



CANADA

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OFFICIAL REPORT
(HANSARD)

Thursday, October 19, 2006

Speaker: The Honourable Peter Milliken

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HOUSE OF COMMONS

Thursday, October 19, 2006

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

● (1005)
[English]

CANADA HEALTH INFOWAY INC.

Mr. Steven Fletcher (Parliamentary Secretary to the Minister of Health, CPC): Mr. Speaker, pursuant to Standing Order 32(2) I am pleased to table, in both official languages, the Annual Report 2005-06 and the Corporate Business Plan 2006-07 for Canada Health Infoway Inc.

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CANADA'S CLEAN AIR ACT

Hon. Rona Ambrose (Minister of the Environment, CPC) moved for leave to introduce Bill C-30, An Act to amend the Canadian Environmental Protection Act, 1999, the Energy Efficiency Act and the Motor Vehicle Fuel Consumption Standards Act (Canada's Clean Air Act).

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

* * *

PRIVILEGE

CANADA'S CLEAN AIR ACT

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, I gave notice of this question of privilege with regard to the bill that has just been tabled in the House, Canada's clean air act. In the documents I provided you this morning was a copy of the draft bill which was circulated by the Sierra Club and other environmental groups on Friday, October 13 at a press conference in the Charles Lynch Theatre where they were giving their commentary on the various provisions of the bill.

This morning, the government held a lock-up for the media from 9:00 a.m. to 10:15 a.m., as evidence of the necessity for maintaining confidentiality and secrecy of a government bill until it is duly tabled in the House, which was just done. Under the rules of Parliament, government bills are secret until they are tabled in the House for the first reading so the public does not know before Parliament knows. In the case where there is a contravention of that, it is, I believe, a

prima facie matter of a breach of my and all hon. members' parliamentary privilege that there was a leak of a bill prior to it being tabled in the House.

If any cabinet minister, official or other person who had access to the bill releases such bill, it still remains the responsibility of the government House leader or his authorized designate to ensure the secrecy provisions are protected until the bill is tabled. This is obviously done so that no other party has a substantial advantage or in fact disadvantage.

Mr. Speaker, in the document that was presented at the October 13 press conference, which I provided to you, you will note that on the top of the page where we would normally see the word "secret", the word has been whited out or blacked out so that it is unreadable. However, you will also note that on page 10 of the document the word "secret" was inadvertently missed and not blacked out.

Mr. Speaker, on the basis of the information that I have provided to you, I believe there is substantive evidence that a secret document has been circulated in the public domain prior to it being tabled in Parliament, which would appear to constitute a breach of parliamentary privilege.

If the Speaker should find a prima facie case of a breach of privilege, I am prepared to move the appropriate motion.

Mr. Tom Lukiwski (Parliamentary Secretary to the Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Mr. Speaker, I assure my hon. colleague that any leaks that might have occurred from this government or, I am sure, any other government must be taken seriously.

Mr. Speaker, I would suggest to the hon. member that we would like to examine whatever documents he has tabled with you. I would ask that we reserve judgment to comment further until we have had a chance to examine the documents provided by the hon. member.

● (1010)

The Speaker: I thank the hon. parliamentary secretary for his intervention and the hon. member for Mississauga South for raising this matter.

I have the document in hand that was delivered by the hon. member for Mississauga South. I will leave it at the table so the hon. parliamentary secretary has an opportunity to review it. I look forward to hearing his comments on this matter in due course.

Privilege

COMMITTEES OF THE HOUSE

HEALTH

Mr. Rob Merrifield (Yellowhead, CPC): Mr. Speaker, I have the duty to present, in both official languages, the fourth report of the Standing Committee on Health. The committee recommends that the government continue funding the first nations and Inuit tobacco control strategy at the fiscal level of 2005-06.

HUMAN RESOURCES, SOCIAL DEVELOPMENT AND THE STATUS OF PERSONS WITH DISABILITIES

Mr. Dean Allison (Niagara West—Glanbrook, CPC): Mr. Speaker, it is an honour to present, in both official languages, the fifth, sixth and seventh reports on the Standing Committee on Human Resources, Social Development and the Status of Persons with Disabilities.

