but there has not been much activity on the water because of poor weather.

The food fishery is only eight days long, forcing people to either risk their lives in dangerous conditions to catch what they can before it closes, or else go without. People have died.

Will the Conservatives take poor weather and people's safety into account? Will they agree to extend the fall food fishery?

**Hon. Gail Shea (Minister of Fisheries and Oceans, CPC):** Mr. Speaker, we recognize the importance of the recreational cod fishery to Newfoundlanders and Labradorians. That is why we reopened the fishery in 2007. I do understand that poor weather has impacted the start of the fall period of this year's fishery.

After having spoken to several people from Newfoundland and Labrador, and out of concern for the safety of others, I have directed DFO to extend the season until October 1.

. . .

[Translation]

## RAIL TRANSPORTATION

Mr. Jean-François Fortin (Haute-Gaspésie—La Mitis—Matane—Matapédia, Ind.): Mr. Speaker, in its August 19 report, the Transportation Safety Board of Canada, the TSB, concluded that it is the role of government to implement a balanced audit system to oversee companies that ship hazardous materials. The industry is booming. Trains are carrying, among other things, more and more crude oil in eastern Quebec. People and municipalities have concerns and want the government to protect them.

Since the release of the TSB report, has the Minister of Transport changed her approach in order to oversee the safety management systems of railway companies?

[English]

Hon. Lisa Raitt (Minister of Transport, CPC): Mr. Speaker, our government is committed to the safety and security of Canadians. We have taken many steps and many actions with respect to rail safety in the country since 2006. Most notably, we have increased the funding for safety management system audits. We have increased the number of inspectors. We ensure that the information is disclosed to the Canadian Federation of Municipalities so it understands what goods go through their communities for the purposes of response.

We will continue to work on this file, mindful of the work that the TSB has done. I look forward to working with my counterpart as well on these matters because they are of mutual concern to all of us.

## GOVERNMENT ORDERS

● (1505) [*English*]

## **BUSINESS OF SUPPLY**

OPPOSITION MOTION—EMPLOYMENT INSURANCE

The House resumed consideration of the motion.

**The Deputy Speaker:** Order. The member for Winnipeg North still has five minutes of questions and comments.

The hon. member for Bonavista—Gander—Grand Falls—Windsor.

Mr. Scott Simms (Bonavista—Gander—Grand Falls—Windsor, Lib.): Mr. Speaker, my question for the hon. member for Winnipeg North is with respect to the two plans at play here, the Conservative one and the one we are putting forth today with respect to an EI holiday, and just how substantial that would be. It would be more substantial than what is being brought forward to Canadians by the current government, certainly once one gets over that threshold of \$15,000. Obviously less than that is a benefit, but anything over that becomes not only less beneficial but serves as a disincentive for marginal businesses, which would certainly take advantage of it.

I would ask the member about that particular situation and how this would be of great benefit to him and his constituents in Winnipeg North.

Mr. Kevin Lamoureux (Winnipeg North, Lib.): Mr. Speaker, there is a huge difference. As the Liberals try to focus on creating new jobs and hiring more Canadians, this is one of the ways in which we can grow the middle class and expand opportunities for Canadian families. Adopting what the Liberal Party is proposing would recognize the need for an EI premium exemption for every new worker hired to fill a new job in 2015 and 2016. It is anticipated that this plan would create in excess of 150,000 jobs all over Canada compared to what the Conservative plan would do, which is best said in a quote I took from one of the media outlets on the Internet. With respect to the Conservative plan, it states:

For firms that are just under the \$15,000 threshold, hiring a new worker would mean crossing the line and losing the tax credit entirely. For firms that are just over

## Business of Supply

the threshold, the incentives are even more perverse: firms may choose to actually reduce employment in order to be eligible for the tax credit.

They are like night and day. The Liberal plan creates jobs; the Conservative plan has a huge question mark over it. Therefore, we are calling upon the government to support the Liberal opposition motion today. By doing that, it would be supporting more jobs for more Canadians, which will enrich and assist our middle class from coast to coast to coast.

**●** (1510)

Mr. Lawrence Toet (Elmwood—Transcona, CPC): Mr. Speaker, I have been in this House all morning and this afternoon listening to this debate, and I am disturbed by one common theme that I keep hearing from the Liberal side. It came up in a question and also in the member's speech before question period. It is the challenging of the integrity of small business owners and entrepreneurs across Canada.

The Liberals have continually stood up to say that small businesses, for the sake of a few hundred dollars, are going to shut down one employee in their business, cut people, and stop growth in their businesses. I find that shameful.

I was with the hon. member for Winnipeg North at a small business opening right next to his constituency office this summer. Does the hon. member sincerely believe that the small business owner of whom he spoke of so highly at that opening would lay off an employee and put his business in jeopardy for the sake of a few hundred dollars over the course of a few years? I find that appalling.

Mr. Kevin Lamoureux: Mr. Speaker, we need to recognize that there are hundreds of thousands of small businesses all across our great land. There is absolutely no doubt whatsoever in my mind, and in the minds of many individuals, including academics, that the government's position on the small business job credit is somewhat perverse, in the sense that in certain situations there would certainly be job losses. This is not something that just the Liberal Party is saying; even outside sources are saying it.

It is silly for us to jump to the conclusion that it would not be a problem. It would be, and the government, the Minister of Finance, and the Prime Minister in particular should recognize that their program is flawed. There is a flaw in there. Even by the government's own admission, it is talking about maybe 25,000 jobs; we are talking about in excess of 100,000 more jobs than the 25,000 that it is hoping to achieve.

The Liberal proposal is a better idea, and it does not cost a dime more than what the Conservatives are proposing.

**Mr. Richard Harris (Cariboo—Prince George, CPC):** Mr. Speaker, I am going to be splitting my time with my learned colleague from Elmwood—Transcona.

I am pleased to address this motion raised by my Liberal colleague across the way. I want to focus my time on the subject of tax relief and other support for small businesses. I do so because long before our government introduced the small business job credit, we continually acted to leave more money in the pockets of our nation's businesses and with the Canadians who work for them.

As the member opposite is aware, our government has introduced 180 tax relief measures to keep our economy strong and growing. We have been committed to using Canadians' tax dollars in the most prudent and effective way possible. Let us talk about broad-based tax relief for a moment.

This responsible and disciplined use of taxpayers' hard-earned dollars is expected to get us back to a balanced budget in 2015. That is a remarkable achievement, given what we were confronted with just a few short years ago. Perhaps the only person in Canada who would disagree with that would be the leader of the Liberal Party. He criticized our action to balance the budget because, according to him, a balanced budget happens all by itself. That is some business sense.

Thankfully, our government understands the importance of sound economic management. As most members know, when disaster struck the world economy, we took immediate and precise action. In the middle of the world's worst global recession since the Great Depression, we introduced the economic action plan to protect Canadian business and protect Canadian jobs. In fact, even before the global crisis, our government was focused directly on the economic fundamentals, in particular on paying down debt and delivering broad-based tax relief to Canadian job creators and families alike.

As a result of our low-tax plan, the average family of four is saving about \$3,400 a year in taxes in the year 2014. We also cut the GST from 7% to 5%. We introduced the tax-free savings account to allow Canadians to save, tax-free. Since then, more than 10 million Canadians have opened a tax-free savings account. We have cut taxes in every way that the government collects them: personal taxes, consumption taxes, excise taxes, and business taxes.

I want to focus on small business tax relief now.

Allow me to highlight a key driver of growth in our economy: Canada's small businesses.

Let us be clear. The small business job credit is fantastic news for the small businesses right across this country. Our small business job credit will lower EI payroll taxes by 15% and save small businesses over \$550 million. In addition, we have made certain that beginning in 2017, premiums will be set according to a seven-year break-even rate, ensuring that premiums are no higher ever than they need to be.

Unfortunately, the Liberal Party's EI proposal, which is full of bad math and encourages business to lay off workers, again demonstrates that the Liberal leader has yet to understand small business.

However, let me quote someone who does understand small business. Jay Myers, from the Canadian Manufacturers & Exporters, said, "The Small Business Job Credit will help a powerhouse — the thousands of small businesses — of the Canadian economy become more competitive". He makes a good point.

On important matters such as these, I would kindly encourage the members of the Liberal Party to listen to experienced business professionals rather than their less experienced leader.

Small businesses are an absolutely vital component of job creation, and we are committed to supporting them. That is why we introduced the small business job credit in the first place, but it is just the latest step in a long line of actions by our government.

**•** (1515)

Indeed, support for small business has been and continues to be a critical pillar of our economic action plan. We reduced the small-business tax rate to 11% and increased the amount of income eligible for this lower rate to \$500,000 from \$300,000. As a result, we have lowered the tax bill for small businesses with \$500,000 of taxable income by over \$28,000. That is a 34% decrease in their taxes, and they appreciate it.

We also increased the lifetime capital gains exemption to \$800,000 in 2014 and indexed the new limit to inflation going forward. By doing so, we are increasing the potential rewards of investing in small business and making it easier for owners of small businesses to transfer their family business to their next generation.

Our government has also reduced the red tape burden for small and medium-sized businesses to help them navigate the tax system. They now face fewer regulations, and the cost of red tape has been reduced by nearly \$20 million annually.

We have also committed to enshrining a one-for-one rule into law. For every new regulation added that imposes a burden on businesses, one must be eliminated. It is one for one.

Though we have lowered taxes, they still continue to absorb dollars that would otherwise be used by business owners to seize opportunities for growth and create jobs. Accordingly, and as indicated in our economic action plan 2014, further tax relief for small businesses will be a priority for our government following the return to balanced budgets in 2015.

These steps are just a few of the many ways our Conservative government has demonstrated its commitment to the Canadian economy and to small business in particular. The result of that commitment is clear. I think everyone in the House will agree—even those across the way, should they choose to admit it—that the results we have obtained are somewhat remarkable.

Few countries in the world have emerged from the global economic crisis as strong and as resilient as Canada, led by our Conservative government. Indeed, the Canadian economy continues to be envied all around the world. After eight consecutive years of making the right economic choices, Canada remains strong and will be stronger going forward. As the small business job credit makes clear, we are not done yet.

Small and medium-sized businesses are crucial to Canada's long-term prosperity. Canadians depend on the jobs that they create and the services they provide. Our government supports these businesses and Canadians by keeping taxes low and cutting red tape. Indeed, we have received international recognition for our world-class business tax system. Together with our government's commitment to return to a balanced budget in 2015, these measures will further strengthen Canada's business climate and economy.

By laying a solid foundation for jobs and growth through tax relief, our government is helping to ensure that our country is well positioned to face future challenges and that all Canadians have the opportunity to fully participate and share in a strong and prosperous Canada.

#### • (1520)

Mr. Kevin Lamoureux (Winnipeg North, Lib.): Mr. Speaker, I am sure the hon. member has heard what the Conservative government is proposing and has a fairly decent understanding of some of the drawbacks to that program. It is expected at best to generate between 25,000 and 30,000 potential jobs, and that is at best.

On the other hand, the Liberal proposal that we are debating here today would be much more universal in its application. We have heard numbers describing potentially in excess of 150,000 jobs that could be created.

I wonder if the member could comment on why the government would not be in favour of a reform or a change to its program that would allow for greater opportunity and prosperity for our country.

**Mr. Richard Harris:** Mr. Speaker, unlike the Liberals, who have come up with some pretty outlandish schemes to say they support business, we have a small business jobs plan that was created with the help of small business organizations. We have received great support from them. We have heard great comments that this is what small business was looking for.

We have proved that when a government can lower taxes to small business, it creates more jobs and benefits the economy. We do not have to take any lessons from the Liberal Party to understand what to do to help small business.

Mr. Nathan Cullen (Skeena—Bulkley Valley, NDP): Mr. Speaker, a good government always takes lessons, to try to achieve the best results for Canadians.

I have a question for my friend across the way. The Conservatives came out with this EI raiding plan. They are going to raid the EI fund again, which Canadians have seen, a fund that workers and employers pay into, not the government, to use it for their scheme, which gives a \$200 incentive to hire somebody and a \$2,200 incentive to fire somebody. If that is the Conservatives' math on how to create jobs, that is interesting.

Then the Liberals popped up with the motion we have today, which they cost out at \$225 million—follow the math here—but if the plan actually does what the Liberals hope it does and creates the number of jobs they claim, it would actually end up costing \$1.5 billion. We have seen this before. Math is difficult, and we know we have to go through it very slowly.

## Business of Supply

Here is my question for my friend. There was a proposal in the last election to create a small business hiring tax credit. We made this in conjunction, as he says, with the small business community, which very much liked it, and it tied tax relief to the creation of a job. I know that may be a radical proposal for some in this place, but New Democrats believe that in order to get something, one should give something, and the giving is the creating of that job, which we all want

This was something the Conservatives picked up, adopted, and put into budgets for two consecutive years, and the Canadian Federation of Independent Business loved the idea. Small businesses loved the idea. I imagine those in the member's riding of Cariboo—Prince George did as well.

Why, for heaven's sake, would the government take a program that works and creates jobs, particularly jobs for younger Canadians, with the implicit connection to this tax break and, instead, cut it? It killed the program entirely and then created a program that dips into the EI fund yet again after billions have been raided to create a program that does not have any link at all to creating jobs, which is going to cost some hundreds of millions of dollars to the taxpayer.

Why, for heaven's sake, would the government take a program that works, kill it, and instead, replace it with a program that, at best, is a wish and a prayer to create the kind of economy we want?

#### ● (1525)

**Mr. Richard Harris:** Mr. Speaker, in some 20 years that I have been in the House, I have heard one message from small businesses all across this country, and that is that they consider the EI premiums a payroll tax. We promised them at every step that we would seek ways to reduce that payroll tax, the EI premiums, and we have done that.

We have received high praise from coast to coast to coast from small business owners thanking us and saying we have looked after their thresholds for business tax, we have lowered their business rate to 11% from 15%, and we have raised the capital gains threshold, and they thank us for the stable economy that we have been able to keep through this recession, when other nations were suffering in pretty desperate times.

They are thanking us for this latest move. We have reduced payroll taxes and we have given them a plan to lower their payroll taxes. That is what they have been looking for, and there are going to be new jobs as a result.

**Mr. Lawrence Toet (Elmwood—Transcona, CPC):** Mr. Speaker, I appreciate the opportunity to outline how our Conservative government is putting more money in the hands of our job creators, the small business entrepreneurs who drive our economy.

Sadly, this motion we are debating today clearly illustrates the Liberals complete misunderstanding of how economies grow and prosper in the real world.

The motion would suggest somehow that lower payroll costs and taxes for small businesses would result in job losses. The reality is entirely the opposite. Small business owners are focused on growing their business and look further down the line than the narrow-sighted approach of which the Liberals accuse them. They will not damage their long-term growth for the sake of a few hundred dollars in the short term.

The reality is that lower payroll taxes actually create jobs. They empower Canadian entrepreneurs, leaving more of their own hard-earned money for them to invest and grow their businesses, supporting the families and communities that depend on them.

Our government's recent small business job credit is just the latest in a range of measures that would cut costs and support small businesses in creating jobs and growth.

The small business job credit would effectively cut EI payroll taxes by 15% and save small businesses over \$550 million. Also, in keeping with our efforts to minimize the paper burden and cut red tape for small businesses, this credit would require no new paperwork. The Canada Revenue Agency would automatically determine eligibility and calculate the amount of the credit. Indeed, the small business job credit is good news for small business and good news for jobs and growth.

However, the Liberals need not take my word for it. They can hear this, should they choose to listen, from the people who would know best: small businesses themselves.

Dan Kelly, President of the Canadian Federation of Independent Business, has concluded that:

...the credit will make it...easier for small employers to hire that...extra worker, increase employee wages or...pay for workplace training....

## He concludes that:

Across Canada, we estimate the \$550-million left in the hands of small businesses will lead to 25,000 person years of employment....

#### He adds that:

...it couldn't come at a better time. ...CFIB's most recent Business Barometer found that the economy is trending up, and more small businesses are looking to expand than shrink. Measures like this give reassurance to job creators, which can make the difference when deciding whether to hire....

Perhaps most important, Mr. Kelly also had words for those espousing the sort of ridiculous claim at the core of today's opposition motion. He has stated, and I quote:

Some suggested companies will lay off staff or hold off hiring to stay under the threshold to receive the credit. I've got news for them: small business owners don't have time to research the eligibility requirements, then carefully manage their payroll to receive a few hundred dollars over two years.

Unlike the Liberals, we understand small business owners are focused and busy with creating jobs and the growth of their businesses. They discredit these entrepreneurs by making allegations that they will spend time trying to game the tax system for the short term at the expense of their own future ability to grow.

We have more confidence in their long-term planning. We believe they want to grow their businesses the Canadian way, through hard word and innovation; and moreover, we appreciate the contribution they make to the Canadian economy. Small businesses employ half of the working men and women in Canada's private sector. They account for a third of our country's GDP. Small businesses drive our prosperity and give back to the community, which is why the small business job credit is just the latest of our government's effective actions to support their efforts.

We have cut their red tape. We implemented the one-for-one rule: for every new regulation imposed by government, a regulation must be removed. By the end of 2013, that rule had reduced the administrative burden by \$20 million.

Then we cut their taxes. We cut the small business tax rate to 11%, and increased the amount of income eligible for this lower rate. Together, these changes are providing small businesses with an estimated \$2.2 billion in tax relief in 2014 alone.

Last year, we froze EI premiums for three years, providing total savings of \$660 million in 2014 alone, and we instituted the seven-year break-even rate, starting in 2017 to ensure that any surplus in the EI account will be used for EI expenses.

● (1530)

With these and other measures introduced by our Conservative government, Canada is a more attractive place to invest and do business. In fact, Canada leapt from sixth to second place in Bloomberg's ranking of the most attractive destinations for business. According to KPMG, Canada's total business tax costs are the lowest in the G7, and 47% lower than those in the United States.

However, we will not be satisfied with this success. We live in difficult economic times and cannot be complacent.

This job credit represents yet more action by our government to lower taxes for all Canadians. An average family of four now pays \$3,400 less in taxes as a result of actions taken since our government took office.

Under our government, the amount of income tax paid by small businesses with \$500,000 of taxable income has declined by over 34%. That is a tax saving of over \$28,000 that can be reinvested in the business to create jobs. Let us not kid ourselves. Small businesses will reinvest in their growth and in their employees as they are able to. These measures will support them in being able to do this.

Once we return to balanced budgets next year, our top priority will be to lower taxes for Canadians even more. We will do so on the understanding that lower taxes and payroll costs support jobs and growth. I will, therefore, in conclusion, encourage the hon. members to support us in our efforts and to reject today's motion.

Mr. Kevin Lamoureux (Winnipeg North, Lib.): Mr. Speaker, the program the Liberal Party is suggesting here today would in fact assist a great number of Canadians from all over our great nation in having an opportunity to gain employment. What we are doing is suggesting that there be a break for those companies and small businesses that hire a new member of staff. It is much more universal in its application than what the Conservatives have proposed through

Our program has the potential to see in excess of 150,000 Canadians employed. I wonder if my friend and colleague might want to provide some comment regarding that fact. Our plan versus the government's plan is the same amount of money and the same sort of financial commitment, yet our plan would have the potential to generate literally six times as many jobs here in Canada.

**Mr. Lawrence Toet:** Mr. Speaker, the thing is that the math does not work in the Liberal plan, for starters. The Liberals claim that it would be at the same cost, yet anybody who has done the math realizes that it is much higher than the costs they are bringing forward and trying to claim they will bring forward.

The other question that rises from their proposal is with regard to their cynical outlook. I do not share their cynical outlook on entrepreneurs and employers: that they would let people go in order to stay under a certain threshold. In their plan, they would actually open it up to everybody, but to be as cynical as they are, why would employers not let people go and then rehire them in a month in order to get this credit? That is what they believe employers would do, so why would they bring forward a plan that would open it up to everybody across the board to do this?

It seems really strange. They think they have this great plan. They have a cynical outlook on employers and entrepreneurs, yet their plan would open it up to much more abuse than anything we have put forward at this point in time. I find their whole idea and strategy and their questioning today very strange.

• (1535)

[Translation]

their program.

Ms. Hélène LeBlanc (LaSalle—Émard, NDP): Mr. Speaker, I listened with great interest to the speeches of the Conservative members, especially when they were talking about their so-called commitment to small businesses. As the critic for co-operatives, I would like to remind the Conservatives that co-operatives are businesses too. I wonder what the Conservatives have against this type of business, because they are always creating obstacles for co-operatives.

Given that the government is praising small businesses and that co-operatives are small businesses, why is the Conservative government always standing in the way of the development and growth of co-operatives?

[English]

**Mr. Lawrence Toet:** Mr. Speaker, it again comes back to looking at this as an opportunity for growth for Canadian small businesses to grow, to grow our economy, and to help them create jobs and opportunities for Canadians across this country. We know that over 50% of jobs in Canada are created by these entrepreneurs and we are here to support them. We are here to support them going forward and

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to make sure we continue to create the jobs and opportunities for Canadians that need to be created.

I ask my hon. colleague why she would be opposed to a measure that creates jobs and opportunities for Canadians. We need to look at this in light of the proposal that has been brought forward. The Liberals have a very simple motion today that looks at entrepreneurs and employers in a very cynical manner, and I do not share that viewpoint.

I am a small businessman myself and I also know many small businessmen and businesswomen across this country. I know for a fact they would never look at this as a way they could work through the tax system to try to make a few hundred dollars that is going to cost the future growth and development of their businesses. That is a complete myth the Liberals are trying to perpetuate and I find it shameful.

**Hon. Judy Sgro (York West, Lib.):** Mr. Speaker, I am very pleased to have an opportunity to add my comments to this important debate today. I will be splitting my time with the member for Random—Burin—St. George's, who will follow me shortly.