* * *

PETITIONS

AGE OF CONSENT

Hon. Roy Cullen (Etobicoke North, Lib.): Mr. Speaker, I am pleased to table a petition from over 100 members of my constituency of Etobicoke North who are concerned that 14 and 15 year olds are the most vulnerable to sexual exploitation and ask Parliament to take all measures necessary to immediately raise the age of consent from 14 to 16 years of age.

CANADA PENSION PLAN

Mrs. Betty Hinton (Kamloops—Thompson—Cariboo, CPC): Mr. Speaker, it is my honour to present a petition today signed by residents in my riding who state that it is unfair in the situation where, prior to receiving any benefits from the reallocation of Canada pension plan benefits from the divorce, these benefits do not revert back to the surviving divorced spouse. Therefore, the petitioners request that Parliament study and remedy the situation.

[*Translation*]

VIOLENCE ON TELEVISION

Mr. Robert Bouchard (Chicoutimi—Le Fjord, BQ): Mr. Speaker, I am proud today to present a petition by constituents from every corner of my riding of Chicoutimi—Le Fjord and from Saguenay—Lac-Saint-Jean who are against violence on television.

This petition has 5,390 signatures on it and its purpose is to alert the public, broadcast companies, the CRTC and the government to violence. I commend the members of AFEAS in my riding of Chicoutimi—Le Fjord for their effort, particularly Thérèse Maltais, who was in charge of the project. I also want to acknowledge the involvement of Estelle Bolduc from AFEAS Notre-Dame-de-Grâce.

* * *

[*English*]

QUESTIONS PASSED AS ORDERS FOR RETURNS

Mr. Tom Lukiwski (Parliamentary Secretary to the Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Mr. Speaker, if Question No. 64 could be made an order for return, this return would be tabled immediately.

The Speaker: Is it the pleasure of the House that Question No. 64 be made an order for return?

Some hon. members: Agreed.

[*Text*]

Question No. 64—**Hon. Andy Scott:**

With regard to the ongoing projects that have been approved and are being funded under the Canada Strategic Infrastructure Fund (CSIF), the Municipal-Rural Infrastructure Fund (MRIF) and the Border Infrastructure Fund (BIF): (a) are any projects experiencing cost overruns as a result of unpredicted increases in the cost of building materials, labour, fuel and, if so, which ones and what is the value of these cost overruns; and (b) has the government developed any strategy for providing financial assistance to the recipients of CSIF, MRIF and BIF grants who are facing cost overruns caused by unprojected increases in the cost of fuel, labour or building materials?

(Return tabled)

[*English*]

Mr. Tom Lukiwski: Mr. Speaker, I ask that all further questions be allowed to stand.

The Speaker: Is that agreed?

Some hon. members: Agreed.

The Speaker: The Chair has notice of a couple of questions of privilege. I will hear now from the hon. member for Windsor—Tecumseh.

* * *

PRIVILEGE

REPORT OF THE SUBCOMMITTEE ON THE REVIEW OF THE ANTI-TERRORISM ACT

Mr. Joe Comartin (Windsor—Tecumseh, NDP): Mr. Speaker, I delivered to the Table last evening a letter requesting the opportunity to raise this question of privilege during this period of the House sitting today.

The allegation I am bringing forward is that the chair of the Subcommittee on the Review of the Anti-terrorism Act, a subcommittee of the Standing Committee on Public Safety and National Security, released to the media, specifically to the *National Post* and reporter Andrew Mayeda, the substantial contents of the interim report of that subcommittee.

That interim report has been dealt with and reported out of the subcommittee. Mr. Speaker, I am trying to be very careful because I do not want to breach the confidentiality that the chair of this committee did. I believe it is simply appropriate for me to say that it has been reported out of the subcommittee and has been dealt with at the full committee. It is awaiting delivery to the House, which is expected shortly.

But in the interim, the chair took it upon himself to release to the media basically the contents of it, the principal recommendations in particular, as already mentioned.

Mr. Speaker, if you wish, you can look at yesterday's *Quorum* at page 10, where that article is reproduced. It was also on the front page of the *National Post* yesterday morning.