I rise today as the representative for York West, what I call the best riding in Canada, but I guess we all try to say that. I certainly believe it and we have the best constituents around. However, inasmuch as my riding is a wonderful place to live, work and play, like many communities, York West has been hard by the recession and the subsequent global economic slowdown.

People are asking for help and unfortunately the current government has again turned its back on my riding and others. On September 11, the government announced its so-called plan to create jobs, a plan that does not even begin for several months. Then after my constituents and others wait until January 2015 for help, they will be handed a strategy that has no hope of creating any jobs. Quite the contrary, the Conservatives' small business job credit has been panned by most economists. In fact, credible economists have called this plan exactly the opposite, a disincentive for companies to grow.

In contrast, the Liberal counter-proposal would reward companies that are growing and creating new jobs for my constituents and for workers across Canada. That is the choice: a government that keeps looking backward and trying the same failed and tired plans over and over again, or a Liberal plan that is forward thinking and very practical.

Time and time again the government has proven an ingrained ineptitude when it comes to financial management. The Prime Minister fancies himself an economist, but his ideas, which are growing more and more outlandish, are constantly out of step with industry, labour and the financial community. I now understand why the Conservatives spent \$1 billion, taxpayer dollars, on advertising to boast about their so-called fiscal plan, because it takes \$1 billion to create an ad campaign that tries to weave the words "Conservative" and "success" into a single commercial, but it certainly is not supported by facts.

For eight years, the Prime Minister has been telling Canadians, with a wink, to trust him. He says his plan will put a chicken in every pot, but after all this time, Canada's employment numbers still trail our major trading partners. Over the past year, Canada has experienced very little job growth. From August 2013 to August 2014, the entire country created a net 81,000 new jobs with only a fraction of those being full-time. Sadly a part-time job serving coffee, flipping burgers, or mending clothes is often not enough to raise a family. These jobs are important but they rarely offer pension security, growth opportunity or wages over and above the poverty line.

In contrast to Canada's dismal job creation performance, the U.K. created 775,000 jobs over the last 12 months and the United States created 2.2 million. This means that the percentage growth in total employment in the U.K. was up 2.6%. The U.S. was up 1.5% and unfortunately Canada was up a bleak 0.5%. The Prime Minister may like to crow about this record, but Canadians know that a flimsy crow is certainly not a chicken in every pot.

The government has dumped hundreds of millions of dollars on boardroom tables throughout Canada and then justifies that giveaway by promising that the payoff would protect Canadian jobs. As we watched last week the Stelco meltdown killing hundreds of good manufacturing jobs, Canadians are growing weary of empty Conservative promises. The Minister of Finance wonders why Canadians are carrying more household debt than ever before. This is why. The Minister of Finance wonders why Canadians are carrying more credit card debt than ever before. This is why.

People are not putting new yachts, cars and summer homes on their credit cards. People are not extending their lines of credit to finance new capital ventures or exotic vacations. People are accumulating debt to pay for food, rent, daycare, education, medicine and other essentials of life. The fact the government would see all of this and still table a strategy like this EI plan clearly shows that Conservatives are out of touch.

## **(1540)**

Of course, I understand why the need for intelligent policy would vex this particular Prime Minister and his front bench, so let me frame it another way. The Liberals have a real solution, an EI premium exemption for new jobs created in 2015 and 2016. This represents a benefit of up to \$1,279.15 for each newly created job. For the same price as the Conservative scheme, our proposed EI premium exemption could help create over 175,000 new jobs.

We must create the right conditions for jobs and growth that benefit the middle class. In effect, we want success around the kitchen tables, not just the boardroom tables. This requires investments in infrastructure, training, innovation, and expanding trade, as well as competitive tax breaks.

Under the Conservative scheme, only businesses with EI payroll taxes below \$15,000 get any money back, a move that creates a perverse incentive for businesses to fire workers in order to get below the \$15,000 threshold. In fact, Conservatives are proposing that the maximum benefit for a company that pays just under \$15,000 in EI premiums would be \$2,234; however, a company that pays one dollar more would receive nothing at all.

Economists, save for the one across the way, have pointed out that this could result in companies holding back on pay increases, reducing hours, or in the worst-case scenario, laying employees off. As strange and as confounding as this may seem, the Conservative scheme to create jobs offers up to \$2,200 for firing a worker and only \$190 for hiring a worker. I suppose this reverse logic will be covered in the next round of commercials and ads the government will be commissioning at taxpayer expense, but I hope so because when presented with these numbers and when given the actual facts, Canadians will make their own determination. I know my constituents will see through this deception.

The NDP have spoken very critically today of the motion, but I fear that their opposition stems from partisanship rather than the facts. First, let us look at the NDP costing of our proposal. The NDP claims that our plan would create at least a million but probably closer to 1.5 million net new jobs next year. That is great, but given that there are 1.3 million unemployed Canadians, that would be quite a feat.

However, if it did create 1.5 million new jobs, the income tax generated alone by those new employees would more than pay for the cost of the credit. Just to be clear, on the one hand, the NDP is arguing that under our Canadian plan for the workers, Canadian businesses and governments would all be big winners, but on the other hand, it says it cannot support it.

Second, the NDP's last platform had this commitment. It specifically promised to establish a job creation tax credit that would have provided funding on a per-hire basis. Specifically, it promised to give employers a one-year rebate on CPP contributions for each new hire. According, though, to the NDP rhetoric today, it is accusing Jack Layton of having wanted to raid the CPP for his pet projects. Imagine.

Instead of trying to sow divisions in the House, I think the NDP should really take a second look at the motion and reconsider it. Possibly its members did not fully understand it.

In 2008, the Prime Minister said the recession and the global economic slowdown would never happen. When Liberals disagreed, Conservatives accused us of fearmongering. Starting in 2009, the Prime Minister raided the cupboard and spent nearly \$100 billion on gazebos and other stimulus measures to end the recession that he said would never happen. When Liberals disagreed, again, Conservatives accused us of not being up to the task. Today, we are faced by another fly-by-night Conservative plan to fix an economy that they said was not broken, and again, they are dismissing Liberal objections out of hand.

For eight years, we have been listening to a Prime Minister with a legacy of being wrong on issues involving the nation's finances. Perhaps it is time for a fresh arm. Perhaps it is time to take a look at the Liberal plan, a plan that would create the right conditions for jobs and growth for Canadians and for Canada.

**●** (1545)

**Mrs. Stella Ambler (Mississauga South, CPC):** Mr. Speaker, I would like to ask the member for York West about the concept of a disincentive. She mentioned in her speech that certain economists have called the Conservative plan for reducing EI premiums a disincentive.

I wonder if the member is aware that we are not the ones dismissing Liberal suggestions out of hand. It is actually very respected organizations, folks who know a little something about the economy. The Canadian Federal of Independent Business is dismissing Liberal ideas out of hand when they say that small businesses in Canada should be thrilled with this announcement. They told us time and time again that payroll taxes like EI are the biggest disincentive to hiring, so any relief the government can provide will encourage them to hire more Canadians.

The member also mentioned that the Minister of Finance is "inept". I believe that is the word she used. It is surprising that she would call someone inept on the economy when he has an MBA from Harvard, as opposed to the Liberal leader, who thinks that budgets balance themselves.

Maybe the member could tell us which economists like her idea. • (1550)

**Hon. Judy Sgro:** Mr. Speaker, I want to thank my colleague for her question. It is nice to see her on her feet today.

Mike Moffatt, Jack Mintz, and an organization I have worked a lot with, and which the Conservatives constantly point out when it comes to small businesses, the CFIB, are all flagging the issue that this is not a good plan. The Liberal plan is far more effective and provides far more opportunities.

The member can look at *Maclean's* magazine, or a variety of magazines. One quote in relation to the Conservatives' plan is this: "For firms that are just under the threshold, hiring a new worker would mean crossing the line and losing the tax credit entirely".

If the member went through the *Gazette* and the *Journal*, she would see that there are a variety of quotes from different economists and professionals who clearly point out that the Conservative plan being put forward is flawed.

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Why do we not just put partisanship away? I believe we all have one goal here, and that is job growth and job creation. Why do we not just adopt the Liberal plan unanimously and move Canada forward together?

[Translation]

Ms. Ève Péclet (La Pointe-de-l'Île, NDP): Mr. Speaker, I would like to thank my colleague for her speech.

It is great, because it seems that the Liberals finally decided to come up with a new plan. I think everyone here is familiar with the Liberal plan in recent years. The plan was basically to use the EI money to pay off their debts. My colleague's speech may have been filled with figures, but she forgot to mention one thing: what they are going to do with the \$57 billion that the Liberal governments stole from workers.

Perhaps we would not need to adopt this sort of measure had the Liberal governments honoured their commitments and not stolen \$57 billion from the EI fund.

My question is simple: will the Liberals finally decide to protect the EI fund by passing the NDP's Bill C-605, which specifically seeks to prevent the government from dipping into the EI fund?

[English]

**Hon. Judy Sgro:** Mr. Speaker, I have to say that I think the reason NDP members are resisting supporting our motion is that they are probably jealous, because we put this forward on our opposition day rather than their having shown some leadership and having done it.

As I said earlier, in the interest, which we all share, of job creation and moving Canada forward, everyone should just put partisanship aside. Let us just vote unanimously for this motion and show Canadians that we put them first at least once in a while.

Ms. Judy Foote (Random—Burin—St. George's, Lib.): Mr. Speaker, I stand today to speak in support of our opposition day motion. I want to repeat it for those who may be listening in. It states:

That, in the opinion of the House, the Employment Insurance...plan announced by the government on September 11, 2014, and which will begin on January 1, 2015, will not create jobs and growth but will instead provide a financial incentive for employers to lay off workers; and therefore, the House urges the government to redirect those resources by providing employers an EI premium exemption on newlycreated jobs in 2015 and 2016.

This is yet another example of a hopelessly misguided Conservative policy. The Conservatives' small business job credit is so flawed that it actually discourages job creation and economic growth. Quite simply, the Conservative proposal is bad for employers, bad for workers, and bad for the Canadian economy.

The Conservatives' EI credit plan encourages businesses to stay small and punishes them if they grow and are successful. Under the Conservative scheme, only businesses with EI payroll taxes below \$15,000 get any money back. Moreover, despite being billed as a job credit, there is no requirement that companies actually hire new workers to qualify. That in itself is mind-boggling.

The Conservative proposal lowers the EI rate of a business from \$2.63 to \$2.24 per \$100 of salary paid for any employer paying less than the threshold, with no requirement for job creation. Regardless of whether a small business hires new workers, remains the same size, or even fires workers, so long as they remain below the \$15,000 threshold, they qualify. This creates a perverse incentive for businesses to fire workers to get below the \$15,000 threshold.

Mike Moffatt, professor of economics at the lvey School of Business, expressed his concerns about the effect of this policy on wages, stating:

...it is clear that firms under the \$15,000 EI threshold have a big incentive to keep wage increases to a minimum so they do not lose their tax credits. Conversely, firms that are just over the \$15,000 EI threshold have an incentive to cut the pay of their staff in order to gain the tax credit.

Wages are not the only thing in danger under this plan. In fact, the Conservative scheme offers up to \$2,234.04 for firing a worker and only up to \$190.52 for hiring a worker. This approach sets a dangerous precedent, especially in provinces like Newfoundland and Labrador, where over 5,000 Newfoundlanders and Labradorians who had a job this time last year are now out of work.

My constituents in Random—Burin—St. George's and their fellow Newfoundlanders and Labradorians face unemployment rates well above the national average. On the Avalon Peninsula, unemployment is 8%. In Notre Dame-Central-Bonavista, the rate is 16.4%, and in the South Coast—Burin Peninsula region, the unemployment rate is 17.3%.

More and more of my constituents are telling me that they are struggling to make ends meet, and many of my constituents have had to look for work elsewhere. What we need in Newfoundland and Labrador, and in other parts of our country, are more jobs, not fewer. The current government must do more to help create jobs instead of helping to drive high unemployment.

For young workers, job creation is even more important. The situation faced by youth across Newfoundland and Labrador is even more troubling. Unemployment among youth ages 20 to 24 is 15.3%, which is higher than the average in Newfoundland and Labrador and higher than it is for their peers across the country. More and more young people graduating from college and university programs have high debt loads and absolutely no guarantee of finding jobs. They are forced to move back home with their parents, and in many cases, their parents, some of whom are also having trouble making ends meet, try to assume the debt load and living costs of their children, which jeopardizes the future for all involved.

• (1555)

The best way to combat youth unemployment and to help create secure financial futures for all is with new jobs. There is nowhere more important where this will come up than in Newfoundland and Labrador, where there is such a high unemployment rate and a need for steady employment. At a time when youth unemployment is high

and many students and recent graduates are struggling to find jobs or co-op placements, the government is continuing to compound the problem through its actions.

Instead of providing incentives for businesses to eliminate jobs, Liberals believe in providing businesses with incentives to create jobs. We have a solution: an EI premium exemption for new jobs created in 2015 and 2016. This would represent a benefit of up to \$1,279.15 for each newly created job. That is an incentive. That is an encouragement to a business. The Liberal plan would represent a benefit of up to \$1,279.15 for every new person hired by a company, which, for the same price as the proposed EI premium exemption, could produce over 175,000 new jobs.

This is a plan we know works. Under a previous Liberal government, similar incentives were offered through the new hires program as part of budgets 1997 and 1998. That program, unlike the current Conservative plan, provided an incentive to create jobs rather than an incentive to eliminate them, and experts agree. Today Professor Moffatt concluded in his latest piece:

The New Hires Program provides a great framework for a new Small Business Job Credit. I hope the government will take [the Liberals'] suggestion seriously and correct the flaws in their current proposal.

I too hope that the government will realize its error and admit that there is another way of making sure that we respond to the needs of Canadians and the need for employment, especially among our young people. I hope the government listens to the experts and votes in favour of the motion before us today.

What Canadians from coast to coast to coast need the government to do is encourage job creation and growth, not stagnation. Businesses should be encouraged to create more jobs, whether the company pays \$14,999 or \$15,001 in EI payroll taxes.

What is more, small businesses agree. Just this afternoon, the Canadian Federation of Independent Business, which government members quote all the time, endorsed the proposed EI holiday for job creators, saying that it had, and I quote, "Lots of job potential". It is also important to note that EI is a fund paid into by employees and employers, not the government.

According to a report from the Office of the Superintendent of Financial Institutions Canada, in 2015 the government is expected to collect \$3.5 billion more in employment insurance premiums than needed. Even with the estimated \$225-million proposed tax credit, it still means the Conservative government will be taking in \$3.25 billion more than necessary.

What this serves to do is to create the illusion of a larger surplus going into 2015, and we know that. We know what is happening with the cuts that are taking place under the government in terms of trying to create a surplus so it can do things leading up to the next election. As my colleague, the hon. member for Kings—Hants has said:

They're padding their books on the backs of workers and employers to fund a preelection spending spree. At a time when employment numbers are soft and growth has stalled, it's irresponsible for the Conservatives to maintain high job-killing payroll taxes just to fund their pre-election budget.

Canadians believe, and rightly so, that the government has a responsibility to not only create the right conditions for economic growth but to also ensure that growth is sustainable. We need to create the right conditions for jobs and growth to benefit all Canadians. What we have here is a tale of two policies: a Liberal proposal designed to create stable, long-term job creation and to spur economic growth, and a Conservative policy that creates incentives to fire workers and that discourages growth.

#### • (1600)

[Translation]

Mrs. Djaouida Sellah (Saint-Bruno—Saint-Hubert, NDP): Mr. Speaker, I listened carefully to my Liberal colleague's speech. I would like things to be clear in the house. Her party plundered \$57 billion from the employment insurance fund, which is funded by employer and employee contributions. The Conservatives legit-imized this practice in order to balance their budget.

Once again the Liberal Party does not seem to be embarrassed, and it is presenting a misguided plan. The employment insurance fund ran a deficit for a number of years because the Liberal government siphoned off \$57 billion. Why is it acceptable to have annual surpluses when 63% of unemployed workers are not receiving benefits?

[English]

**Ms. Judy Foote:** Mr. Speaker, I, too, would like for things to be clear here. I am not sure why the NDP is choosing not to be supportive of the Liberal plan. In fact, under the NDP platform for 2011, the New Democrats wanted to establish a job creation tax credit. They said:

We will introduce a Job Creation Tax Credit that will provide up to \$4,500 per new hire:

Employers will receive a one-year rebate on the employer contributions for the Canada Pension Plan and Employment Insurance premiums for each new employee hired...

Here we are with a motion that keeps in mind the needs of Canadians, doing what we need to do to ensure that there are jobs for Canadians, using the same amount of money that the Conservative plan is proposing to put in place and doing much more in terms of the number of jobs that would be created.

I am seeking clarification, too, from the member who asked the question. How can the New Democrats, on the one hand, in the 2011 platform cite a program that is similar to the one that we have put forward now, but find fault with this motion today?

#### ● (1605)

**Hon. Wayne Easter (Malpeque, Lib.):** Mr. Speaker, my colleague should not be surprised by the NDP's position. It is now talking about early learning and child care. It is the party most responsible for killing the program that we had in place in the 1995 budget. It was actually implemented.

My colleague talked about employment insurance and the situation of workers in Newfoundland and Labrador. We are certainly facing the same thing in Prince Edward Island, with the

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loss of the five-week pilot program and the 50% clawback on the dollar.

I will give an example of what happened in my riding.

I had a potato producer who was paying \$16 an hour to an employee that had been with him for 17 years. The 50¢ clawback on the dollar really means that the employee only gets about \$6 an hour for that day and a half a week that he works every year from November to April. He is no longer there for the farmer in the seasonal industry in the summertime.

Is that the situation in Newfoundland and Labrador and in the member's riding? Have the changes that the government has made to employment insurance become a disincentive to work and taken a lot of money out of people's pockets?

**Ms. Judy Foote:** Mr. Speaker, my colleague is absolutely right. We are hearing that. Anyone who will be honest, open and upfront will have to admit that this is what they are facing in all of their ridings in terms of representation of people who are being hit hard by the new changes to the EI program.

**Mr. Robert Chisholm (Dartmouth—Cole Harbour, NDP):** Mr. Speaker, I will be splitting my time with the member for Parkdale—High Park.

There is nothing more clear than this debate right here, right now. The Liberals have introduced a motion about how to further use the money of workers and employers, just the same way the Conservatives have done.

The Liberals were on their feet a second ago talking about how this was all about creating jobs and surely the NDP was in favour of that. Yes, we are, but out of general revenues that every taxpayer pays into. I know the Liberals do not understand this, nor do the Conservatives, but this fund is for unemployed workers. It is for paying benefits and for supporting people through training and education.

In the 1990s and the early 2000s, the Liberals absconded with \$54 billion of worker and employer money and put it into general revenues, so I can understand they are a little confused now. They want to continue to do what they have done forever. Not only did they do that, but they cut away at the eligibility requirements for EI. The Conservatives kept doing the same thing to the point now where not only have the two parties taken off with \$57 billion worth of worker and employer money, but now only 36.8% of people who are unemployed are eligible. Sixty-seven per cent of unemployed Canadians get denied. The fund is not there for them.

What is the answer? The Conservatives' answer is to cut premiums. Do they want to cut them for employers and for workers? No, just for employers. They continue to run a surplus now. It is estimated to be another \$3.5 billion. Have they thought about the fact that the people who are unemployed and their families in Atlantic Canada, or downtown Toronto, or throughout the country, need the support because they are unemployed through no fault of their own. They do not think of that. They think about how they can make political hay out of the fact that they have allowed the surplus to accumulate. That is what they are doing.

What have the Liberals done? What have the MPs from Prince Edward Island done? Have they said not to touch that money, that it is for workers and employers, that this is money they have paid into EI to ensure that when people are unemployed they have some support? Have they said that Prince Edward Island has a high level of unemployment in their seasonal industries and those people deserve some support? No.

It is the same thing with the Liberal MPs in Nova Scotia and across the country. They think they can do better than what the Conservatives have done. The Conservatives are estimating to take \$550 million out of the EI fund as a result of a scheme they have come up with.

The Liberals, with their proposal, have suggested it is only going to be \$275 million. However, they screwed that up too. They messed up with their calculations. No one is surprised by that whatsoever. What is it going to cost? What did they forget to do? They based their calculation on net employment rather than gross employment. What is the difference? It is \$1.2 billion. The members over here suggest that it will take \$1.5 billion more out of the EI fund, and the Liberals ask why we would not support that.

#### • (1610)

In 2011, the NDP came up with the small business hiring tax credit proposal. In other words, if small businesses could prove that they created new jobs, then they would get a tax credit. They would get money back from that straight-up.

The people of Canada thought this was a good idea. Businesses thought this was a good idea. The Conservatives decided to take it on and they introduced it, but they only kept it going for two years. I do not understand why they did that.

I would suggest that the Conservatives have been under some fire, so instead of messing around with their supposed balanced budget as a result of cutting millions of dollars out of services to Canadians, including seniors, scientists, people on disability and veterans, they decided to come up with a new tax credit.

Where are they getting the money from? They are digging into the pockets of working people. It is unfair. There are no links whatsoever to job creation. They are just hoping. They are going to sprinkle a bit of dust and hope that some jobs will pop out of that. There is no linkage whatsoever.

Not only is that the case, but the government is increasingly shifting the responsibility for paying for this. It is not the responsibility of employers or other businesses. The responsibility falls on working people who pay into the EI fund. How can that be fair in this day and age?

If the government were committed to the idea of providing a tax credit to businesses for creating jobs, and it should be committed because it saw that the idea worked, then it should come forward with that kind of proposal. We would support it. We came up with the idea in the first place. We thought it was a good idea when the government brought it in before. We thought it was a bad idea when it took it away. This is the wrong way to go.