Privilege

It is quite clear from the history of Parliament, this House of Commons, for quite some time that the breach of confidentiality is a breach of my privilege and that of every member of the House. It is a breach because it allows certain members of the House to have information in advance of the balance. That is the reason for the rule.

I want to draw to your attention, Mr. Speaker, the comments in Marleau and Montpetit at page 884. At the very bottom of the full text in the last full paragraph, it is stated:

Committee reports must be presented to the House before they can be released to the public. The majority of committee reports are discussed and adopted at *in camera* meetings.

That is what occurred on this occasion.

Marleau and Montpetit go on to say:

Even when a report is adopted in public session, the report itself is considered confidential until it has actually been presented in the House. In addition, where a committee report has been considered and approved during *in camera* committee meetings, any disclosure—

I highlight “any disclosure”.

—of the contents of a report prior to presentation, either by Members or non-Members, may be judged a breach of privilege.

Marleau and Montpetit go on to emphasize the seriousness of this conduct on page 885 and state:

It is not in order for Members to allude to committee proceedings or evidence in the House until the committee has presented its report to the House. This restriction applies both to references made by Members in debate and during Oral Question Period.

We cannot even talk about the interim reports at that stage.

Based on that information, it is quite clear that there has been a breach of confidentiality and the privilege of the House.

Again, Mr. Speaker, I would refer you to a ruling by Speaker Parent in the 2000-04 Parliament. The facts of the situation were similar to what you heard earlier today in another matter of privilege. It was raised, successfully, by the member for Provencher, who is now our justice minister. That was a situation where, again, the government of the day had given information to the media. The media released that information prior to the bill—this was a bill rather than a report—coming into the House. Speaker Parent found at that time that this was a clear breach of members' privilege and it was dealt with by referring it.

I want to make one additional point with regard to the conduct. Again, I am trying to be very careful not to breach the confidentiality as the chair of the subcommittee did. The report, which I have in my hand right now, is 25 pages long. At the top of every one of those pages is the word “confidential”. Every single page has it.

•(1015)

There is no ability on the part of that member, the chair, to claim any lack of knowledge of the importance and the significance of maintaining the confidentiality and following the rules of the House.

Let me cover one last point. Then I will conclude. One can ask if we are just being technical here, if this is a technicality. It is not. If we are going to function properly in the House, if we are going to be able to do our jobs as MPs, we have to be treated equitably. Every

member has the right to have access to the information that is in that report.

I can tell you, Mr. Speaker, that I was approached repeatedly by media about this interim report. I spoke to the member of the Bloc who sits on the committee. He also was approached. We knew we were not to release it in spite of the pressure put on us, because we respect, and rightfully so, the right of every member in the House to have that information at the same time. That time is when it is tabled in the House.

Mr. Speaker, if you rule in my favour that our privilege has been breached, I am in a position to present the motion as to how it should be referred and dealt with.

•(1020)

Mr. Gord Brown (Leeds—Grenville, CPC): Mr. Speaker, I appreciate the opportunity to respond to my hon. colleague. He refers to an article that appeared yesterday in the *National Post*.

I take my responsibilities as the chair of that committee very seriously. I was referring specifically to something that potentially could be part of the report, that had been discussed by many members of the committee in public in the past, so at this point any breach of privilege was inadvertent. As I said, I do take that responsibility seriously. However, I want to apologize first of all to the member, and also to the committee and to the House if there in fact has been any breach of privilege.

Hon. Roy Cullen (Etobicoke North, Lib.): Mr. Speaker, I am standing in support of the representations made by my colleague in the House of Commons, the member for Windsor—Tecumseh. I serve as a vice-chair of the subcommittee and was quite shocked when I read the *National Post* and saw the article, which actually really talks about what might be in the interim report. I was quite surprised because I know the member for Leeds—Grenville is a responsible member of the House.

Like my colleague from Windsor—Tecumseh, I had many calls from the national media, calls from the *Toronto Star* and the *Globe and Mail*. I went to the clerk of the committee, who reports to the chair, and asked the clerk, “When does this report become public and when am I able to speak to this report?” I was told that because the report of the subcommittee went to the main committee, until the main committee tabled the report in the House the report was confidential.