This would not help the unemployed. What kind of money are talking about in terms of those 37% of unemployed Canadians who

do get employment insurance benefits? We are talking about an average payout of \$395 a week under EI. Under the Conservative government, not only is the number of people who are receiving that money going down, but that amount is increasingly going down.

The seasonal industries in Atlantic Canada play an important role in our economy. What makes me so upset is that the Conservatives have brought about changes to eligibility requirements that have affected communities throughout Atlantic Canada. My colleagues from Atlantic Canada and Quebec talked about this problem. Members of the Liberal Party spoke to their constituents and others in Atlantic Canada about this problem.

We now have an opportunity to speak clearly about the fact that what the government has done is wrong. It does not deal with the EI fund. It does not deal with criteria or eligibility. It does not deal with the amount that unemployed workers receive. Nor does it deal with the problems that small businesses and seasonal industries are experiencing as a result of people not being there and the need for training. The government does not deal with any of that whatsoever.

With this proposal, the Liberals are trying to out conservative the Conservative Party. They are trying to take the bad math out of it. They are abandoning unemployed workers in our country, and that is shameful. I will spend some time talking about this to people from one end of the country to the other.

#### ● (1615)

Mr. Kevin Lamoureux (Winnipeg North, Lib.): Mr. Speaker, I get the sense that when this motion comes to a vote, a number of NDP members of Parliament should be somewhat embarrassed.

Let us put it very simply so that all members get an appreciation of what was said back in 2011. This was when Jack Layton was the leader of the New Democratic Party. Just so that members are aware, this is what was said:

Employers will receive a one-year rebate on the employer contributions for the Canada Pension Plan and Employment Insurance premiums for each new employee hired...

This is a different New Democratic Party that we are hearing today. It is not the Jack Layton party of 2011. I challenge the member to be straightforward and tell us what has changed since 2011, other than the leadership, to cause the New Democrats not to support a good idea that would generate tens of thousands of jobs from coast to coast to coast in Canada.

We know that this is a job-creation proposal that is before us today. At one time, the New Democrats used to support this idea. What has changed?

## • (1620)

**The Deputy Speaker:** This may be an opportune time to remind all members of the House that questions are supposed to be about a minute long, no longer, and they consistently have been running a minute and a half to two minutes.

The hon, member for Dartmouth—Cole Harbour.

**Mr. Robert Chisholm:** Mr. Speaker, I appreciate the question. I appreciate that the member for Winnipeg North is himself in a situation in which his party continues to change with the prevailing winds. That is like the Liberal Party. The Liberals campaign on the left and they govern on the right. They always have and they always will. Therefore, they never really know what they stand for, because it changes at any given time.

What the NDP stands for is supporting working people in this country. It stands for supporting small business people. It stands for making sure that the EI fund is used for what it is supposed to be used for, which is providing employment insurance benefits, ensuring that workers are there when they are needed by employers, and ensuring that people are supported between their employment opportunities. That is what the New Democratic Party stands for and always will stand for.

Ms. Lois Brown (Parliamentary Secretary to the Minister of International Development, CPC): Mr. Speaker, I just happened to be on a website looking at some of the job listings for Dartmouth—Cole Harbour. I see they are looking for a receptionist, a customer service specialist, a shipper, a receiver, a dispatch coordinator, a Dartmouth Crossing customer service representative, and a member care coordinator, so there are jobs that are being created in Dartmouth—Cole Harbour. In fact, this website says there are about 4,000 jobs.

However, would the member not want to see the opportunity for more small businesses in his constituency to offer more jobs to young people to get experience and to offer jobs to people who are looking to come back into the workforce?

**Mr. Robert Chisholm:** Mr. Speaker, there is nothing that we want more than for people to have an opportunity to work if they are able, and to be able to find family-sustaining jobs.

Of course, the current government has a terrible record in terms of creating jobs. The Conservatives worked with Canada Post to ensure that another 8,000 family-sustaining jobs are going to be lost in this country.

The small, medium-sized, and large businesses in Dartmouth—Cole Harbour do not need this. They are creating jobs, opportunities, and economic development despite the current government. We are working closely with them to ensure that they continue to do that.

However, I can tell the House that people come into my office who are unemployed through no fault of their own, and they have to wait upwards of 40 days to even get an answer from Service Canada about their claims. That is wrong, and the government should be ashamed of treating unemployed workers that way.

**The Deputy Speaker:** Order, please. It is my duty pursuant to Standing Order 38 to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Thunder Bay—Superior North, Justice; the hon. member for Québec, Protection of Privacy.

Resuming debate, the hon. member for Parkdale—High Park.

Ms. Peggy Nash (Parkdale—High Park, NDP): Mr. Speaker, I thank my colleague from Dartmouth—Cole Harbour for his excellent speech and for his passionate work on the EI issue. He is a great MP for the constituents of Dartmouth—Cole Harbour.

## Business of Supply

We are having a very important debate today on the issue of employment insurance.

Our economy has been through many ups and downs over the last number of years. We have seen booms and busts. We have seen rapid technological change. We have seen globalization. We have seen the complete undermining of our manufacturing sector and hundreds of thousands of manufacturing jobs lost in this country.

Certainly in my province of Ontario, we still see communities that are on very hard times because of the loss of those good manufacturing jobs. When people do manage to find other work, sometimes after many months of looking, it is usually at a much lower rate of pay, and this has meant that many families are struggling to adapt. People have lost homes. They have had to move to other communities. It has broken up families. It has been a very difficult number of years.

In most modern developed countries, there are adjustment programs to help working people and businesses adapt to a changing economy. What do I mean by adjust? Adjustment programs will help with income support. They will help with training. They can help with job search. A whole range of supports can often be available.

While we see the economy shifting and changes taking place, it seems as though much of the risk involved in this change is borne by working people, whereas much of the benefits go to employers, who are doing very well. Companies are sitting on hundreds of billions of dollars in cash that they are not investing in the broader economy. They are doing very well, but we see many Canadian families struggling.

Workers are taking on much of the risk, and employment insurance was designed to help working people adapt so that we would not be in the situation that my grandparents were in during the Great Depression. At that time, if an individual was out of work, they had literally nothing. My mother tells me that when she was a child, her father, who was unemployed, had to go out and hunt for rabbits. Her mom would skin and clean the rabbits, and my mom would go door to door selling these rabbits to try to get money for them to live, because they were practically destitute.

We do not want people in this country to be destitute, because we are a wealthy country. Employment insurance was designed to help our economy and the people in it adapt to change. However, during the 12 years of the majority Liberal governments, what did we see? Unemployment insurance became employment insurance, and the rules changed. Where once more than 80% of unemployed workers received benefits if they were unemployed, suddenly fewer and fewer people were qualifying, and the number went down to around 45%.

That was a period when the economy had been growing during that part of the economic cycle. The economy was putting more money into the EI fund, and there was a big surplus. What should happen is that we would have a surplus during the good times, and when the economy went down, we would use that surplus to pay out benefits to protect working people. That was what it was designed for.

Instead, the Liberals used that surplus, \$54 billion worth, to balance the budget.

What did they do when they balanced the budget? They gave corporations a great big fat corporate tax break. That is what they did, and those corporations put that money into their back pockets and said, "Thanks very much." There was not even a requirement for them to create new jobs.

#### **●** (1625)

Then the Conservatives came in and did the same thing. They took another \$3 billion out of the fund and put it into general revenues. Then they gave more corporate tax cuts, and companies said, "Thank you very much" and took that money. They are now sitting on over \$600 billion of corporate revenues, and today fewer than 40% of working people who are unemployed get access to EI benefits. In Toronto, the number is 17%. That is in our largest city, one of the most expensive cities in this country.

What did the Conservatives want to do today, now that they and their predecessors, the Liberals, have stolen this money from EI and now that they have denied so many people access to EI benefits? They want to give employers, small businesses, another EI tax break. That means employees, workers, would continue paying the same amount, but employers would get a break. That does not help any unemployed workers. It does not give one more unemployed worker any more benefit. It takes more money out of the EI fund.

What do their cousins in the Liberal Party, who have a similar approach to the economy, want to do? They want to expand that and give it to everybody. Employers would not have to prove that they have created a new job. The Liberals would just give everybody, all the businesses, a break on their EI premiums, while the workers would still have to pay the same amount.

Also, their math is wrong in their proposal, which I suppose is not shocking. I suppose we should have expected that from the Liberals.

However, it is not going to help the working people who need to access EI. If they wanted to do what the Conservatives have done, an idea the Conservatives borrowed from us earlier, which is to give a tax credit to small businesses that create jobs, we support that idea. It was our idea. The Conservatives took it.

We supported that idea. We thought it was a good idea. We disagreed when they cancelled that plan, because it was a job creator. Now there is this idea to further plunder the EI fund and give that money back to employers, when it ought to be going to unemployed workers who desperately need that money now.

I can tell members that there are people living in my riding who have to make a decision every month about whether they buy food or keep a roof over their heads. They have to walk miles because they cannot afford the TTC. There are people who are truly struggling, not just in my town but across this country. It is a disgrace that some in this House are trying to pull the wool over people's eyes by saying that they are trying to do something for unemployed workers. The government is overseeing a stagnating economy, and their handmaidens in the Liberal Party are just helping the Conservatives pull the wool over people's eyes.

Canadians do not have a choice between the bad economics of the Conservative Party and the bad math of the Liberal Party, but they can choose a party that will defend working people, a party that has really good, strong, progressive ideas for growing this economy. That is the New Democratic Party.

I want to make it very clear that New Democrats do not support this idea that they are proposing. What we do support is protecting the EI account so that the money in that account cannot be plundered and will be used for the purpose for which it was designed—that is, as an adjustment program to help working people adjust during a period of calamity for them, which is when they lose their jobs.

We do support a hiring tax credit. We do not think it is a panacea, but it would be a positive thing to do. We support restoring higher benefits so that when people do lose jobs, they would receive benefits to protect them during that time of turmoil.

We also have a lot of good ideas about how to create jobs in this country. We call on government to play a leadership role and to set a path that would give business confidence. A strong, stable, New Democratic government at the helm would encourage business to invest and create jobs, but we do not support this plan that we are being offered today.

## **•** (1630)

Mr. Kevin Lamoureux (Winnipeg North, Lib.): Mr. Speaker, I always take some exception when the New Democrats take shots at my party. They often refer to corporate income tax. I should let the member know that when I was in the Manitoba legislature, the NDP government took great pride in reducing corporate income tax from 19% to 12%, even when a recession was going on. We do not have to take any lessons from the NDP on taxation policies.

I would ask the member to provide clarification on why Mr. Layton seemed to support what we are proposing today when he was the leader of the New Democratic Party. Why would the hon. member oppose something that Jack Layton would have supported in yesterday's NDP? Why would she vote against this motion, which would potentially generate in excess of 150,000 jobs across our land?

#### ● (1635)

**Ms. Peggy Nash:** Mr. Speaker, it could potentially, but who knows? It is all wisps of smoke. Who knows?

Let me just say it is very clear and indisputable that the Liberal Party, when it was in power, took over \$50 billion from the EI fund, money that belonged to the working people of Canada. That money went. It was used to balance the books. Then the Liberals gave corporations a massive corporate tax cut. That is indisputable. That is fact. That is history.

The Liberals are embarrassed about that now, and I think they are trying to kind of buffer themselves going into an election next year, so as to not be accused of having abandoned unemployed workers. However, the facts are the facts. If people think they can trust that party when it comes to managing the EI fund, then they might as well trust the Conservatives across the aisle. Both parties are the same in that regard.

Mr. Brad Butt (Mississauga—Streetsville, CPC): Mr. Speaker, I had the opportunity to listen to the member for Parkdale—High Park, and I would like her to clarify a few of the positions of the NDP so that they are on record in the House.

I know the member is the former finance critic for her party. Is it still the position of the NDP that people should only have to work 45 days out of a year to be entitled to collect full EI? We certainly know that is the position of the Liberal Party. I would like the member to clarify the NDP position on that.

Could the member explain why she and her party voted three times against the new hiring tax credit brought in by our government in three successive budgets? Can the member explain why she and the members in her party voted against that tax credit three years in a row?

**Ms. Peggy Nash:** Mr. Speaker, 45 days, that sounds like he is talking about their buddies in the Senate. The NDP does not have any members there.

I will, with pleasure, say why we voted against the budget. We supported the reduction of small business taxes, a small business tax credit for hiring. It was our idea. We were glad to see the Conservatives take it. However, that was buried in one of their many omnibus budget bills, their undemocratic omnibus budget bills, that included gutting our environmental protections, attacking first nations' benefits, and laying off scientists. The Conservative, undemocratic, supposed budget bills are transforming the way government is run in Canada, most of it very undemocratically.

We are proud as New Democrats to have voted against those omnibus budget bills, and we will continue to do so.

[Translation]

Mrs. Sadia Groguhé (Saint-Lambert, NDP): Mr. Speaker, I thank my colleague for her speech.

The Liberals are not to be outdone today because, with their plan, they are repeating their pillage of employment insurance. They are just going to pillage the fund, as the Conservatives are proposing to do.

Yes, we believe there is a solution. The Conservatives used our proposal of giving businesses a hiring tax credit. It is a viable solution that respects our workers and ensures that the employment insurance fund will serve the purpose for which it was created.

**Ms. Peggy Nash:** Mr. Speaker, there is a big difference. Unlike the other political parties, we do not want to plunder the employment insurance fund, but we are in favour of tax credits for SMEs. Manitoba is the only province where SMEs are not taxed thanks to the NDP government. It is truly a political party that supports and knows the value of SMEs in Canada. They create a lot of jobs.

(1640)

**Mr. Emmanuel Dubourg (Bourassa, Lib.):** Mr. Speaker, I would first like to say that I will be sharing my time with the hon. member for Trinity—Spadina.

I am very pleased to take part in this debate on employment insurance. First, if I may, I will read the text of the motion:

That, in the opinion of the House, the Employment Insurance (EI) plan announced by the government on September 11, 2014, and which will begin on January 1, 2015, will not create jobs and growth but will instead provide a financial incentive for employers to lay off workers; and therefore, the House urges the government to redirect those resources by providing employers an EI premium exemption on newlycreated jobs in 2015 and 2016.

## Business of Supply

I can inform the House that we in the Liberal Party are in favour of this motion. As we know, the government may introduce policy based on facts in the same way it can introduce policy based on populist politics. We might say that the government's response to the situation before us is more a political response.

Let us look at the facts that preceded this announcement from the government. The hiring situation in the country is deplorable. In the last year, Canada's job growth was very weak.

In one year, 81,000 net new jobs were created in the entire country. In the United Kingdom, 775,000 jobs were created while 2.2 million were created in the United States. We can look at this in terms of the growth rate rather than in absolute numbers. These figures represent a growth rate of 2.6% in the United Kingdom,1.5% in the United States and only 0.5% in Canada. During the same year, the private sector in Canada shed 57,000 jobs.

What is the government's response to this disastrous situation? It introduces a measure under which all businesses with a payroll not exceeding \$567,000, let us say, will get a maximum \$2,200 credit on their premiums, given the maximum exemption is \$15,000.

Let me say that again: with a maximum exemption of \$15,000, businesses will qualify for a maximum credit of \$2,200. This is no job-creation program. A number of economists have said so more than once. I will be quoting them. Specifically, it means that a company paying contributions of around \$15,000—\$14,700, for example—will qualify for a credit of \$2,200. Will that encourage the company to hire people and create jobs? No, because as soon as the company goes over the \$15,000 threshold, it no longer qualifies for anything. Absolutely nothing.

As I just said, if the amount of the premiums exceeds \$15,000, for example, and the company's premiums add up to \$15,150, the companies will not be entitled to any credit. Not a \$2,200 credit; no credit. The company will not be motivated to hire anyone, on the contrary. That is the perverse effect of this measure. In fact, the company will have to dismiss or lay off people to get the \$2,200 credit. That is not very encouraging for Canada's employment situation.

**●** (1645)

We have just resumed the session in the House and, like all our colleagues, we were working in our constituency offices.

In my case, I felt like my constituency office became what we call in Quebec a CLD, or local employment centre. My constituents came to see me almost every day, asking me to help them find a job, because the situation is disastrous.

The measure presented today in no way responds to this situation. Furthermore, economists have criticized it so openly that I hope the Conservatives do not attack them because they decided to speak out.

Mike Moffatt, an economist with the Ivey business school at Western University, owns a business of about the same size as the ones we are talking about. In fact, the measure at issue will only prevent small businesses from growing. As soon as a company's payroll exceeds \$567,000, it is no longer entitled to any credits. Mike Moffatt said, and I quote:

It is clear that firms under the \$15,000 EI threshold have a big incentive to keep wage increases to a minimum. Conversely, firms that are just over the \$15,000 EI threshold have an incentive to cut the pay of their staff in order to gain the tax credit.

It goes on. Stephen Gordon, of Université Laval, said that lowering payroll taxes was generally advantageous to everyone and fostered job creation and higher salaries. The Conservatives failed to seize this opportunity when they created another highly targeted tax credit

The Liberal Party has done its homework and come up with a very clear proposal: providing employers an EI premium exemption for every new job it creates for the following two years. It is a very simple and clear measure. If a business creates a job, it does not have to pay EI premiums for the next two years.

This simple measure will allow businesses to save up to \$1,280 for every job created. This will create an estimated 176,000 new jobs. Economists have been evaluating this proposal ever since our leader, the hon, member for Papineau announced it.

Mr. Moffatt said that he hopes the government will take the hon. member for Papineau's suggestion seriously and correct the flaws in its current proposal. The Canadian Federation of Independent Business says it likes the Liberals' plan because it has greater potential for creating new jobs.

That is the measure economists are recommending, employers are asking for, and all Canadians need, not just those in the riding of Bourassa that I represent. That is what they are asking for to create new jobs here.

Ms. Hélène LeBlanc (LaSalle—Émard, NDP): Mr. Speaker, I listened carefully to the hon. member's speech.

He said that the CLDs in Quebec were "centres locaux d'emploi" or local employment centres. I was surprised to hear him say that because, in fact, they are "centres locaux de développement" or local development centres. That is a topic for another day.

How does the hon. member foresee the Liberals' proposal creating jobs according to their calculations? Their calculation seems a bit off

Can he provide a concrete and local example of how this motion, in its current form, will truly stimulate job creation, more specifically in his riding of Bourassa?

#### • (1650)

**Mr. Emmanuel Dubourg:** Mr. Speaker, first of all, I wish to thank my hon. colleague for that observation. Indeed, CLD stands for "centre local de développement" or local development centre, and CLE stands for "centre local d'emploi" or local employment centre.

Our position is very clear. For every new job created, the company will be entitled to an EI premium exemption. It is simple. We are not favouring small businesses and we are not favouring businesses that have a payroll of \$567,000. We are talking about all businesses. It is of course an incentive for all businesses to say yes; if they need staff, they will create jobs so that they can immediately take advantage of this credit.

Businesses located in the riding of Bourassa, which I am so proud to represent, will welcome this kind of measure so they can apply for these credits and create new jobs for the people of Bourassa.

[English]

Mr. Kevin Lamoureux (Winnipeg North, Lib.): Mr. Speaker, I wanted to pick up on the point of the purpose of this idea. It is to focus attention on creating jobs for all regions of our country. It has been estimated that if this Liberal motion were to pass, get adopted and become a part of government policy, it could potentially generate somewhere between 150,000 to 175,000 new jobs.

I wonder if my colleague would just pick up on the benefits for all regions of Canada of having an all-inclusive program, as the Liberal Party is suggesting here this afternoon.

[Translation]

**Mr. Emmanuel Dubourg:** Mr. Speaker, I thank my hon. colleague for his excellent comment and his question.

As the member knows, throughout Canada, 53,000 jobs were lost in the private sector alone, as I just said in my speech. With this measure, we are talking about creating between 150,000 and 175,000 new jobs. As we have said, this will happen from coast to coast to coast.

Businesses and economists have agreed that this is what the country and our employers have been asking for. Things will be so much easier for those who come to our offices asking for help to find work. That is why the government should agree to and implement the measure proposed by the member for Papineau, the leader of the Liberal Party of Canada.

[English]

Mr. Adam Vaughan (Trinity—Spadina, Lib.): Mr. Speaker, there are many members in the House who may remember me as a city councillor and may also have memories of me being a journalist here in the foyer outside of the House of Commons. What members may not know about me is that I also have run small businesses in the riding I represent. In fact, I ran a small restaurant and I know the fear, danger, trouble and opportunities around meeting a payroll that are part of every business decision.

The reason the party I represent is putting the motion forward in this way is that it is about job creation and helping small businesses create those jobs, but also making sure that there is a guarantee those jobs arrive. What confuses many of us who have run small businesses about the Conservative government's approach is that it creates an artificial threshold. This \$15,000 seems to be pulled right out of the air and dropped in front of us as if it is some sort of magic threshold that is good or bad for small business and will or will or not create jobs.

The truth is that the employment dynamics in small businesses are much more fluid than simply that hard calculation of \$15,000, which places a cap. When one hits that amount, one is in a position of having to make very tough choices and will or will not hire based on whether that threshold is met or not.

Mr. Gerald Keddy: For two hundred bucks.

**Mr. Adam Vaughan:** Mr. Speaker, if the member had ever run a small business, he would know exactly what \$200 means. To belittle that is to belittle the hard decisions made by small business owners right across this country day in and day out. It is quite often the difference between whether or not they feed their families.

The issue in front of us, and the proposition we have placed in front of the House, is to create it a situation where all jobs are met with this benefit. When new jobs are created in any business—small, medium or large—the benefit would kick in, and not the way the government's proposition stands, which actually is an inducement to cut jobs.

When I heard the official opposition members describe this proposition, they made it sound like this whole program would be voluntary. Let me assure the House that all businesses would qualify, not some, and second to that, they would have to create a job to receive the benefit.

This is where we differ from our colleagues across the aisle. All businesses would qualify and they must create a job in order to get this break in the fee they pay into the employment insurance program. Therefore, small businesses under our proposal would have the opportunity to grow, but it would not preclude medium-sized or large businesses from growing and creating jobs too. That is the difference in the position we have taken.

It puzzles me when I hear New Democrats talk about the program as being bad when it uses funds that workers have created to create more work for more workers. I do not understand philosophically what the problem with this concept is. Yes, one can be an economic literalist and say that every dollar paid into employment insurance should be paid out as a benefit. I understand that philosophy and have heard it espoused today. However, the trouble is that at some point the benefits run out. At some point the ability for the country and economy to generate the funds to pay employment insurance will have a hard limit.

Our proposal simply seeks to grow the pie, and in growing the pie, create the opportunities and possibilities for better and more secure futures for Canadians. I do not think that is fundamentally at odds with the philosophy of the party that sits on this side of the House with us. However, apparently, it is now.

The other issue that I think separates the approaches that we are putting in front of the House is that we believe as a party that it is not simply the market that is going to provide a solution and it is not simply government that is going to provide a solution, but it is a partnership that will provide the opportunities and the solutions.

I have heard official opposition members speak to us and say that when we were in power we took the surpluses and simply balanced our books. We did balance the books and put the government in this country into a surplus, but the investments we made through those Business of Supply

budgets while we balanced the books created work. The gas tax was made possible by the balancing of the books and the use of EI surpluses, and that put people to work building and providing public transit in this country. The budgets that were balanced also provided the foundation for the kick-start and rebirth of a housing program. The money was also there for daycare and daycare also created work. It did not just provide care for children.

• (1655)

Therefore, when we talk about these partnerships and when we talk about the opportunity to work with all sectors of the economy and include the government as part of that program, we talk about solving problems, not simply describing them.

That is why I will be supporting our party's motion.

[Translation]

Ms. Hélène LeBlanc (LaSalle—Émard, NDP): Mr. Speaker, I would like to thank the member for Trinity—Spadina for his rather interesting speech that included a number of proposals.

I would like my colleague to tell us more about the Liberal Party's motion, more specifically how it relates to his riding of Trinity—Spadina, in the Toronto area. I am not clear about how this motion will be managed and how it will be implemented.

How does he think that this motion could create permanent, well-paying jobs? This opposition motion appears to be a band-aid solution that will not fix the problem and that will not create permanent, high-paying jobs in the industries of the future.

● (1700)

[English]

Mr. Adam Vaughan: Mr. Speaker, one of the fastest growing and most successful sectors of the economy in the riding that I represent is the high-tech sector. When we look at the opportunities for the high-tech sector to create jobs, it has a choice not just to create them inside Trinity—Spadina, but it has the choice to create them outside the riding and in fact outside the country. In order to create a favourable business climate to create a new job, a high-paying job, in a strong sector, we need to create the economic conditions that induce that decision being made locally.

EI premiums alone are not going to necessarily create that circumstance. No single-purpose bill in the House will ever do that. However, when we look at the structure of that business and at the cost of employment, when there is a way to reduce the cost of employment, it induces the creation of a job. The good news about the motion is that the tax cut does not just roll through because someone wants and hopes to create a job. Only if the job is actually created is the EI benefit reduced. We are not spending money in the hope of creating a job. We are compensating for the actual creation of a job and creating the environment in which to create jobs.

That is why I thought the motion would appeal to your party.

**The Deputy Speaker:** I would advise all members to address their comments not to individual members of the chamber, but to the Chair.

Ouestions and comments, the hon, member for Malpeque.

Hon. Wayne Easter (Malpeque, Lib.): Mr. Speaker, I was pleased to hear the new member to this chamber from Toronto speaking on an employment insurance program that I believe is so important to the country in terms of the economy and certainly important in my region of Atlantic Canada. He mentioned the word "partnership". That is a key word because I imagine that prior to the member's coming here, he probably thought that if we had a sensible debate on issues in this chamber that is called the House of Commons and good ideas put forth, criticism and debate, that each member in his or her own right could and would stand and vote.

Does the member see this as an opportunity where the government has a program for which it is clearly well known now that it is not going to do what it is intended to do? The Liberal plan put forward by the finance critic for the Liberal Party will in fact. There will only be reductions made in premium costs if a job is created, so it is a sensible proposal that could help the economy and create jobs. Is that not an opportunity for the House of Commons and members in the House to show Canadians that this place can actually work by supporting the motion?

Mr. Adam Vaughan: Mr. Speaker, I agree with what the member just said. Partnership is the solution. While I have heard criticism that EI benefits are not solved by the motion—and I understand the sensitivities that have been raised here—the reality is that job creation and the challenge of creating jobs is addressed by the motion and the support of the motion would create jobs and would create them in an effective and responsible way, and it is that partnership we are driving at and trying to achieve.

Mrs. Stella Ambler (Mississauga South, CPC): Mr. Speaker, it is a pleasure to rise to speak to the Liberal motion because it gives me an opportunity to talk about the proposed Liberal motion but, also, to talk about the introduction of the small business tax credit and the fact that I believe so many small businesses are welcoming this and looking forward to it.

I find the Liberal motion, frankly, as another speaker said earlier today, quite cynical. We also heard the member for Skeena—Bulkley Valley say earlier in this debate that math is difficult. I believe that is what he said. Also, I am finding a lot of fearmongering and misinformation about this issue.

I think it is fairly simple in that I believe small businesses want lower EI premiums because high premiums are essentially a payroll tax. We have been hearing from these small businesses that reductions are what they are looking for and it will make it easier for them to do business.

My first job was working for my father, who owned a small business for 40 years. At varying times, he had anywhere from about 8 employees to a high of 40 employees over this 40-year period. I happened to be speaking to him about this initiative when it was first announced by the Minister of Finance a couple of weeks ago and I asked him, as a former small business owner and operator, what he would have done with such a tax cut. His answer was, to paraphrase, that it would not change his entire business model in any way but that, as a small businessman, any kind of reduction in tax or red tape makes it that much easier to do his job.

I find the misinformation and fearmongering on the other side of this House is a real stretch, with regard to potentially firing

employees because somehow this tax break would lead employers to think it is a way they could reduce the number of employees.

A representative of the Canadian Federation of Independent Business wrote about that, in particular. He said or he wrote, I am not quite sure, but he dismissed this as kind of a ridiculous claim, saying, "Some suggested companies will lay off staff or hold off hiring just to stay under the threshold to receive the credit". "I've got news for them:", he writes, "small business owners don't have time to research the eligibility requirements, then carefully manage their payroll to receive a few hundred dollars over two years."

That is essentially what my father said when he answered my question about his thoughts on the Conservatives' small business job credit.

Let me also mention that Angella MacEwen, senior economist with the Canadian Labour Congress, who is probably not our biggest fan most of the time, points out that money in the pockets of businesses is generally a good thing.

She also said:

These businesses will put the money to good use; find other ways that are better to use it like upgrade equipment or put a sign up...or buy a laptop maybe.

That was my initial thought when I heard of this. When we are stimulating business by reducing taxes, it is the same theory as reducing taxes for families and for individuals. It frees up that much income so that small business owners, the entrepreneurs, can then buy another piece of equipment, modernize their business and their operations a little bit. That is what this would do.

**●** (1705)

In fact, a couple of weeks ago, on the same weekend, I was able to cut the ribbon on two separate brand new businesses in my riding. One, called Yoga Seven located in Port Credit, opened and held its grand opening. It made me realize that the entrepreneurial spirit is alive and well, not only in Mississauga South but across Canada, and that our government has a responsibility to encourage that entrepreneurial spirit. With initiatives like this, that is exactly what we are doing. The other business was the Express Yourself music academy.

When I attended these two grand openings, I mentioned that our government is friendly to small businesses. It is not just the small business job credit, which is lowering payroll taxes, but there have been a number of other initiatives as well, including freezing EI premiums in general and cutting red tape. In fact, even CRA is getting in on this reduction of red tape and helping businesses in that way.

Overall, we have reduced the tax rate on small businesses from 12% to 11% and the average business has seen a savings of about \$28,000 since this Conservative government came to office in 2006. That is a reduction of 34%.

I want to give an example and talk a bit more about red tape. In terms of an example, I want to mention that it is not just small businesses of two and three employees. We are talking, for example, of a business that employs 14 employees. If each earns \$40,000, the business would pay just under \$15,000 in EI premiums. Being under the threshold of \$15,000, the business would be eligible for the small business job credit and a refund of \$2,200, which is the difference between employer premiums paid at the legislated rate versus the premiums that would be calculated under the new reduced small business rate.

About that point in particular, I want to mention another chief economist, at the Royal Bank. The reason I am mentioning the names of a few economists, such as with the Canadian Labour Congress, the Canadian Federation of Independent Business, as well as now the Royal Bank, is that we heard earlier from a Liberal member of the House that economists have said this is not going to stimulate business, this is not a good idea, and the Liberal idea is a better one. However, I want to point out that the majority of economists that I have been reading about with regard to this new job credit are saying that this is, far and away, a very positive initiative on the part of this government.

Craig Wright, chief economist at the Royal Bank, said that this may even be enough to push some employers to consider hiring, because it lowers the cost of employment, so it is helping out at the margins. I will say that he did qualify it in that way.

While the impact might be modest, the modest changes would add up. When we look at the overall numbers, which the Minister of Finance talked about, we are talking about savings of \$660 million to small businesses in Canada, and that is in one year alone. Therefore, there is no doubt in my mind that this is a good idea.

**●** (1710)

I am going to wrap up by mentioning red tape one more time. I want to make the point that businesses need not apply. This is not extra paperwork. It will be calculated automatically by Canada Revenue Agency.

For all of these reasons, small business owners in Canada will be very happy to see this job credit, and I am very proud that this government is introducing it.

[Translation]

**The Deputy Speaker:** Order. It being 5:15 p.m., it is my duty to interrupt the proceedings and put forthwith every question necessary to dispose of the business of supply.

The question is on the motion. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The 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: Nav.

Routine Proceedings

The Deputy Speaker: In my opinion the nays have it.

And five or more members having risen:

The Deputy Speaker: Call in the members.

**●** (1715)

[English]

**Ms. Judy Foote:** Mr. Speaker, I am rising on a point of order. I ask that the vote be deferred until September 24 at the expiry the time provided for government orders.

**The Deputy Speaker:** The division on the motion stands deferred until September 24 at the expiry of the time provided for government orders.

The House whip for the government party.

**Hon. John Duncan:** Mr. Speaker, if you request it you will find unanimous consent to see the clock at 5:30.

**The Deputy Speaker:** Does the hon. government House whip have the unanimous consent of the House to see the clock at 5:30?

Some hon. members: Agreed.

## PRIVATE MEMBERS' BUSINESS

[English]

#### FEDERAL-PROVINCIAL FISCAL ARRANGEMENTS ACT

**The Deputy Speaker:** The hon, member for Pickering—Scarborough East is not present to move the order as announced in today's notice paper. Accordingly, the bill will be dropped to the bottom of the order of precedence on the order paper.

## **ROUTINE PROCEEDINGS**

[English]

## COMMITTEES OF THE HOUSE

VIOLENCE AGAINST INDIGENOUS WOMEN

The House resumed from September 19 consideration of the motion.

**The Deputy Speaker:** Resuming debate, the hon. Parliamentary Secretary to the Minister of Labour has three and a half minutes to complete her speech.

Mrs. Cathy McLeod (Parliamentary Secretary to the Minister of Labour and for Western Economic Diversification, CPC): Mr. Speaker, when I left this very important debate, I said that all parliamentarians cared very much about this issue, that we were all affected. However, the disagreement was on the best way to move forward. I did not really have lot of time to talk about why I believed we needed action and why we needed to move forward now.

Members often hear us talk about the 40-plus reports that have already been done, but have probably not heard a lot of detail around those reports, so I want to mention a few.

## Routine Proceedings

These reports have been done by many parliamentary committees. They have been done by the Assembly of First Nations and the provinces and territories. They are numerous of them. I looked at the list again today. I am going to pick up on just a couple of them specifically.

The B.C. Missing Women Commission of Inquiry report is called "Forsaken". It is a very powerful document. It starts with "Simply Gone" and it talks about the last contact that many of the people had with their loved ones who were murdered or went missing. It is a 1,400-page report and it provides a comprehensive view of the myriad of problems facing aboriginal women in Canada and what has made them more likely to be victims.

I want to talk specifically about what Mr. Oppal said. He was the author of the report and spent a lot of time, energy and passion on this. In response to the need for the national inquiry, he said:

Inquiries should be held if there's something that can be learned from (one).

There comes a time when we really need to take action.

That is one of the 40 reports. Have the members in the House who are calling for a national inquiry read every one of those 40 reports? If they read them, they would see a myriad of recommendations, reflections and insight. What we would be doing with an inquiry would be delaying action.

The next report was the RCMP's "Missing and Murdered Aboriginal Women: a National Operational Overview". It did a fairly significant amount of very important work. It is important to note that the solution rate was consistent with non-aboriginal women. Something that people might not recognize also is the time to solve those.

I wish I had a lot more time because I would talk about the three pillars that the minister has put forward: preventing violence by supporting community level solutions, supporting aboriginal victims with appropriate services, and protecting aboriginal women and girls. Those are all very comprehensive measures. They are moving forward with action.

I would suggest that members in the House take the time and read those 40-plus reports. It gives us a good position to move forward with what would be a important action plan.

#### (1720)

Ms. Irene Mathyssen (London—Fanshawe, NDP): Mr. Speaker, if I recall correctly, my colleague was a member of the committee on the status of women in 2010 when we heard absolutely heartbreaking testimony from group after group, from woman after woman. The consistent thread through all of this testimony was the need for the country to come to terms with what had happened in the colonization of first nations people and the terrible tragedy and violence faced by women and their children. The member heard all of that.

She also heard the consistent thread through all of the testimony, and the testimony we heard as recently as this spring, that there must absolutely be a national inquiry into the murder and disappearance of all of these aboriginal women. It is the only thing that will help us to understand where we have been and where we have to go. Why is she denying that reality?

Mrs. Cathy McLeod: Mr. Speaker, I was part of the status of women committee when we did a comprehensive report. I was also part of the committee on murdered and missing indigenous women. We did hear the horrific stories, but what I heard out of that was the need to have prevention. We need prevention plans in the community. We need victims to be taken care of.

We hear about our justice system. There was a horrific example last week in British Columbia. We heard the many stories. Our government is moving forward on those very important issues to provide closure and looking at prevention. We are moving in a important way on this issue.

Mrs. Stella Ambler (Mississauga South, CPC): Mr. Speaker, I would like to ask the member about the action plan this government is undertaking on this serious subject and its development and her experience as a member of the Special Committee on Violence Against Indigenous Women.

Could she give us her perspective and what she learned by being on that committee and how it fits in with the government's action plan?

**Mrs. Cathy McLeod:** Mr. Speaker, our committee had 16 recommendations and they form the government's response.

I will just pick one of the pillars, and that is preventing violence by supporting community level solutions. One of the things we heard about was the importance of a community safety plan. The plan put forward by the minister will directly address that and provide support.

The justice department has created a compendium of promising practices, for example. A list of initiatives in aboriginal communities have shown a lot of promise. An example would be outreach to sex trade workers, which gives them hope and empowers women. That one is going on in Prince George.

The committee heard that things were happening across the country. We need to share the things that are happening and provide the tools and the resources to communities to implement and adopt them

## **●** (1725)

Mrs. Carol Hughes (Algoma—Manitoulin—Kapuskasing, NDP): Mr. Speaker, on Friday, my colleague said that the opposition members did not think the government cared about this issue. She said that the government did care about it, but that it disagreed on how to get there. How can she claim that the government cares about the people when it does not respect them? Respect requires the government to listen to what they say rather than impose its will on them.

Could she tell me why the government will not call for a national inquiry on this specific issue? It cannot be about money because the government just handed out \$25 million elsewhere. What does the government have to hide?

Mrs. Cathy McLeod: Mr. Speaker, we heard from the victims. We also have taken note of those 40-plus reports that have been written. We need to have strategies to move forward. We do not want the lawyers getting rich. We need to move on action plans. We need to move forward on things that will make a real difference in the lives of these women and children.

Mr. Adam Vaughan (Trinity—Spadina, Lib.): Mr. Speaker, I would like to commend opposition for allowing us to bring this issue forward quickly. It is one the Liberals want action on, and we support the call for a national inquiry.

When I was contemplating remarks today, I went for a walk. I have the enormous privilege of having an office that is across the street from the Supreme Court. As I walked around the grounds of the Supreme Court, I noticed the two statues that adorn the entranceway, Truth and Justice, two statutes of women.

It struck me as profoundly important in terms of what that symbolizes and who we entrust with ensuring that truth and justice are in fact symbols not just of our country but of our justice system.

Having listened to the member for Abitibi—Baie-James— Nunavik—Eeyou and the story that was presented to the House, the story of the women in his life, tell us why truth and justice are so critically important and why, when it eludes us, the need for action is paramount.

What puzzles me in the response from the government side is why we cannot study an issue and act at the same time. Why does it have to be one or the other? Why does it have to be study first and act after? Why can the government not study and act simultaneously, especially with the body of work on this issue?

It scares me, quite frankly. I would not like to see those two women also go missing in this debate, those notions of truth and justice.

We know, and the facts are so abundantly and horrifically clear, that while comprising only 4% of our population, one in four homicide victims are women from aboriginal, first nations, indigenous communities.

When we turn our attention to what happens when a single child goes missing in the country, with the Amber Alerts, the news programming, the fear and panic that is unleashed and the commitment that is made to finding a single child and contrast that with the near silence on the uncalculated absence of close to 1,200 women, it breaks my heart. Action of course is needed.

We know we do not fully understand the dynamics which have given cause to this issue rising to the number it has risen to. We know that because even as we read all the reports, when the RCMP reports, suddenly the numbers double. If that does not tell us the action being taken is simply not working, nothing else will.

As I listened to the member for Abitibi—Baie-James—Nunavik— Eeyou, I also heard about missing services. If members go through the reports, it is glaring as the missing members of people's families in our country. The missing services are remarkable.

As part of the research on this, I read the reports. There are 41 shelters in 600-plus reserve and aboriginal communities in our country. That is just 41 shelters for more than 600 different communities spread across the entire geography. How does that work? If a woman seeking safety cannot find a safe place, where does she find that safety?

## Routine Proceedings

These services are missing in hundreds of communities, yet when we listen to the action plan that is presented, what we see is there not a new dime, let alone a new dollar put into the program.

I represent a downtown riding in Toronto, Trinity—Spadina. There are more ridings in the House of Commons named with words from indigenous and first nations communities than there are shelters in first nations communities. There are 40 shelters, but close to 60 ridings, like mine of Trinity—Spadina from the Ojibwa word, *ishpadinaa*. It just boggles the mind that the government cannot see that there is a shortage of services.

**●** (1730)

Yes, we can go back and read the studies to find that out, but what we do not see from the government is action on this. Yes, study this problem, and that is what this motion asks and compels us to do, and act. It is the lack of action that makes this issue so urgent.

I also have to say that I represent an urban area on Spadina, where the native centre is, where we have a library for indigenous and first nations languages and a seniors residence. There is a shelter in my riding that gets virtually no support from the government, or, in fact, from any government. This shelter has never had, year-in, year-out, support to deal with indigenous women seeking shelter, whether they are from a reserve or whether they are from the streets. It does not matter where it is. The challenge we see here is that the program is not being extended into the areas where these women live.

The other issue with the missing services is that when the announcement is made, it is a cobbling together of existing services, and the Conservatives pretend it is new money. They tell us that they have read the reports and have done the studying, but their action does not produce results. The status quo is putting people in harm's way. How can we tolerate that condition?

Let me tell the House about the images that are striking and that are affecting us in ways that are even more profoundly disturbing than the number 1,200. They are the photographs now appearing on social media of young women asking, "Am I next?" The fear that creates in all of our hearts and the sadness it creates in the communities where those women come from is more profound than we can possibly describe.

We heard a member talk about personal circumstances. It compels us to act, and it compels us all to support the motion here today.

## Routine Proceedings

I remember as a journalist doing a story about a young man who did not lose his last name through residential school but lost his family. For him, the missing woman in his life was not murdered or disappeared; he had disappeared. I remember the story he told about how he found his mother. He was travelling west. He stopped at a native friendship centre in Winnipeg and passed his name on a slip, to ask for room and board for the night, across to a women he had never seen before, or thought he had never seen before. When the woman saw the name, she broke into tears. She had found her son.

That is also what defines this issue. It is not just the women who have disappeared and have been murdered. That is a horror on its own. It is the women who have been taken out of people's lives. I have yet to find a report anywhere that talks about that hole, that missing woman, and a program that reconnects those people to those individuals. We will not get it with the DNA bank, looking for victims, because the victims are walking among us.

When we talk about and think about how we would address this issue, we get repeatedly told, and the quote that comes up that scares us most, I think, is the one the Prime Minister delivered, that these are just single acts of crime and that this is not a sociological problem.

It is entirely a sociological problem. It is entirely present in every corner of our society. When we do not address it sociologically, when we do not understand that when people leave the reserve and head into town for safety, or head into town for a job, and they are disconnected from their community and disconnected from their way of life, and when they move and are not charted as to where they are moving, they start to disappear, even if they have not met with a violent fate.

Our ability to reconnect these families, to reconnect these women to their lives and the lives of their families to these women, is what we are trying to address. It is the connection that will create safety, not studying it, and acting now.

However, we do not know how to act if we do not talk to the people who have been impacted. If we do not sit down and study and think and consult simultaneously with our action, we will be doing what generations before us have done in this country, which is assume that we are acting in the best interests of people. However, we will not be delivering the results we want, the results other people need, the results our friends, our neighbours, our aboriginal co-Canadians, our aboriginal partners are looking to us to deliver a solution on.

## **•** (1735)

I started this conversation by talking about the women who are on statues outside the Supreme Court. There is another word we need to deliver, and we can deliver it by supporting the motion, and that word is "hope". Ironically, hope, in the same pantheon of gods in Roman symbolism, is also a woman. The goddess of hope is the missing statue in this conversation.

We can chart the problem. We can study the problem, and we can promise to act on the problem. However, at the end of the day, if all we have talked about are truth and justice, and we have not delivered hope to the families, and more importantly, to the mothers, the sisters, the daughters, the nieces, and the granddaughters, through

the actions we have taken in Parliament, we will not have solved this problem.

I do not want be part of a country that allows truth, justice, and hope to go missing any more than I want to be part of a country that tolerates and turns a blind eye to the 1,200 missing indigenous aboriginal and first nations women. That is why I will be supporting this motion. That is why my party supports this motion. That is why I implore the government side to please listen to the voices being raised around the country now asking, "Am I next?"

Give them the hope that truth and justice will prevail.

**Ms.** Peggy Nash (Parkdale—High Park, NDP): Mr. Speaker, I thank my colleague from Trinity—Spadina for his very eloquent remarks this evening. They are very much appreciated.

I wonder if he could speak a little more about the issues in his riding. When we think about first nations and indigenous women, we often think about women in remote communities. He and I both come from the city of Toronto, and there are many urban aboriginal women who face serious cultural and economic challenges. The member talked about the lack of shelters, jobs, and support services.

I wonder if he could elaborate a bit on the issues for urban aboriginal women.

**Mr. Adam Vaughan:** Mr. Speaker, I have heard comments made that this is simply a local issue, and the local shelter system should pick up the slack on this. However, we know that the circumstances that are challenging us have a sociological and cultural formation.

I constantly hear the focus being placed on first nations or aboriginal communities on reserves. However, we know that far too many of those 1,200 women disappeared and met a violent end in urban areas. The urban approach is as fundamental to solving this crisis and providing that hope as any action taken with the individuals who represent our communities on reserves.

We need shelters in urban centres that respond directly to the cultural needs that are being expressed. We need employment programs that deal with training and some of the other conditions that exist. To deal with this issue and not talk about urban aboriginal populations is not going to solve the problem. Employment, the shelter system, and prevention programs need to have an urban lens as well as a lens on reserves.

## **●** (1740)

**Hon. James Moore (Minister of Industry, CPC):** Mr. Speaker, in the very brief time I have on this issue, I want to take a personal perspective on this. This is one of those issues that is very near and dear to everybody's heart, all of us who have come into contact with those who have been challenged by this issue and the tragedy associated with it.

In 1998, when I was a journalist in British Columbia and Prince George, I remember covering this issue. It has been around for a very long time. I say this as a way of de-politicizing this issue and trying to get to the point where we can move forward and talk about solutions to the great diversity of challenges that affect this issue.

The NDP government was in power in the province of British Columbia, and it put great effort into trying to tackle the issue of the Highway of Tears in the province. At the time, the federal Liberal government was in office, and it put in great efforts. Our government has been in office as well. This is an issue that actually crosses partisan lines.

We have the responsibility as a majority government to move forward to put in place programs and investments and to have a responsible approach to dealing with the challenges right now.

I want to remind all members that having further studies and inquiries, without at the same time coming before Parliament and to the Canadian people and being specific about approaches to deal with the challenges we are facing right now, is just elongating more and more discussion without concrete solutions to some of these challenges.

I appreciate what the member opposite said about some of the issues in Toronto and what he would like to see move forward. I know it is not always easy, but if we could, let us find a way to move past the immediate partisan trigger-finger pointing, because all parties in this country have been in government and have wrestled with and tried to tackle this issue and deal with it responsibly.

We owe it to the maturity, the substance, and the challenges of this issue to deal with it in a non-partisan and thoughtful way.

**Mr. Adam Vaughan:** Mr. Speaker, that is exactly why it is a sociological issue. All of us are the authors of this misfortune. It is not a single situation that requires a singular solution. It is not simply a criminal problem, as expressed by the Prime Minister.

We all have had a role to play in the past injustices, and they must be corrected. We now have to act in the present day so that tomorrow another group of parliamentarians is not back here saying that we did not solve the problem either.

When we look at the fact that there is not one new shelter created from what the government announced this month, we see the status quo. The status quo will only protect the past. It will not produce a better future.

I plead with the members opposite to act but to also consult and to also make sure their actions are new and dynamic, because the old status quo has put people in graves. It is time to get past worrying about being blamed and to start worrying about what the solution is. It is time to put real resources, new resources, effective resources in play. We cannot do that without being in consultation with first nations and aboriginal leadership right across this country, whether on reserve or off.

**Hon. Judy Sgro (York West, Lib.):** Mr. Speaker, I want to congratulate my new colleague for such moving comments. Clearly he understands this issue very well, as I believe most of us in the House do. I do not think this is about pointing fingers. This is about solutions. That is what we want to see.

I have stood outside on the steps here in Ottawa in the cold with many of these sisters, mothers, and family members on this very issue. I certainly pledge for my own party and personally that we cannot allow these 1,200 missing women to just disappear and then say, "Well, who knows where they are?" We need to do the work

## Routine Proceedings

necessary. If that were 1,200 of my constituents or anyone else's constituents, I am sure by now something would have been done. It is a really sad thing to say, but that is the reality.

When it comes to the national action plan the government has put forward, why are there no resources to match it? We know we can do a lot of talking and a lot of studying, but if we do not have the resources to make real action, it will never happen.

● (1745)

**Mr. Adam Vaughan:** Mr. Speaker, many members know that housing to me is not a problem in this country; it is a solution to so many of our problems.

One of the facts we have come across as we have started to look at this issue is that on reserves where aboriginal housing is now being built, there is a training program. The Minister of Industry may be interested in this. There is a skills shortage, for example, of skilled tradespeople right across this country, but in particular out west. I have asked how many aboriginal youth are being trained to produce housing that may also produce the safe spaces for women to escape to so that they can solve problems in their lives. There are 125 single individuals, hired by the government, in training programs to build housing on reserves in first nations communities across this country. We do not have a robust program on any front to deal with any of the challenges facing us.

When the government talks about action, we do not see that action matched by spending for programs. It is a situation that requires a deeper conversation with our partners on reserve and in aboriginal and first nation communities to make sure that we solve these problems and do not simply pay lip service to them and list prior spending engagements, which have not changed one iota with this month's announcement.

[Translation]

Mrs. Anne-Marie Day (Charlesbourg—Haute-Saint-Charles, NDP): Mr. Speaker, the NDP is saying that enough is enough. Again just recently, on August 24, a 15-year-old girl, Tina Fontaine, was found dead. The government is proposing an action plan, but action plans are about tomorrow. There is nothing we can do for the 1,200 women who are already dead. We must move forward. We must hold this much talked about inquiry into missing and murdered girls and women in Canada.

Had it been a segment of the population other than aboriginal girls and women in Canada, would the government have done more? That is the question we must start asking. Something needs to be done and I am accusing the government of failing to act on this matter. I am accusing the Conservatives of being complacent and doing nothing. That is what I have to say.

[English]

**Mr. Adam Vaughan:** Mr. Speaker, I do not think any of us believe that the members opposite want to do nothing. The problem is that they are doing nothing. They think they are accomplishing something with their programs, but clearly the situation, even when they asked the RCMP to report on it, gets bigger.

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When they trot out a spending announcement, which effectively was made in 2010 and renewed again and again, it simply reinforces the status quo. Quite frankly, the status quo in this country is deadly. When person after person stands up and asks for more and the response from young aboriginal women themselves is "Am I next", surely one sees that something different needs to be done. Instead, we get the same programs repeated over and over again. Repeating them over and over again is putting people in harm's way. It has to change.

The point that is made repeatedly about the contrast between a single missing child in the Amber Alert program, for example, or the other issue that was raised with respect to what would the response be if it were 1,200 nurses missing, tells us that the response is not scaled to the size of the dynamic and that we need to do more.

Mrs. Stella Ambler (Mississauga South, CPC): Mr. Speaker, I welcome the opportunity to participate in this important debate on the concurrence motion before the House today.

I will be splitting my time with the parliamentary secretary for aboriginal affairs.

We are here to address the report of the House of Commons Special Committee on Violence Against Indigenous Women. I was honoured to chair the special committee and I would like to thank the other members of the committee from all parties for their dedicated work on this report, as well as the organizations and individuals who made submissions and appeared as witnesses. Most of all, I would like to thank the families who came to tell us their heart-wrenching stories. They have done a great service to Canadians by bringing even more attention to what is a serious issue and a complex problem.

Let me say at the outset that our government has made it very clear that these abhorrent acts of violence against aboriginal women and girls will not be tolerated in our society. These violence crimes must be strongly denounced by the communities in which they occur and by all Canadians. Canada is a country where those who break the law are punished, where penalties match the severity of crimes committed, and where the rights of victims are recognized.

What the committee heard from the families is that they want justice. The reality is that far too many aboriginal families have felt the effects of violent crime and have had to live with the consequences. This is unacceptable and that is why our government continues to take action to address this problem. This report is about solutions. It is about actions and that is why I am very proud to support the report and the action plan.

I want to talk about economic action plan 2014 investing an additional \$25 million over five years to continue efforts to reduce violence against aboriginal women. On September 15, the Minister of Labour and Minister of Status of Women launched the Government of Canada's action plan to address family violence and violent crimes against aboriginal women. This action plan was developed in response to the 16 recommendations identified in the report of the Special Committee on Violence Against Indigenous Women. It also builds on lessons learned from the government's previous investments, as well as the many studies and reports on this issue, including the RCMP's national operational overview, a thoughtful and thought-provoking report released earlier this year.

In developing the action plan, the Minister of Status of Women also met with leaders of several aboriginal organizations and communities, as well as a number of individual victims and families. The action plan sets out concrete actions in three areas: to prevent violence, to support victims, and to protect aboriginal women and girls from violence. It includes the new funding of \$25 million over five years beginning in 2015-16, as well as renewed and ongoing support in a number of important areas. I would like to tell the House about some of those areas.

The \$25 million specifically includes \$8.6 million over five years for the development of more community safety plans off and on reserve across Canada, including in vulnerable communities with a high incidence of violent crime perpetrated against women as identified in the RCMP report that I mentioned earlier. It also includes \$2.5 million over five years for projects to break intergenerational cycles of violence and abuse by raising awareness and building healthy relationships.

This is one example that I think resulted directly from evidence heard at the special committee, that the cycles of violence would continue if we did not stop them in their tracks. The committee heard over and over again from aboriginal organizations, aboriginal leaders and families that the cycle must stop, so this government is taking that seriously and that was worked into the action plan. The funding also includes \$5 million over five years for projects to engage men and boys and empower women and girls in efforts to denounce and prevent violence.

## **●** (1750)

This was another theme that came up over and over again, engaging men and boys off and on reserve to understand that the cycle had to stop and that these behaviours could no longer be tolerated or encouraged. There are programs in effect and we are committed to funding those programs to engage men and boys. There would also be \$7.5 million directly for victims and their families for support as well as \$1.4 million to share information and resources among community organizations and to report regularly on progress made.

I am particularly proud that part of the 2014 funding commitment, \$1.3 million per year, would go to a DNA-based missing persons index. This is extremely important. We heard from many of the witnesses at committee that we needed a central database of missing persons. This would help law enforcement, the RCMP and police, to investigate the crimes and find the perpetrators more quickly and efficiently.

The member for Trinity—Spadina mentioned in his speech funding for shelters. I am particularly pleased that there is funding of \$158 million over five years for shelters and family violence prevention activities. That is through Aboriginal Affairs and Northern Development Canada. Perhaps the parliamentary secretary will tell us a bit more about that in his comments.

One of the other issues that came up a couple of times was economic security for aboriginal women. I think one of the most obvious and relevant actions that this government has taken on this front is the passage of Bill S-2, matrimonial property rights on reserve.

When I tell women in my riding of Mississauga South that until the House passed this bill, women on reserve did not have the right upon dissolution of a common law relationship or marriage to own property, they cannot believe it. Frankly, it does not seem right that in a country as great as Canada that this would be the case. We identified this as a problem because when one does not have a home, one cannot have economic security. That has all changed, and now women on reserve have the same rights that every other Canadian woman has enjoyed for many decades.

Taken altogether, these measures outlined by the minister in the action plan represent a total investment of \$196.8 million over five years, so it is no surprise that many stakeholders have endorsed this action plan. Chief Ron Evans of the Norway House Cree Nation said:

This comprehensive Action Plan responds to the needs and recommendations made by stakeholders across the country in developing a concrete and action-oriented plan with significant resources and funding for implementation.

I think that is a fancy way of saying that the committee listened. The committee heard from the witnesses and made recommendations that were then implemented into the action plan. We are finding those solutions and taking the necessary action to help women and to solve this very tragic situation in Canada.

**●** (1755)

[Translation]

Mr. Romeo Saganash (Abitibi—Baie-James—Nunavik—Eeyou, NDP): Mr. Speaker, I thank my colleague opposite for her presentation.

She started her speech by talking about what was said in committee. I myself sat on that special committee. One of the things I heard from the witnesses who talked about a national public inquiry being held was that they supported that idea. Why has she not taken that into consideration? Right now, I do not understand that, but I feel that those who testified about the need for such an inquiry have been ignored.

My question is very simple. The member is praising the Conservative action plan. One of Canada's fundamental principles when it comes to aboriginal people is that we must always work in partnership with them. That is the promise made in section 35 of the Constitution.

I would like to know whether this plan was designed in partnership with the aboriginal peoples and particularly aboriginal women. If so, who specifically was a partner, and if not, why not?

• (1800)

[English]

**Mrs. Stella Ambler:** Mr. Speaker, this government believes in taking action, and we do not believe that we need yet another report. There have been at least 40 reports on this subject, including an RCMP report that outlines what needs to be done.

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We understand, and all sides of the House understand, the root causes of this problem, and we need to begin acting on it. We have begun and we continue to do that. We have support from the aboriginal community. We have consulted, and the minister continues to consult.

There are supporters and stakeholders like Bernadette Smith, for example, whose sister Claudette Osborne has been missing since July 2008. She welcomes this government's action plan. She said that this action plan is what our families have been waiting for. She thanked the government for its commitment to addressing this issue. She specifically said, "We've have had numerous studies on this issue and the time for action is now."

Mr. Kevin Lamoureux (Winnipeg North, Lib.): Mr. Speaker, Claudette Osborne went missing July 24, 2008, from Mountain and McPhillips, in the heart of Winnipeg North. Let me throw out some other names: Angelica Godin, Cynthia Albena Audy, Amanda Bartlett, Elaine Moar, Cheryl Duck, Felicia Solomon, Fonessa Bruyere, Tiffany Johnston, Simone Sanderson, Evelyn Stewart, Joanne Hoeppner, Nicolle Hands, Therena Marsland, Tatia Ulm, and Evelyn Kebalo.

These were former constituents of Winnipeg North who have either gone missing or have been murdered.

There is a high need for a public inquiry. The constituents I represent want a public inquiry.

My question for the member is quite simple. Why deny the opportunity to get a better understanding of the magnitude of the issue before us today? Will the member recognize today that we need to have a public inquiry?

**Mrs. Stella Ambler:** Mr. Speaker, this tragedy has been going on for many years. That is exactly why we need to act now and why an inquiry is not the solution at all.

I understand the concerns of the member for Winnipeg North. Everyone in the House shares these concerns. This is completely unacceptable.

That is why we are willing to work with other community organizations, aboriginal groups, and the provinces and territories. It is because we understand that as a government we cannot tackle this problem alone. We need to make sure that we are all on the same page. This action plan gathers all of the solutions together. It puts the actions in a comprehensive plan. That is why the minister is working on this action plan and that is why we should help her implement it.

Mr. Mark Strahl (Parliamentary Secretary to the Minister of Aboriginal Affairs and Northern Development, CPC): Mr. Speaker, I rise to comment on the report prepared by the special committee on violence against indigenous women.

I would like to thank all of the committee members from all sides of the House for their study and analysis of these heinous crimes against aboriginal women and girls in this country.

Family violence and violent crimes against aboriginal women and girls continues to be a serious problem in Canada. Much work remains to be done to respond to and prevent this violence in the future

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Our government believes, without question, that aboriginal women deserve respect, dignity, and the right to feel safe and protected from harm. We recognize that Canadians expect us to act decisively in addressing this very serious issue. That is why, for many years, we have taken action to prevent these deplorable crimes.

I would like to assure my colleagues, and indeed all Canadians, that our government will continue to take strong and decisive action to protect the most vulnerable members of our society.

While this government response, as well as the action plan to address family violence and violent crime against aboriginal women and girls, is a very important initiative, I would like to take a few minutes to speak about what our government has already accomplished on this front.

I remind the House that in 2007, the government announced an investment of \$55.6 million over five years to support and expand Canada's network of on-reserve shelters.

Budget 2010 committed \$25 million over five years to improve community safety and to ensure that the justice system and law enforcement agencies could better respond to cases of missing and murdered aboriginal women.

RCMP reports now show that cases involving violence against aboriginal women and girls have solve rates that are nearly identical to the national average.

In October 2010, our government announced seven concrete steps to address the issue of missing and murdered aboriginal women and to make our communities safer. These were over and above other important programs, such as the half-million-dollar investment in the Native Women's Association of Canada from the From Evidence to Action program and the government's aboriginal justice strategy, which serves approximately 400 communities.

Last June, the Family Homes on Reserves and Matrimonial Interests or Rights Act received royal assent. The legislation ensures basic rights and protections to individuals on reserves regarding the family home and other matrimonial interests or rights during a relationship, in the event of a relationship breakdown, and on the death of a spouse or common-law partner.

This important piece of legislation finally eliminated a longstanding legislative gap that discriminated against a specific group of Canadians and that led to the suffering of many women, men, and families who live on reserve.

Since the Indian Act was silent on the issue of matrimonial rights and real property and there were no comparable federal laws, the result was a legislative gap. While laws are in place to protect Canadians who live off reserve, there was no equivalent for most Canadians who live on reserves in this country.

Women and children living on first nations lands were already among the most vulnerable of Canadians. They had been affected the most by this legislative gap, and their suffering might have continued even further if not for this legislative change.

It should be noted that this is not the only legislative gap that we have filled. By repeating section 67 of the Canadian Human Rights Act, we closed a 30-year legislative gap by ensuring that for the first

time, hundreds of thousands of first nations people living on reserves get the same human rights protections as other Canadians by including them under the Canadian Human Rights Act.

We did not stop there. Economic action plan 2013 committed \$24 million over two years for the family violence prevention program, ensuring that total annual funding remained at \$30.4 million for each of the following two years.

Another component of our government's efforts to address violence against aboriginal women and girls is the family violence protection program.

There are two core elements of the program. The first is operational funding for a network of 41 shelters in the provinces and in Yukon. Shelters are vital to the safety and well-being of women and children in crisis situations.

Some 330 first nations communities, or 55%, are served by this initiative. Since 2006, our government has invested \$205.8 million in family violence prevention on reserve. These investments have provided important, and in some cases life-saving, shelter services for over 19.600 children and 22.600 women.

#### • (1805)

The second aspect of the program involves proposal-based prevention activities. Prevention projects can include public outreach and awareness, education campaigns, conferences, seminars, workshops, counselling, support groups, and community needs assessments. Since 2006, the program has financed over 2,100 family violence prevention and awareness activities in first nation communities across Canada.

It is clear that our government understands—and we talked about this at committee—that a large part of solving this issue involves raising awareness among aboriginal men, boys, women, and children. The truth is that this government's investments are producing results. We are enhancing the safety and security of onreserve residents, particularly, women and children. There are success stories from across the country.

Take the example of the Wapikoni Mobile initiative, which started in Quebec. Mentor filmmakers travel to aboriginal communities to provide workshops for first nation youth, with the goal of creating short films and musical creations on themes such as abuse and violence.

Look at the Six Nations' annual community walk against community violence. This is a significant event, involving community members raising awareness of family violence, sexual assault, child abuse, elder abuse, bullying, and lateral violence, as well as ending violence against missing and murdered aboriginal women. Our funding supported the recording of the event to promote awareness and educate the communities on these serious issues.

In addition to these encouraging initiatives, the family violence prevention program also allocates funding to the National Aboriginal Circle Against Family Violence. Its mandate is to support and contribute to the success of women's shelters and transition houses that provide services to aboriginal women and children across Canada. The circle initiates, designs, and delivers culturally appropriate programs and services to address family violence and to support shelters and family violence prevention centres. It organizes national annual training forums for front-line workers. As well, it produces publications free of charge, including "Ending Violence: Best Practices" and "Policies and Procedures: Guidelines for Shelters".

This is another example of our government's actions to prevent violence against aboriginal women and girls, and of our desire to collaborate with willing partners to work toward shared objectives on reserve.

Some of the initiatives I have highlighted form the foundation of our government's action plan to address family violence and violent crimes against aboriginal women and girls. The action plan responds to all 16 recommendations from the Special Committee on Violence Against Indigenous Women. It builds on the knowledge gathered through the government's investments, which I have noted, as well as the RCMP's recent national operational overview. The new plan includes concrete measures under three pillars: preventing violence; supporting aboriginal victims and families; and protecting aboriginal women and girls.

An important part of today's discussion, the action plan on family violence and violent crimes against aboriginal women and girls invests an additional \$1.34 million in AANDC's family violence prevention program per year. This brings the total annual funding for this important initiative to \$31.74 million.

Clearly, our government, and indeed the House is deeply disturbed about the high incidence of violence against aboriginal women and girls. However, as I have outlined, we are taking action. While others call for more studies, we call for more action. That is why I urge all parliamentarians to join our efforts in realizing this worthy goal.

**●** (1810)

Ms. Linda Duncan (Edmonton—Strathcona, NDP): Mr. Speaker, I just spoke with Tanya Kappo. Tanya Kappo is a first nation mother and lawyer who is working on residential school settlements. Her observation that she had wanted to share today in the House—and it is a very good one because she has been working with women trying to get action on missing and murdered aboriginal women for quite some time—is that she is concerned that the government remains far too focused upon domestic violence within first nation communities. She shared with me that, yes, domestic abuse occurs in first nation communities, like all Canadian communities, but in her view and those of her colleagues, the root causes go far beyond family domestic violence.

She has two questions that she would like me to put to the government today. First, why either an inquiry or action? Why can they not occur simultaneously?

Second, what are the actual indicators or measurements that the government is using in evaluating whether or not its action plan is

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going to reduce the incidents of missing and murdered aboriginal women and the detection of those lost women?

**Mr. Mark Strahl:** Mr. Speaker, the opposition members keep asking why we cannot study more and why we cannot take action. However, they always vote against the action. Every time they are presented with an opportunity to improve the lives of first nations on reserve, they vote against it. Whether it is protecting aboriginal women on reserve through the family matrimonial property rights, they vote against that, or all of our investments in infrastructure; they vote against that.

We are taking action, and they want more studies and more talk. Why will they not support the action part of the action plan instead of voting against it all the time?

**Mr. Adam Vaughan (Trinity—Spadina, Lib.):** Mr. Speaker, I have read the list of recommendations: it is to continue, it is to maintain, it is to continue, it is to continue, it is to encourage, it is to examine, it is to continue, it is to support.

The reason we are so troubled is that there is no action beyond the patting of themselves on the back. The only place where there is some concrete action comes from a ministry that perhaps would be better called "crime and punishment".

Imagine if a member of one's family disappears and the member of Parliament says, "Don't worry; if we find the body, we have a really good arrest rate". Why can the current government and this member not recognize that simply reinvesting pre-announcements is not action; it is simply words?

• (1815)

**Mr. Mark Strahl:** Mr. Speaker, I would like to welcome the hon. member here, and certainly he has a way with words. We saw that today. However, we want to have a way with actions and that is what we are taking.

I come from British Columbia where there was an inquiry held into missing murdered women in the Downtown Eastside. On all sides, from the victims' families, to the governments, to the service agencies, all were disappointed. No one got what he or she wanted out of that Oppal inquiry. Indeed, Mr. Justice Oppal now says that another inquiry is not the way to go, that taking action is what is necessary.

I appreciate where the hon. member is coming from. However, we have seen in the past when this has been done that the results have not been there and victims' families are not satisfied. Indeed, if he looks at the report to which we appended the victims' families' testimony, he will see that only one family member, as a tack onto her testimony, mentioned a national inquiry. The rest demanded action, and that is what this government will do.

Mrs. Susan Truppe (Parliamentary Secretary for Status of Women, CPC): Mr. Speaker, I would like to thank my colleague for his important speech on this issue.

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I am very proud of this action plan and, together with other federal support for shelters, family violence prevention, and increasing economic leadership opportunities, it will result in an investment of the Government of Canada of \$200 million over five years.

However, not everyone wants a national action plan. The Minister of Status of Women met with organizations and family members across the country. In my riding of London North Centre, At'lohsa Native Family Healing Services wrapped up a week of activities to honour sisters, daughters, and nieces who were taken too soon. Meg Cywink, a sister of Sonya Cywink, who was slain 20 years ago, said to forget a national inquiry; it would only create more paperwork. That is just one example.

The previous member, a Liberal member, asked something to the effect that, if a woman could not find a safe place, where would she go. If the Liberals had voted for Bill S-2, they would have a safe place; it is called a home.

My colleague and I were both on the committee together when we heard from the family members. Only one asked for a national inquiry at the end of her speech. Would my colleague not agree that the other family members wanted us to hear their stories and know their pain, and wanted Canadians to know who their—

The Acting Speaker (Mr. Bruce Stanton): Order, please. We are out of time. I will let the parliamentary secretary respond as briefly as he can.

**Mr. Mark Strahl:** Mr. Speaker, perhaps I can sum up the response with a *Globe and Mail* article from Jeffrey Simpson who said this:

What a public inquiry could add to that [RCMP] inquiry is hard to fathom, except to provide a platform for those with political agendas. Plenty of more suitable platforms already exist for the expression of these agendas.

#### He went on to say:

Canada's premiers and the leaders of the two federal opposition parties...who demand a public inquiry, are playing to the gallery, without any clear idea of what such an inquiry could uncover.

The RCMP report gives a full and fair account of what has been going on. It contains no surprises whatsoever. A public inquiry would add hardly anything, and would therefore be an exercise in politics and posturing.

The Acting Speaker (Mr. Bruce Stanton): Before we resume debate, I noted at the time we started this round of debate that there were some looks of concern or dismay as to what the sequence would have been there.

I would just explain to hon. members that in a debate on a concurrence motion, as we currently have before the House, the first round of debate, the opening round, in this case, begins with the member for Abitibi—Baie-James—Nunavik—Eeyou; he commenced the first round of debate. However, once that first round is complete, in the normal course, this type of debate starts the next round in the normal course with the government followed by the official opposition, followed by the third party, and so on. This is the way it normally proceeds, and we are following in the normal sequence that precedent has established.

Now we will resume debate with the hon. member for Algoma—Manitoulin—Kapuskasing.

Mrs. Carol Hughes (Algoma—Manitoulin—Kapuskasing, NDP): Mr. Speaker, I will be splitting my time with the remarkable,

extremely talented, passionate, and hard-working member of Parliament for Timmins—James Bay.

While I am happy to rise and join in the debate today, I am quite disheartened that this debate even has to take place. I am certain I am not alone in that opinion. I am trying to be mindful of that as a I choose my words today.

This is an issue that has been left to percolate on the back burner of Canadian politics for far too long and in a way that many Canadians are not proud of. The sad story of Tina Fontaine has brought it to the boiling point, and it is clear that the time has come to treat the pattern of missing and murdered indigenous women as something more than a string of crimes, which the government bull-headedly insists is all we are dealing with.

As Canadians, we are coming to terms with what happened to Tina Fontaine. The family and community of Sonya Cywink were holding a vigil in her memory in her hometown, which is Whitefish River First Nation on Birch Island. On that same day they also held a vigil in London.

As MP, I was invited to attend and honoured to participate in that emotionally charged event in Whitefish River First Nation. We heard how on August 30, 1994, Sonya, who was living in London at the time, was found murdered at a historical aboriginal site in Elgin County and how nearly 20 years later Sonya's family, friends, and community still have no answers. As people began to share their stories, others spoke of their experiences with missing friends and relatives, and it became clear that, sadly, Sonya's case is not unique. We know there are close to 1,200 indigenous families across this country who share this experience, who have daughters, mothers, sisters, aunts, cousins, or friends who are missing or have been murdered.

If we want to contrast the government's inaction with that of the people who are living through this nightmare, we should consider how just last week the residents of Winnipeg have taken to dragging the Red River themselves. The government's response was a big fat zero. It blamed it on crime and left it at that. How can it claim to be taking any real action to address violence against women in this country when it refuses to conduct an inquiry into the close to 1,200 missing and murdered indigenous women in Canada? The refusal amounts to acceptance, and when we consider that along with the Conservatives' record on equity rights for women, the pattern borders on ideological. In fact, since its election in 2006, the Conservative government has made it more difficult for women in this country. One of its first courses of action was to remove the word "equality" from the funding mandate of Status of Women Canada's women's program. While the word "equality" eventually restored, its essence was lost.

Additionally, the funding structure was changed, making it impossible for Status of Women Canada to fund the work of organizations when it relates to advocacy, lobbying, or general research on women's rights. At the time, the UN Committee on the Elimination of Discrimination Against Women expressed concern about the impact of these changes, particularly on access to services by aboriginal and rural women.

We know that the government will claim it is doing something about this, but as others have mentioned today, it is all smoke and mirrors with the current government. While it has some funding for the initial research on missing and murdered indigenous women, it has turned around and cut funding to the second phase of the project, the one dedicated toward action. Organizations are still waiting to hear if projects dedicated toward violence prevention will be funded. How is that for a mixed message?

Today, in 2014, indigenous women in this country are five to seven times more likely to die from violence than any other women. What is wrong with this story? Why is there not any action from the Conservative government?

### **●** (1820)

### [Translation]

Why is the government not listening to the families who have lost their daughters, mothers, sisters and friends? Why is it not listening to aboriginal groups, such as the Native Women's Association of Canada and the Assembly of First Nations, or aboriginal leaders such as the chiefs, the grand chiefs and even the national chief? Why is it not listening to the public or organizations such as Human Rights Watch?

Why is the Conservative government not willing to listen to all those voices and why is it refusing to call for a national public inquiry into missing and murdered aboriginal women? It does not matter where these women came from—British Columbia, Winnipeg or northern Ontario—they were taken from our homes and our streets. They disappeared, and justice has not been served, for them or for their families.

### [English]

Each missing or murdered indigenous woman is a tragedy that could have been avoided. This is an issue that must be addressed, and the fact that the number of indigenous women who go missing or are murdered continues to rise is proof that the partial measures taken to date are not sufficient to address a tragedy of this scope or complexity.

This past spring, the RCMP reported that between 1980 and 2012, there have been 1,181 homicides and unresolved missing persons cases involving indigenous women. To put that into perspective, if we were to stand in the House each day and read out the name of a different missing or murdered indigenous woman, we would not get through the entire list until November 2017.

While my NDP colleague from Vancouver East began work on this issue almost a decade ago, since 2010 the federal NDP along with many other civil society groups have stated that a national inquiry is the crucial next step, and we have been pushing the Conservative government to agree. A national public commission is the necessary next step in addressing this tragedy.

I stand here today with my colleagues, committing that an NDP government would take immediate action. We commit that, on our first day in office, the NDP would begin consulting first nations, women's groups, and other stakeholders on terms of reference for a national inquiry and that, within 100 days in office, an NDP government would establish a public inquiry under Part I of the Inquiries Act.

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While indigenous women make up only 4.3% of Canada's female population, 16% of all women killed in Canada are indigenous. Further to that, while murder rates are falling for non-indigenous women across the country, they have remained virtually unchanged for indigenous women. Only a full public inquiry that is properly resourced and involves indigenous peoples at every step will lead to real solutions.

We need to understand what happened and determine what we need to do as a country to end violence against indigenous women and address the systemic issues that have made indigenous women more susceptible to violence. Yet instead of taking responsibility and being part of the solution, the Conservative government continues to make excuses and evasions. Provinces, territories, first nations, indigenous women's groups, communities, and experts from all backgrounds agree an inquiry is needed.

We have Canadian consensus, but the Conservatives are just too stubborn to listen. We need comprehensive solutions that go beyond the government and police. We need to hear from families, communities, provinces, and territories along with other experts. We need a comprehensive and inclusive national inquiry into the hundreds of missing and murdered indigenous women and girls. That is how we finally end this intergenerational tragedy.

Enough is enough. The time to act is now. For far too many, this is an issue of life and death. It is up to us to take leadership and to commit to bringing justice to these families, to these women, to these communities, and to this country. We will not give up until a national inquiry is called and no indigenous woman lives in fear in Canada.

We are very passionate about this because our colleagues are very passionate about this on all sides of the House, except that on the other side Conservatives choose not to act. Earlier tonight we had one member of Parliament, the member for Kamloops—Thompson—Cariboo, who said we do not want to line lawyers' pockets with dollars. They feel that what they are doing is enough, but we look at the hundreds of millions of dollars just this past year that they have used to fight on first nations' issues, on their treaty rights, on the issue with respect to Cindy Blackstock, who is fighting for children, on St. Anne's, and on refusing to provide information. The Conservatives are wasting money. Instead, they could better be investing in a national inquiry for missing and murdered indigenous women.

### **(1825)**

Mr. Bryan Hayes (Sault Ste. Marie, CPC): Mr. Speaker, I noticed my hon. colleague mentioned the 35-year span of approximately 1,200 murdered and missing aboriginal women, but what was not mentioned is that according to the RCMP reports, 88% of these murders have been solved.

We know from the report that 30% were murdered by their husbands, 23% by another family member and 30% by an acquaintance. Fully 88% of these cases have been solved.

We also know through the report that 44% of the murderers were under the influence, 74% of the murderers were unemployed, 71% already had a criminal record, 62% had a history of violence, and 62% had a history of violence with the specific murder victim herself.

I wonder if the hon. member can tell us what further questions would be answered by a public inquiry that our action plan will not address. What further questions would be answered by a public inquiry?

**(1830)** 

**Mrs. Carol Hughes:** Mr. Speaker, that is despicable, and I hope that the first nations in his community are listening tonight.

As I said before, indigenous women make up 4.3% of the Canadian female population, but 16% of all women killed in Canada are indigenous.

The member opposite is trying to make a point that because some of these people may have had issues with being unemployed, it is okay for them to have lost their lives. That is shameful.

I cannot believe that they could stoop that-

Mr. Brad Butt: That is not what he said at all.

Mr. Bryan Hayes: The RCMP report—

The Acting Speaker (Mr. Bruce Stanton): Order, please. The hon. member for Algoma—Manitoulin—Kapuskasing has the floor, and I am sure that other hon. members may wish to hear her response. Then we will carry on with other questions and comments. However, it is difficult to hear when other hon. members are commenting outside of the time they are actually recognized to do so.

The hon. member for Algoma—Manitoulin—Kapuskasing.

**Mrs. Carol Hughes:** Mr. Speaker, the Conservatives say they are on the side of the victim, and here they are blaming the victims instead. Shame on them.

What is wanted in this inquiry is with respect to prevention, with respect to justice, and with respect to moving forward to prevent a further missing or murdered indigenous woman.

Mr. Adam Vaughan (Trinity—Spadina, Lib.): Mr. Speaker, that was an interesting set of statistics that was just produced. I just checked. My recollection is that stranger homicide among the general population is 0.2 per 100,000, yet 30% of the women who are missing were killed by a stranger. If that does not tell us there is something wrong, I do not know what does.

The issue about which I wish to ask the member a question is this. We keep looking at this action plan, and it keeps focusing all the attention on the reserve, within the aboriginal community. We understand that all communities in this country have this challenge, but the issue is the 30% who are strangers.

The record in urban centres in this country show that it is not an issue of aboriginal violence. There is a sociological dimension to this issue, and I am curious as to what the rates in the community of the hon. member were and how she relates her comments to that observation.

Mrs. Carol Hughes: Mr. Speaker, I would like to take the opportunity to welcome that member to the chamber.

I cannot tell the House the exact number in my riding, but there have been families who have been impacted. During the vigil in Whitefish River First Nation, Marjorie Beaudry told her story about

Mona Redbreast, a teenage girl with whom she had close ties, who died at the age of 13 while she was in CAS care.

Her comment was:

Last Sunday, Tina Fontaine, who was only 15, was also found dead (in the Red River, Winnipeg). These two aboriginal girls were stolen from us, both so young. There is no accountability for these children's deaths. Today I am going to declare these girls warriors because they both died fighting for their lives.

That does not sound like the statistics that the member for Sault Ste. Marie explained a while ago. These are girls. They are daughters. Some of them were aunts. Some of them were mothers.

I cannot get it out of my mind how shameful it is for a member of Parliament who represents first nations to get up in this House and make those statements.

Mr. Charlie Angus (Timmins—James Bay, NDP): Mr. Speaker, I am very honoured to stand with my colleagues from the New Democratic Party tonight to talk about the need for this inquiry for the murdered and missing women. I thank my hon. colleague from Abitibi—Baie-James—Nunavik—Eeyou who has been such a passionate speaker on this.

I would point out that it took a procedural manoeuvre to get a discussion on the number of murdered and missing indigenous women in this country from a government that has done everything it can to stonewall this discussion.

It is September. It is a time when we talk about going back to school, and we think of our young people. I think of 16-year-old Maisy Odjick and 17-year-old Shannon Alexander, who, six years ago, walked out of their homes in Kitigan Zibi and were never seen again.

The Conservatives are talking about these people who are unemployed, who have criminal records and who live on the streets. These were top students. They were army cadets. They walked out of their homes. They were not runaways. They did not take their wallets with them, and they were never seen again. I ask members to imagine two young white students going missing in Oshawa; London, Ontario; Kamloops. Imagine the media. Imagine the articles. Imagine the mass outcry from the Canadian population that two young leaders could be stolen right from their street. That did not happen, did it?

In fact, I do not remember hearing a single story about Maisy and Shannon, and I did not learn about it until a year later, when I saw their family members putting posters up on streets in little towns in northern Ontario. I went up to that poster and said that this is what it is like to have justice as an indigenous young woman in this country. Their families have to go and put up posters to ask, "what happened to our daughters?"

What would an inquiry tell us? An inquiry would tell us how it is possible that two top young students were taken away, that there was no national plan to make the public aware, and that it was left to people putting up posters on the streets.

We have talked a bit about young Tina Fontaine, whose body was found in the Red River. However, what has not really been pointed out is that the police were not looking for Tina Fontaine. They found her accidentally, wrapped up in a garbage bag. Sgt. John O'Donovan of the Winnipeg police said what I think every parent in this country should feel. He said:

She's a child. This is a child that's been murdered. I think that society, we'd be horrified if we found a litter of kittens or pups in the river in this condition.

She was just a child. Again, we have to ask ourselves how it is that a police officer would have to point out that if it had been dogs or kittens who been subjected to such abuse, there would have been an outcry. This was a young indigenous woman.

Contrary to my friends in the Conservative Party who say that it is family members who do these things, it is people they know, and people with criminal records. Tina Fontaine was taken from her family because the federal government will not pay for support for children who have needs.

She was a happy, loving child. That is how they remember her. When her father died, she was taken away through Children's Aid. The reason that they took her away is why they take our children from communities across this country. It is because the federal government will not pay for the basic supports that any other child, any non-aboriginal child in this country takes for granted.

When we have a child who may be suicidal in our region, they are taken and apprehended because the federal government believes that providing suicide therapy for teenagers is not a justifiable expense of its money. It will leave a child to either die in the community or if the children's welfare groups become aware of it, often the only choice they have is apprehension. What we see with apprehension is that children are taken from their families and cultures, and all too often, they end up on the street.

What would an inquiry tell us? An inquiry would start to unpack the horrific statistics of the young people who end up being trafficked and who are living on the streets because they were taken from their homes and because basic support for counselling, therapy and family at-home support is not available. However, it is available to any non-indigenous child in this country.

We have to ask ourselves how it is in a country like Canada we have a system of systemic discrimination. If a child is on reserve, he or she just makes do.

### • (1835)

What would an inquiry tell us? It would unpack a whole manner of things, because these are very complex issues. We would begin to see that perhaps there were vulnerable women who were murdered on the trail of tears, and what made them vulnerable, and why it was possible that women were taken without police investigations finding out who the perpetrators were. We could unpack that part.

We could unpack the part about the children and young women who are taken from their homes because the federal government will not allow therapy and in-house support for their families, so they are put into foster care. Then, like Tina Fontaine, they end up on the street. We could start to get answers there.

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If we look across every city in the country, we will see that the trail of tears runs through the downtown. There are marginalized women who are considered a disposable class of human beings.

I think of this past May, when the mothers of the Nishnawbe Aksi Nation came down on Mother's Day to beat the drums and ask why the Minister of Justice, Mr. Stand-up-for-the-Victims, refused to meet the mothers and the sisters and the daughters.

What would an inquiry tell us? An inquiry would send a message that these women were loved, that they are respected, and that our Canadian society is ashamed that so many people could be allowed to disappear or die.

We would not have to have a justice minister who hides in the House of Commons while the mothers and sisters and daughters stood out there on Mother's Day. They just asked to meet to tell their stories.

Part of the showing of respect is to allow the families of the victims to be heard. We do not write them off with statistics, saying that half of them must have been killed by their relatives and that some of the others might not have had jobs. That is what we hear from the Conservatives. They will get an action plan billboard to say they responded. They should put that action plan on the trail of tears and see what difference it makes.

An inquiry is about a societal commitment to make change. We know the Conservatives are ridiculing this. They have been trying to suppress it. However, I point to Ipperwash.

What did the Ipperwash inquiry do? At Ipperwash we saw how the Conservative government of Mike Harris told the OPP to go in and take those Indians out of the park. That is what he said. Young Dudley George died. Another life was ruined that day as well. It was the OPP officer who followed the instructions that were given to him by the government. He went in and did the shooting.

What the Ipperwash inquiry told us was that things had to change, and we can see it. I can testify from the many events I have been to in my region and across the country that police officers fundamentally changed their approach to dealing with peaceful confrontation because of the Ipperwash inquiry. Therefore, lessons can be learned.

It is about respect. It is about recognizing the fact that in 2014, in a country as rich as Canada, thinking simply on the basis of their race that it is okay to say to children that they do not have the right to safe schools, to proper homes, to the basic supports that any other child in the country takes for granted has to end.

Will an inquiry solve all these issues? No, but it will send a message that the healing needs to begin, that the path of reconciliation needs to begin. It will send a message that the country that broke the treaty from the beginning has to recognize that we are still in this relationship together and that it has to change, because it is the primary relationship on which the country has been built

**●** (1840)

Mr. Kevin Lamoureux (Winnipeg North, Lib.): Mr. Speaker, Tina Fontaine was a young 15-year-old aboriginal girl found dead in Winnipeg. She joined hundreds of other aboriginal girls and women who have been murdered or gone missing over the past number of years.

In a response to the government's lack of interest in calling for a public inquiry or its desire to deal with the issue, a well-organized group of young ladies, members of our first nations and our aboriginal communities, decided to have a sit-in just outside the grounds of the Manitoba legislature.

For days they sat around the clock. They established tents. What they wanted to do was draw attention to an issue. They believe, as we believe, that there is a need for a public inquiry. For them, a public inquiry would answer many of the questions that need to be answered. As I saw when I participated on a few occasions and visited and talked with many women and youth, there is a great need.

Would the member concur, as I am sure he will, that if the government were to listen to what people are saying within our communities, it would recognize the need for a public inquiry today? Many would argue it should have been called long ago.

(1845)

Mr. Charlie Angus: Mr. Speaker, my hon. colleague comes from the city of Winnipeg, where people are trolling the river looking for bodies. I think of the situation now where we have a Prime Minister who has been bragging about finding the bones of old John Franklin, the English explorer, who not only almost starved to death once, but twice because he did not listen to the indigenous people of the north. What a great message it is for Canada when people are trolling the Red River in Winnipeg. That shows there is something fundamentally wrong.

I agree with my colleague that if the Prime Minister's cabinet members went into communities and met the people who have been affected, the mothers, the sisters and the daughters, they would not have that look on their faces tonight and we would not be having this debate. We would be moving forward as a nation. If the Conservatives are unwilling to do this, they have to be replaced.

Mr. Bruce Hyer (Thunder Bay—Superior North, GP): Mr. Speaker, the hon. member for Timmins—James Bay and the hon. member for Algoma—Manitoulin—Kapuskasing have been passionate about this, have worked long and hard to fight for the rights of indigenous peoples, and I compliment them for that.

Obviously, we need an inquiry. What is happening is grossly unacceptable and cannot go on any longer. We need to study it, think about it, debate it, raise the profile and solve it. On top of that, since the hon. member for Timmins—James Bay has studied this long and hard, what else could we and should we do to make this situation better?

Mr. Charlie Angus: Mr. Speaker, we should never be at the point of having to wonder why people are being murdered. Many of these issues can be prevented. The issue of child welfare is fundamental. The government treats Cindy Blackstock as enemy number one. Why? Because she wants to end the systemic discrimination against children.

The government has legal obligations in each province to meet the provincial standards for child welfare and it refuses to meet them. It tells communities that children do not deserve and have no right to suicide counselling when hundreds and hundreds of young people have died. We know where that blood is. The responsibility for that is systemic. It stems from government policy.

We should provide that support and close the funding gap, rather than having the Indian affairs minister running around going on about his rogue chiefs. If he sat down and recognized that he has a legal, moral, and ethical responsibility to the children under his watch to have the same standards that exist in the provincial systems, our children would be growing up to be proud and moving forward, rather than quitting school in grades five and six because they have lost hope, which we have seen this on so many reserves.

These are fundamental systemic things that could happen now, not just to end the deaths but to create the potential in our country from the incredible untapped resources, the beautiful people who are being denied this through systemic discrimination.

Ms. Lois Brown (Parliamentary Secretary to the Minister of International Development, CPC): Mr. Speaker, I will be sharing my time with the member for Kildonan—St. Paul.

I am pleased to stand here to speak about this motion as I was a member of the special committee. I want to take a moment to sincerely thank the other members for their work.

The committee was formed out of the unanimous support of the House for a motion put forward by the hon. member for Kildonan—St. Paul. I think we can all agree that the levels of violence against aboriginal women and girls are of deep concern to all Canadians.

Indeed, I have rarely seen an issue that has attracted as much attention in the media or seen as much concern expressed throughout the public. I want to clearly add my voice in saying that the levels of violence are simply unacceptable and this situation must change now as a public priority.

Individuals who commit violent crimes against aboriginal women must be held accountable, and governments, stakeholders and communities must act together to prevent more violence and more untimely deaths. That is why when the government tabled its response to the report of the special committee on September 15, it chose to do so as the federal action plan to address family violence and violent crimes against aboriginal women and girls.

In tabling a five-year action plan for change, this government responded to the final and arguably most important recommendation of the committee's report: to move toward action on the committee's recommendations in a coordinated action plan. The plan also includes details on how the commitment in economic action plan 2014 to a further \$25 million over five years will be allocated, as well as an additional \$158.7 million over five years for shelters and family violence prevention activities.

This government has repeatedly stated that urgent action is needed to address the high levels of violence, which in turn have inevitably resulted in the over-representation of aboriginal women and girls as missing persons and as a homicide victims.

With more than 40 studies and reports since the report of the Royal Commission on Aboriginal Peoples in 1996, and close to 2,000 recommendations, there is already much known about what needs to change along with who needs to take action and on what.

The Government of Canada has made significant investments to address many of the conditions that underline the higher levels of violence, including economic development, labour market participation, education, health, housing, policing and other relevant areas. Yet statistics, such as those in the National Operational Review, which was prepared by the RCMP with the assistance of some 300 police forces across Canada and released last May, point to rising proportions of female homicide victims being aboriginal.

While the number of non-aboriginal women who are murdered has gone steadily downwards from 1984 to 2012, the same cannot be said for aboriginal women. In 1984, some 8% of women murdered in Canada were aboriginal. In 2012, that percentage rose to 23%.

I am proud that this government has now tabled a comprehensive victims bill of rights, ensuring for the first time ever in Canada that justice is not only for the accused but also for the victims. The victims bill of rights would make significant improvements for the families of victims of crime.

However, none of us here with mothers, daughters, sisters or friends could be other than deeply troubled by the testimony before the special committee, or not feel the need for urgent action to prevent more violence, more deaths and more devastation of families.

I am even more proud that this government has made a commitment for more action now. The five-year action plan addresses the 16 recommendations of the committee's report and builds on the five-year targeted initiatives announced by the government in October 2010.

### **(1850)**

That first set of targeted initiatives resulted in a number of important gains: a new National Centre for Missing Persons and Unidentified Remains; a new national website www.canadasmissing. ca; improvements to the Canadian Police Information Centre database; support for aboriginal community safety plans; work with the provinces and territories and with aboriginal organizations to expand culturally appropriate services for aboriginal victims of crime and to create specific services for families of missing and murdered aboriginal women and girls, including family liaison positions with police; support for awareness activities aimed at breaking intergenerational cycles of violence and abuse in many aboriginal communities; and with the Aboriginal Research Institute, collecting promising practices that are making a difference in aboriginal communities into an online compendium of promising practices to reduce violence and improve community safety of aboriginal women in Canada to help aboriginal communities build on existing experience in future work.

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I expect the next five-year action plan to produce even more results and I look forward to hearing about them in future regular progress reports.

The action plan speaks about what the Government of Canada will do, but it is important to also emphasize what the Government of Canada cannot do or at least cannot do by itself.

That is why the action plan also reiterates the commitment of the government to work in collaboration with all partners, provincial and territorial governments with their complementary mandates, aboriginal organizations and governments with their direct connections with communities, other relevant non-government organizations and also with aboriginal communities themselves.

Addressing levels of violence against aboriginal women is a priority at a number of federal, provincial, territorial tables, including justice and public safety. This is a significant item on the agenda for our upcoming meeting in October. We will be focusing on specific actions already taken and concrete next steps to guide collaborative action to coordinate law enforcement and justice system responses to violent crime against aboriginal women and girls.

I began by thanking the committee for its important work. It is only fitting that I end by taking a moment to thank all those individuals who took the time to appear before the committee in person or by videoconference or those who submitted their stories in writing for their help in the committee's study and for their recommendations for change.

As I mentioned, many of the witnesses spoke of their own personal experiences with violence and of the experiences of their family and friends and communities with violence and its all too heavy cost. The recommendations of the committee were guided by their words and their stories. The government's action plan will put into action these recommendations.

The change that has begun in communities and in new and emerging services and programs will amount to effective change on the ground for individuals, for today's children and for tomorrow's children and for their families and their communities.

### • (1855)

Mrs. Carol Hughes (Algoma—Manitoulin—Kapuskasing, NDP): Mr. Speaker, I appreciate my colleague's comments, but again, as we have indicated before, even the provinces are asking for a national inquiry.

What do the Conservatives have to hide that they do not want to go forward with the inquiry? It cannot be about money because they have spent millions of dollars, if not billions, by now. We know one department has spent over \$100 million in one year fighting aboriginal rights. What do they have to hide? Why do they not want an inquiry when it is so crucial for families? Even the provinces are asking for this.

**Ms. Lois Brown:** Mr. Speaker, I would like to read into the record the very last paragraph of a 2005 study that was done in British Columbia called "Researched to Death: B.C. Aboriginal Women and Violence":

Aboriginal women's vision of safety, community change and development are all contained in this report. It is important to note the amount of time and the countless years of advocating, supporting and reporting have all lead to similar findings, directions and approaches. These approaches and directions as listed in this report and need to be acted upon rather than becoming just another report on Aboriginal women and violence. This report outlined workable solutions for both Aboriginal and non-Aboriginal people that is based in equality, respect and honesty. The only outstanding element is action.

We are taking action.

Mr. Adam Vaughan (Trinity—Spadina, Lib.): Mr. Speaker, the member speaks of action. I would like to know what specific action is being taken in the greater Toronto area to address this issue. What new spending is going to be present in that part of the country to address one of the largest populations of indigenous women anywhere in this country?

• (1900)

**Ms. Lois Brown:** Mr. Speaker, during my speech, I outlined the monies that are going into ensuring that this plan works.

I would just like to repeat for my hon. colleague, and I do welcome him to the House, the three main priorities this plan is going to address: preventing violence by supporting community level solutions, supporting aboriginal victims with appropriate services, and protecting aboriginal women and girls by investing in shelters and continuing to improve Canada's law enforcement and justice systems.

All of the money that is going to be spent is going to be worked through these three priorities, and that will be spent across the country.

Ms. Elizabeth May (Saanich—Gulf Islands, GP): Mr. Speaker, when my hon. friend was speaking, I was hoping she might mention one of the positive measures that has been taken recently, which is the creation of a DNA databank. It is under the term "Lindsey's Law", in honour of Lindsey, who went missing. She was the daughter of Judy Peterson. Although the law has been brought forward to create a DNA databank, we do not have the law yet. We do not have an actual statute, but we do have a commitment to spend \$8 million in the 2014 budget, but it has been profiled for spending not until 2017.

A DNA databank that will allow the RCMP to compare DNA from crime scenes with the DNA of missing persons will go a long way, in the missing and murdered aboriginal women's issue, in tracking down killers and answering questions.

I wonder if my hon. friend has any notion of whether it would be possible to speed up the implementation of the DNA databank and to bring Lindsey's Law into effect sooner than 2017.

**Ms. Lois Brown:** Mr. Speaker, let me just read from the executive summary of the plan, where it says:

In addition to the \$25 million investment in 2015 to 2020, the Government of Canada is taking action to protect Aboriginal women and girls by....

First of all, it talks about funding shelters and family violence prevention. The second bullet point there is: Supporting the creation of a DNA-based Missing Persons Index to help bring closure to families of missing persons, with an investment of \$8.1 million over five years and \$1.3 million in ongoing funding

We are addressing these issues. We want to start action on this, because the time for action is now.

Mrs. Joy Smith (Kildonan—St. Paul, CPC): Mr. Speaker, I welcome the opportunity to speak to this very important issue because, as members know, in the world of human trafficking there are a lot of missing and murdered aboriginal women and other women who have fallen prey to predators out to make lots of money off them and to take away their self-identity, their dignity, everything.

I really noticed one thing in this action plan that I really appreciate so much and fully support because there have been so many studies. There are the 40 studies that were referred to tonight, and there have been other studies as well. There has been a report by the RCMP. My own son is in the RCMP, and I have to say that the national operational overview is something that is extremely important to the aboriginal community. When we talk about an aboriginal community in Canada, we are all part of that aboriginal community. In my family, my son married an Ojibway girl whom I love very dearly and who works very hard with aboriginal youth.

When we look at the RCMP's Missing and Murdered Aboriginal Women: A National Operational Overview, we can see the caring. To better understand the nature and extent of police-reported cases involving missing and murdered aboriginal women in Canada, that RCMP institution conducted an analysis of files from police organizations from all across the country, an analysis of the historical female missing persons files. They looked at homicide cases between 1980 and 2012, and they saw a consistency there. The police recorded 1,017 incidents of aboriginal female homicides between 1980 and 2012, and 164 aboriginal female investigations dating back to 1952.

Everyone talks about what the solve rates are in finding these missing and murdered women. The solve rates for homicides involving aboriginal women, at 88%, are consistent with homicides involving non-aboriginal women, which is 89%. There are currently 225 unsolved cases, as we know: 120 unsolved murders of aboriginal women and 105 missing aboriginal women.

When we look at the action plan, all I can say is that, in working on reserves with the aboriginal people all across this country and having the privilege of 37 chiefs in Manitoba presenting me with a red shawl, I have seen something that is very unique in this particular report. Listening to the conversation back and forth, I would say that we need to collaboratively get together on all sides of the House. This is not a partisan issue. It is not one-upmanship. It is time to take all the research; it is time to take all the knowledge we have; and it is time to take action.

One thing in working in aboriginal communities, which is part of my family's community, is that we have to respect the elders. We have to respect the organizations within the aboriginal community. We have to respect the aboriginal communities themselves. The role women play is a very important role in aboriginal communities, and also the role the elders play and the chiefs play. Each part of an aboriginal community is grounded in the history that we have right here in our country.

With the opening of our Canadian Museum For Human Rights in Winnipeg this past weekend, I was very moved by the stories that were told about murdered and missing women, about residential schools, about the history that Canada is a part of, the good and the bad. Here in 2014, we as parliamentarians can be an integral part of the good of making things better for the issue of missing and murdered aboriginal women. My heart goes out. There are terrible crimes against these innocent people, and our thoughts and prayers every day are with the victims and with the families, because when one loses a child or one loses a family member, one never gets over that.

### ● (1905)

I know a case in point where this one boy was missing. He was abducted. It is not just women. In this case, it was a young youth. I can tell members that after his perpetrator died, a lot of youths went on reserve and burned the perpetrator's house down because the hurt was so profound and nothing was done.

What is so good about this report is that the action plan provides tools such as preventing violence by supporting community-level solutions. That is a very wise move. Part of the community-level solutions is working with all the players within the aboriginal community—the elders, the grandmothers, the mothers, the chiefs, and others—and supporting aboriginal victims with appropriate services.

That young man I was telling members about did not have victim services and he was not a survivor. He later took his own life, and that is a sad story. However, it could have been prevented had an action plan like this been put in place, where there were solutions, where there was some place to go.

The idea of investing in shelters and improving Canada's law enforcement and justice systems on these fronts is extremely important. It is not a matter of which party can shout loud enough to say, "You're all wrong and we're all right". What it should be now, in 2014, is this non-partisan collaborative approach.

The committee did some astounding good work. I was watching it as the witnesses were going through all the things they had to say and the thing that I felt was of paramount importance was their ability to tell their stories. I know the Minister of Labour and Minister of Status of Women has said that she wants to be sitting at the table when a round table comes up, that she needs to be a part of that, and that everybody needs to be a part of it. I think we need to be sitting at the table right now and we need to look at the umbrella causes.

We talk about the root cause. The root cause is really avoiding the issue. It is easy to study and study and have committee after committee. The biggest complaint I hear on the reserves with the

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people I work with is that everyone studies it to death and they make a fancy speech, but there is nothing on the ground.

In this particular report, there is a lot on the ground. When these three priorities were set out, it started by saying that supporting community-level solutions is the answer. Whether it be shelters, whether it be schools, whether it be education about how to keep away from creditors, economic development, all of those things are part of building communities in any community. It is the same on reserves. It is the same for aboriginal people who come to our large urban centres. Opportunities, we live in a country of "The True North strong and free". We live in a country where parliamentarians have the ability to change the channel and reset what is happening.

I feel right now, in the year 2014, with this action plan, I like the word "action" and there is a plan. There is significant money put behind that plan and we are moving forward.

I am thankful for this opportunity and I would like to welcome any questions that parliamentarians might have. I cannot guarantee I can answer them, but I think I would like to hear the questions that are coming forward.

**(1910)** 

[Translation]

Mr. Raymond Côté (Beauport—Limoilou, NDP): Mr. Speaker, I would like to thank my colleague opposite for her speech, which could well have moved me. In fact, her call for collaboration among the different parties' representatives could have touched me to the core if it were not for the reality we face every day in our work. I am certain that my colleague will understand what I am talking about. I am talking about the work in committee where, in general, the members of the Conservative Party systematically refuse the proposals and suggestions submitted by the opposition parties.

Getting back to the matter at hand, there is one suggestion—it is practically a requirement—that has the support of aboriginal women's groups, among others. People are asking for a national and public inquiry that would allow everyone not just to have their say but to get to the root of the problem. Why is the government ignoring this request?

[English]

**Mrs. Joy Smith:** Mr. Speaker, I have heard a mixture, and I have heard a lot of people say that it is not time for an inquiry. I am talking about aboriginal communities. That is what I hear on part of the aboriginal community. My grandchildren are aboriginal.

The fact is that aboriginal communities are saying that they need the shelters, the DNA missing persons index, leadership for missing persons and unidentified remains. All these things that came through the committee are things that the community is saying it needs and it is saying it very loudly. They do not want the money put somewhere else. They want it on a concrete basis in their communities so their lives can be better.

Mr. Adam Vaughan (Trinity—Spadina, Lib.): Mr. Speaker, the member opposite says she likes the word "action". I think folks on this side of the House would like action more than the words and we are not getting any. It raises some serious concerns. The reference that was made to the House was about changing the channel. The trouble is we keep finding reruns. The programs announced are existing programs.

Could the member opposite please help me? There are 41 shelters in 600 communities across the country. There is not one new dime, not one new shelter in these announcements. Where are these new shelters the member speaks of? Where are they going to come from if there are no new dollars put into this program?

Finally, can she explain why her party has forced communities across the country to hire auditors by the handful instead of councillors by the handful to deal with this issue? The emphasis is on blaming the victim continuously instead of solving the problem.

I see no action and I would like to have answers to those questions. Where are these new shelters and where is the new money for new shelters? I do not see it.

#### (1915)

**Mrs. Joy Smith:** Mr. Speaker, quite honestly, there has been money put in for shelters on reserve, but there is also shelters in the urban areas that have been there for absolutely years and they are serving aboriginal people.

That is the problem. Members opposite, as soon as something good is started, they either vote against it, or they talk it down and badmouth it, take a little piece. Why? Because they want to grow up to be, I guess, in government. I guess all of us are here for that reason, but we should not tear down something that is the beginning of something very good to allow that to happen.

When we talk about shelters, let us talk about safe houses. There are a lot of safe houses across the country that I am particularly familiar with, both in rural and urban areas.

We are beginning something now very exciting and I wish everyone would get on board collaboratively and be a part of that and take credit for it.

**Ms. Jean Crowder (Nanaimo—Cowichan, NDP):** Mr. Speaker, for the limited time that there is, I will be splitting my time with the member for London—Fanshawe.

I will begin this debate by acknowledging the member for Abitibi—Baie-James—Nunavik—Eeyou for leading off the debate on Friday.

I think from listening to the debate in the House, members will understand that this is a very emotional and heart-wrenching issue. We are talking about the lives of indigenous women and girls in this country and their families.

There was a special committee that was looking into murdered and missing indigenous women that issued a report. Sadly, what we found in the committee's work was the fact that although we heard a lot of testimony that called for some specific actions, when the majority report came out it disregarded some of those very specific calls for action. As a result, the New Democrats wrote a dissenting report, and I will quote from a couple of items in the report.

At the beginning of the report we referenced the UN Declaration on the Rights of Indigenous Peoples. That is a good place to centre what we are talking about. We started by saying, under articles 18 and 22(2):

Indigenous peoples have the right to participate in decision-making in matters which would affect their rights, through representatives chosen by themselves in accordance with their own procedures, as well as to maintain and develop their own indigenous decision-making institutions....

States shall take measures, in conjunction with indigenous peoples, to ensure that indigenous women and children enjoy the full protection and guarantees against all forms of violence and discrimination.

### In the New Democratic dissenting report, we said:

A call to action should imply some urgency; instead this report's recommendations suggest that the status quo remain and no extraordinary measures are necessary to deal with the crisis of missing and murdered Indigenous women and girls. The report does not convey that there is a public safety emergency unfolding in every corner of the country and that a co-ordinated response is needed to address the high rates of violence against Indigenous women and girls.

### Further on in the report, we reference the fact that:

Nearly every witness agreed that a national public inquiry into the missing and murdered Indigenous women and girls should be a priority of the Canadian government. Such an inquiry need not be limited simply to the circumstances of each disappearance or murder; it should also look into systemic problems with Canada's justice system and provincial child welfare systems as well as the effects of the Indian Act in perpetuating and institutionalizing racism and sexism against Indigenous women and girls.

As I have listened to the government talk about the call for a national inquiry and the fact that there are many reports that have already been done, it seems to imply that it is an either/or, either we have a national inquiry or we have a national action plan. That is simply a false statement and false premise. In fact, the member for Churchill has Motion No. 444 before the House, which specifically calls for a national action plan. That national action plan would be developed and implemented in conjunction with indigenous women and girls and their communities so that it would be driven by the communities and family members who would be most impacted. I think it is important to set the record straight that we can have an action plan as well as an inquiry.

I want to reference a recent court decision where I again hear the members opposite imply that it is just the New Democrats who are calling for some inquiry into the ongoing systemic causes for why indigenous women and girls continue to go murdered and missing in this country. Despite the actions that have been taken, we are still seeing the violence perpetrated from coast to coast to coast.

In the Oral Reasons for Sentence by Justice W.G. Parrett in British Columbia, in a trial where there were a number of women who had been murdered, he pointed out the following. He stated:

I cannot end this trial without adding something more. I am aware of comments being made to the effect that there is no need to embark on any formal inquiry into missing and murdered women, that policing is the solution to this problem.

### He goes on further to state:

Perhaps an even more delicate area I want to say to those First Nations people who have so religiously attended this trial, I know in some small measure the pain and loss you feel, but this is not just a First Nations issue.

I know that First Nations people are far too much as a percentage of the missing and murdered women. They are disproportionately represented in this roll call of misery.

But as the facts of this trial so vividly demonstrate this is not just a First Nations issue. It is a sociological issue, one that arises from, among other things, a high risk lifestyle. It is something which must be dealt with.

#### • (1920)

### He concludes by saying:

It is a mistake, in my view, to limit the seriousness of this issue and to pretend, as some do, that policing is an answer when the circumstances of this case raise questions about the effectiveness of that process....

We simply must do better, especially where the commitment to policing is reflected in an 84 per cent cut to the budget of the Highway of Tears task force.

New Democrats all agree on this side of the House that we absolutely must invest in policing. We must invest when a crime has been committed. We must protect the rights of victims when a crime has been committed, but we also say that we must absolutely invest in prevention. We must stop women from being murdered and going missing.

In adding their voices and asking some very good questions, APTN has been running stories. There is a recent story that says there has been a war against indigenous women since colonization. This was written by the former Native Women's Association of Canada president Beverley Jacobs. In her article, she proposed some very good points. She states:

Families of Sisters in Spirit and many of the advocates and activists who are assisting families of [missing and murdered indigenous women] across the country want answers now too. Many Indigenous women in various communities across the country are taking action with little resources that they do have. Finally, in the last couple of months the national media has been bringing attention to the issue. And we do know that action is needed...NOW...IMMEDIATELY.

She goes on to pose some questions that I think it would serve each one of us in the House well to examine. Beverley Jacobs asks:

So what is stopping all of us, as human beings, to act? What is stopping each one of us to take responsibility and address it now? Does each one of us know how to do that? Are we taking action?

She calls for the action, but in this article for APTN she also calls on us to conduct a national inquiry. We have a well-respected indigenous woman adding her voice to the call for both an inquiry and for a national action plan.

We have also heard in the House that money is being invested in shelters. One of the concerns that New Democrats have raised is that this so-called action plan to end violence against indigenous women and girls is going to result in some concrete measures, yet one of the questions we have raised is that there is a lack of transparency with exactly what these measures are, how they will be implemented, how community members will access them, and what the end results will be.

Again, I want to talk about APTN. It ran an article titled "Status of Women's 'Action Plan' inflated Aboriginal Affairs' violence prevention project spending by \$24.5 million". It says:

When it released its "Action Plan" to fight violence against Indigenous women, the...government inflated by \$24.5 million the amount of money Aboriginal Affairs planned to spend on reserve-based family violence prevention projects.

Status of Women's "Action Plan," released Sept. 15 claimed Aboriginal Affairs planned to spend \$66.2 million over five years beginning in 2015 on "violence prevention activities" under its Family Violence Prevention Program....

Aboriginal Affairs, however, said over the weekend it was spending \$41.7 million over five years on violence prevention projects....

The difference between the Action Plan figures and Aboriginal Affairs' numbers is \$24.5 million.

### Routine Proceedings

We have a government that says it has an action plan, but it cannot even get straight how much money it is spending. Right now there are 40, plus or minus, transition houses or shelters on 634 reserves in Canada, and the government cannot tell us exactly how many shelters will be built on reserve, how they will be funded, or whether they will get funding comparable to shelters off reserve, which currently they do not get. Communities deserve answers to these very relevant questions.

I heard the member for Kildonan—St. Paul talk about the fact that this should be a non-partisan issue and that we should work together. New Democrats would welcome the opportunity to work together. We have concrete suggestions and solutions. We have proposals. We have committed, in the first 100 days from when we form government in 2015, to institute a national inquiry.

### • (1925)

However, the member for Churchill also has a concrete motion before this House on a national action plan. If that member and the Conservatives believe that they can work across the aisle, why do they not support the member for Churchill's motion on a national action plan?

**Mr. Kevin Lamoureux (Winnipeg North, Lib.):** Mr. Speaker, I appreciate very much the value of the comments the member put on the record.

We have heard community members from all across this country. I just want to go back to the fact that over the summer, many people in Winnipeg, first nations, aboriginal people, and others were all touched by the brutal killing of Ms. Fontaine at a very young age. We need to have this inquiry to prevent young women and girls from being murdered and going missing into the future.

The final message is that we have nothing to lose by calling for a public inquiry. I think we would be assisting many of those families and communities that have been so devastated by providing some hope.

I wonder if the hon. member could provide comment on the need for hope at this time.

**Ms. Jean Crowder:** Mr. Speaker, the government has been referencing the fact that there have been a number of reports written. Yet we continue to see tragedies like Tina Fontaine and many other young women, mothers, aunties, and grandmothers who have gone missing or have been murdered.

One of the tasks an inquiry could take on would be to actually look at these reports that have been written. It could look at the recommendations that have been made and look at the gaps and why these recommendations have not been implemented. Why do we continue to see this epidemic of violence against indigenous women and girls across this country? We have all these reports, and yet they have not been implemented.

I think this is an opportunity for us to come together across the House. This is an opportunity for us to say that we hear what they are telling us and that we are actually willing to work with these communities to develop the terms of reference for a national inquiry and the terms of reference for a national action plan and to implement those two measures.

### Adjournment Proceedings

We have women with signs saying, "Am I next?" If we are truly listening to the grassroots movement across this country, we need to actually move forward and do the things the communities are asking us to do.

• (1930)

[Translation]

The Acting Speaker (Mr. Bruce Stanton): It being 7:30 p.m., it is my duty to interrupt the proceedings and put forthwith the question necessary to dispose of the motion now before the House.

The question is on the motion. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

The Acting Speaker (Mr. Bruce Stanton): All those opposed will please say nay.

Some hon. members: Nay.

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

And five or more members having risen:

**The Acting Speaker (Mr. Bruce Stanton):** Pursuant to Standing Order 66, the recorded division stands deferred until Wednesday, September 24, 2014, at the expiry of the time provided for government orders.

### ADJOURNMENT PROCEEDINGS

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

[English]

### JUSTICE

Mr. Bruce Hyer (Thunder Bay—Superior North, GP): Mr. Speaker, I stand to voice my opposition to the Conservatives' Bill C-36, the so-called "protection of communities and exploited persons act". Bill C-36 would do nothing to improve the working conditions for those involved in the sex trade.

Under Bill C-36, a prostitute who communicates to sell sexual services could be thrown in jail for up to six months. This is the same criminalization of sex workers under a new name.

When sex workers and their clients are scared of prosecution, they will take steps to avoid police detection. This will lead to even more unsafe and riskier working conditions.

Bill C-36 flies in the face of all the concerns raised by our Supreme Court last December.

The Conservatives have tried to sell this bad bill by claiming that targeting the buyers of sex will decrease the demand for prostitution. This is ridiculous. The demand will always exist and has existed for the world's oldest profession.

A report from Norway, where prostitution laws were similar to those proposed by this government, concluded that sex workers there were still experiencing high levels of violence and discrimination against women had actually increased.

Bill C-36 is part of a pattern of the Conservatives' blatant disregard for the rights of Canadians. The unanimous ruling by our highest court was clear: the old laws were unconstitutional. They infringed on the charter right to security, which all Canadians are entitled to, including sex workers.

The Conservatives have totally ignored the Bedford ruling. The bill discriminates against sex workers. It openly defies the Supreme Court and the Canadian Charter of Rights and Freedoms.

Of course, this is hardly the first time the Conservative government has disregarded the Supreme Court. Its Bill C-2 banned safe injection sites, which the court unanimously ruled were necessary to reduce health risks in 2011. The Conservatives have ignored the court's affirmation of Canadians' privacy rights and introduced Bill C-13, which would legalize Internet snooping.

This is shameful. The Conservatives' disdain for the constitutional rights of Canadians is reprehensible and dangerous.

The Conservatives had an opportunity to introduce evidencebased policy. They could have taken a hint from New Zealand, where prostitution is legal, regulated and taxed.

Research there shows that sex workers are safer and are empowered to refuse dangerous clients. Sex workers in New Zealand are more likely to use condoms and HIV rates there are lower there than in other countries. Employment conditions for sex workers in New Zealand have improved drastically and violence against sex workers there has declined significantly.

The facts speak for themselves. While the Conservatives are entitled to their own opinions about sexual matters, they are not entitled to their own facts.

The government should know that poverty is the major driver for many women in the sex trade. If the Conservatives really want to help sex workers, perhaps they would implement a guaranteed livable income so all Canadians could prosper in a safe career of their own choosing.

Our response should have followed the successful New Zealand model, a safe and regulated work environment. A practical and progressive government would, and will soon in about a year from now, face reality and make prostitution legal, regulated, taxed, safer for everyone and get organized crime out of the sex business.

### • (1935)

Mr. Bob Dechert (Parliamentary Secretary to the Minister of Justice, CPC): Mr. Speaker, today I will speak about Bill C-36, the protection of communities and exploited persons act. Specifically, I would like to discuss how the Supreme Court of Canada's Bedford decision informed Bill C-36's proposals for law reform.

Under the current law, neither the purchase nor sale of sexual services is illegal. However, certain activities related to prostitution are prohibited. The Supreme Court found that three of these offences were unconstitutional on the basis that they violate section 7 of the charter, the right to security of the person—in this case, individuals who sell their own sexual services—by preventing them from taking measures to protect themselves while engaging in a risky but legal activity. These protective measures include independently selling sexual services from a fixed indoor location, hiring bodyguards and drivers, and negotiating safer conditions for the sale of sexual services in public places.

The offences were found to be grossly disproportionate or overly broad in scope with respect to their legislative objectives, which, in the court's view, target primarily the nuisance aspects of prostitution.

In response, Bill C-36 would make prostitution an illegal activity by criminalizing the purchase of sexual services, which represents half of the prostitution transaction.

Bill C-36's preamble explains why it would make prostitution illegal. It clarifies that Parliament sees prostitution as an inherently exploitative activity that always poses a risk of violence.

Bill C-36 also seeks to protect communities from the harms associated with prostitution, including related criminality and the exposure of children to the sale of sex as a commodity.

For these reasons, Bill C-36 seeks to reduce the incidents of prostitution with a view to abolishing it as much as is possible.

These new statements of purpose, which are reflected in Bill C-36's preamble, would serve as a starting point for any future charter analysis of Bill C-36's reforms. The court would have to analyze the new offences, offences that would restrict an exploitative and therefore illegal activity, through this lens.

Moreover, Bill C-36's provisions would provide that persons who sell their own sexual services could not be prosecuted when they sell sexual services from a fixed indoor location, whether independently or co-operatively. This approach responds to the Supreme Court of Canada's safety concerns about the ability to sell sexual services indoors

Bill C-36 would also carefully balance the Supreme Court of Canada's safety concerns regarding the availability of protective services with the need to ensure that exploitative third parties are criminalized. Specifically, Bill C-36 would limit the scope of the new material benefit offence through legislated exceptions that would apply to several groups of people, including those who provide protective services to persons who sell their sexual services, but it clearly stipulates that those exceptions would not apply in exploitative circumstances.

### Adjournment Proceedings

Finally, to address the Supreme Court's concern that persons who sell their own sexual services must be able to take steps to negotiate safer conditions for the sale of sexual services in public places, Bill C-36 would significantly narrow the scope of the existing communicating offence.

The current offence applies to all communications made in any public place for the purposes of purchasing or selling sexual services. However, under Bill C-36, the new purchasing offence would also prohibit communicating in any place for the purposes of purchasing.

A separate offence would apply to communicating for the purposes of selling sexual services, but only in a public place or in any place open to public view that is, or is next to, a schoolground, playground, or daycare centre. It would only be in those places.

This approach strikes a careful balance between the interests of two vulnerable groups: those who are exploited through prostitution and those of children who may be exposed to the sale of sex as a commodity, which is a harm in and of itself.

I hope that this clarifies any concerns about Bill C-36's compliance with the Supreme Court of Canada's findings in Bedford.

## **●** (1940)

**Mr. Bruce Hyer:** Mr. Speaker, we simply cannot afford to risk the lives of women and implement this ineffective bill. The new legislation would do nothing to protect sex workers or to accept the realities of the sex trade.

The Supreme Court ruled that Canadian prostitution laws infringed on Canadians' charter rights. The Conservatives have done nothing to remedy this. They have only further marginalized vulnerable people in a vulnerable trade, introduced legislation that is clearly unconstitutional, and empowered organized crime.

We need progressive and effective legislation that will protect sex workers from the dangers they face. The government has a chance to implement legislation that would legalize, regulate, and tax the sex trade, as in New Zealand, where discrimination and violence against women and sex workers is declining.

Will the Conservatives please show that they care about violence against women and the constitutionality of our legislation, their legislation, and adopt more progressive legislation based on evidence, not repressive and hypocritical ideology?

Mr. Bob Dechert: Mr. Speaker, in fact what my hon. friend says is incorrect.

### Adjournment Proceedings

Bill C-36 specifically responds to the major concern in the Bedford case, which was the inability of sex workers to carry on their trade from a fixed, safe indoor location where they could have security and properly screen their clients. Bill C-36 allows exactly that. That is what each of the litigants in the Bedford decision asked for, and that is what Bill C-36 delivers to them.

Some are saying that decriminalization of prostitution is the only way to ensure the safety of those subject to it, and that Bill C-36 will increase prostitution's risks by criminalizing both the purchase and the sale of sexual services in a narrow range of circumstances. They also question the compliance of Bill C-36 with the charter. These assertions are not true.

First, Bill C-36 reflects a fundamental paradigm shift away from treatment of prostitution as a nuisance toward treatment of prostitution for what it is, sexual exploitation. Consistent with this transformative objective, Bill C-36 would criminalize the purchase of sexual services, but generally, not the sale. Those who sell sexual services are viewed as victims of an exploitative practice, and accordingly, they would be immunized from prosecution for any part they may play in the new purchasing, material benefit, procuring or advertising offences.

I would also note that decriminalization has been linked to higher rates of human trafficking in countries such as Germany and the Netherlands. I therefore reject the assertion that decriminalization is the only way to ensure the safety of those who offer sex for sale.

[Translation]

### PRIVACY

Ms. Annick Papillon (Québec, NDP): Mr. Speaker, on May 30, I asked the government why the Conservatives had such little respect for Canadians' right to privacy, a fundamental right, an immutable respect and non-negotiable right. According to documents we have obtained, we know that the Canada Revenue Agency committed roughly 3,000 privacy breaches and data breaches against Canadians in less than a year. That means there were more breaches at the Canada Revenue Agency this year than in all the departments combined since 2006, or when the Conservatives came to power. That is not trivial.

The changes the Conservatives are proposing would allow employees of the Canada Revenue Agency to hand over taxpayers' private information to the police without authorization from any sort of warrant. It is as though the Conservatives want to reward the Canada Revenue Agency for its mismanagement of private information, as we saw in recent scandals. Data breaches at the Canada Revenue Agency, the systematic collection of private information at airports and the passage of legislation facilitating access to private information without a warrant reinforce the perception that the government does not respect the right to privacy and that it is also opening the door to abuse with ill-conceived legislative reform.

The government introduced a series of bills that, according to experts, could have serious repercussions on Canadians' privacy. Indeed, Bill C-13, Bill S-4 and Bill C-31 enshrine a number of controversial practices in law.

The Office of the Privacy Commissioner of Canada has been sounding the alarm since last May. After revealing that the federal government is collecting vast amounts of personal information from telecommunications companies, the Privacy Commissioner's office then revealed that the federal government is also collecting personal information about Canadians from social networks.

Bill C-13 on cybercrime and Bill S-4 on the protection of digital information would allow telecommunications companies to provide personal information to other companies or law enforcement officials without a warrant. That is a very significant and serious issue.

I would like to quote a professor and intelligence expert from Laval University, Stéphane Leman-Langlois, who believes that Canadians should be very concerned. He said:

We can all agree that there is not very much privacy on the Internet, but still, there are some very weak protections in place. However, rather than strengthening privacy, which of course would be the best thing to do, the government is bombarding us with bills that will reduce those protections...

That is what is happening on the Conservatives' watch. They are reducing these protections and eroding respect for Canadians' privacy. As I said on a number of occasions, this truly is an intrusion into people's lives. That is very worrisome. We spoke about it last May, and I would like to talk about it again this month, now that Parliament is back in session, because it is really important.

The government did away with Statistics Canada's long-form census because it was too intrusive, but it has no problem allowing private companies to impinge on the privacy of millions of Canadians. That is completely hypocritical.

To shed some light on the consequences of these privacy bills, the NDP is asking for the creation of an independent panel of experts to examine how the government is using and storing Canadians' communications data.

Obviously, I am asking my colleague opposite to respond to this proposal. Does he intend to follow the NDP's recommendation and set up an independent panel of experts so that Canadians can be reassured with regard to their right to privacy, an immutable and fundamental right that all Canadians hold dear?

• (1945)

[English]

Mr. Gerald Keddy (Parliamentary Secretary to the Minister of National Revenue and for the Atlantic Canada Opportunities Agency, CPC): Mr. Speaker, if the hon. member wants an answer, then she can only ask one question. She has about 15 questions there, so she would need several answers to answer them all. Her original question that started this late show was on the privacy requirements around Canada Revenue Agency.

There are occasions when government officials, in the course of their ordinary duties, may become aware of information that they think could be evidence of serious criminal activity. In such instances, most government officials are able to contact law

enforcement with their findings and let the police take it from there. However, prior to June 19, the strict confidentiality provisions in the Income Tax Act, the Excise Tax Act, and the Excise Act, 2001, for the most part prohibited Canada Revenue Agency officials from communicating such evidence to law enforcement authorities.

Our government, in response to that, and as part of economic action plan 2014, amended the relevant legislation to allow the CRA to disclose some taxpayer information to law enforcement agencies in very specific, relevant circumstances if the information was related to serious criminal activity. This change reflects a 2010 recommendation from the Organisation for Economic Co-operation and Development, the OECD. It permits the CRA to provide taxpayer information to an appropriate police organization when there are reasonable grounds to believe that the information could provide evidence of specific serious offences such as drug trafficking, terrorism, child pornography, and contracts for the commission of murder. Those are all serious crimes that all Canadians would agree are reprehensible and should be shared with law enforcement.

There seems to be some confusion among members of the opposition about the intentions and goals of the changes to Bill C-31. Our government takes the protection of Canadian taxpayers' information extremely seriously. We appreciate the confidence and the trust that individuals and businesses place in CRA as a cornerstone of Canada's voluntary tax system. However, we also believe that not being able to report evidence of a possible serious criminal offence is at odds with the value Canadians place on the principles of justice, fairness and support for the victims of crime.

Let me be clear. If a CRA employee detects evidence of serious criminal activity in the normal course of his or her duties, relevant information may only be shared with police if authorized by legislation. The law is very specific about the narrow set of circumstances that would allow such information to be shared. CRA officials take their responsibilities to apply due diligence to such a sensitive matter extremely seriously, and I have full confidence they will carry out this responsibility with the highest level of professionalism and discernment.

Quite frankly, I find it extraordinary that the member opposite would not favour such common-sense reforms to protect the public. Is she advocating that in the course of his or her duties, a CRA auditor who uncovers evidence of a commission of a criminal offence of drug trafficking, child pornography or a commission to commit murder, because of the legislation as it exists, that person should not be able to share that with relevant police organizations? That is what she is suggesting.

• (1950)

[Translation]

**Ms. Annick Papillon:** Mr. Speaker, my colleague opposite said that I asked 15 questions in four minutes. That is the point of the late show. The point is to ask many questions of the government, because

### Adjournment Proceedings

Canadians have many questions. Experts raise many important points.

Here, we endure gag order after gag order. Our speaking time is always being cut short. That is why I have to bombard the government with questions in order to get answers. It would be great to hear some.

The government is once again giving itself discretionary powers, as it has done in a number of departments and in a number of areas, but it is not guaranteeing that it will protect the privacy of Canadians.

If it truly wants to do some cleaning up, it should appoint inspectors at the Canada Revenue Agency to investigate tax havens, for example, which are worth billions. Why is the government not doing that?

The government only wants the power to look for information as it sees fit. If it wants some information, it will simply go get it, without a warrant. It is doing away with procedure and is not respecting the privacy of the public.

The NDP will prevent that from happening, since Canadians are justified in asking for guarantees regarding this government's actions. This is only natural. It is a matter of transparency. Perhaps the Conservatives do not understand that concept and have no ethics at all.

[English]

**Mr. Gerald Keddy:** Mr. Speaker, the hon. member talked about tax loopholes. The reality is that the offshore tax loopholes have been plugged. That hon. member voted against doing that, by the way.

There are occasions, and there have been occasions, when CRA officials in the course of their ordinary duties have uncovered evidence of drug trafficking, terrorism, child pornography and contracts for the commission of murder and have been restricted from conveying this information to law enforcement because of the privacy provisions and confidentiality provisions of the Income Tax Act, the Excise Tax Act and the Excise Act, 2001, as I mentioned earlier.

### Adjournment Proceedings

We are not talking about opening this up like the wild west. We are talking about strict controls to ensure that the sharing of taxpayer information meets all legal requirements. The transfer of information will flow one way from CRA to law enforcement. Police forces cannot compel the CRA to seek out evidence of serious criminal activity on its behalf. Nor can they direct it, or transfer or collect the information.

This is a common sense response to a serious problem that existed because of privacy legislation. The privacy of Canadians will still be protected, and this is a responsible way to do it. • (1955)

The Acting Speaker (Mr. Bruce Stanton): The motion to adjourn the House is now deemed to have been adopted. Accordingly the House stands adjourned until tomorrow at 2 p.m. pursuant to Standing Order 24(1).

(The House adjourned at 7:55 p.m.)

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