I must say I had people from the national media trying to tell me what might or might not be in the report and I know it was very tempting to get into the fray. I had to say to them that I would not act against the rules of the House. The rules of the House, as my colleague from Windsor—Tecumseh has pointed out, are quite clear and are set out in the *House of Commons Procedure and Practice* on pages 884 and 885. There are many precedents.

I do feel that my privileges also have been breached. If we are going to work together in this minority Parliament to advance the interests of all Canadians, this sort of thing, this kind of breach of confidentiality, must not be tolerated. I would ask the Speaker to support the interventions of my colleague and the co-vice-chair of the Subcommittee on the Review of the Anti-terrorism Act.

Privilege

Mr. Tom Lukiwski (Parliamentary Secretary to the Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Mr. Speaker, I want to thank my hon. colleagues, all of whom have made comments on this issue.

In considering your ruling, Mr. Speaker, it is very important to try to consider the spirit and the motivation behind the issue with which we are dealing. I can assure you that my hon. colleague, my friend from Leeds—Grenville, in his statement, was quite accurate when he said that any information that might have been inadvertently given and later reported in a national publication was done not in the spirit of leaking deliberately to the media information that might be considered confidential, but was done quite innocently and in an “inadvertent” manner.

My colleague from Leeds—Grenville has also stood before the House and apologized to his colleagues on the committee, to the House and to you, Mr. Speaker, because there was no malice intended. There was no intention to deliberately leak information prior to the subcommittee reporting back to the committee.

Mr. Speaker, I think you will recognize that each of us in the House from time to time makes mistakes. I think it is important, however, to recognize whether or not the mistakes made were serious enough by the intent behind them to cause some consequences and discipline from you. I would suggest that in this case there was absolutely no intention of malice. There was no intention to deliberately leak information. This was an inadvertent mistake. My colleague has apologized and I would ask that you take that into consideration when considering this question of privilege.

• (1025)

The Speaker: I thank all hon. members who have made contributions to this matter. I will take it under advisement.

I must say that it appears to me that the hon. member for Windsor—Tecumseh is correct in saying there has been a breach of the privileges of the House in terms of a leaking of information that was in a confidential report which has not been tabled. He cited ample precedents to support that point of view. I agree with him in that contention.

What I am going to do is review the comments of the hon. member for Leeds—Grenville in the circumstances, and of course the comments of the hon. the parliamentary secretary, but I will note that the parliamentary secretary seems to think I have disciplinary powers in this regard. I like to think of myself as a strict disciplinarian, but unfortunately in this case the best I can do is allow a motion to refer the matter to committee for further study. If the committee recommends discipline, I may be the one who has to administer it, but only after the House adopts the committee report, so the member for Leeds—Grenville need not quail at the prospect of what I may say in my ruling on this matter in the next few days.

I will take a look at the statements that were made and see if they are sufficient to require a referral to a committee for what I believe has been a breach of privilege. It is simply a matter of whether the statements that were made are sufficient to make it unnecessary for committee to do a study. I am quite prepared to look at that from the point of view of the Chair and get back to the House in due course. If I agree that a motion can be moved to refer it to committee, the

House will then make its own decision whether to refer the matter, but as I say, I will review the statements first. I will come back to the House in due course on this one.

The hon. member for Mississauga South also has a question of privilege.

FREEDOM OF SPEECH

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, I am rising on a matter of personal privilege.

Marleau and Montpetit at page 83 under “FREEDOM FROM OBSTRUCTION, INTERFERENCE, INTIMIDATION AND MOLESTATION” states:

Members are entitled to go about their parliamentary business undisturbed. The assaulting, menacing, or insulting—

This is my emphasis, Mr. Speaker, where it says:

—insulting of any Member on the floor of the House or while he is coming or going to or from the House, or on account of his behaviour during a proceeding in Parliament, is a violation of the rights of Parliament. Any form of intimidation...of a person for or on account of his behaviour during a proceeding in Parliament could amount to contempt.

Mr. Speaker, I also refer you to Standing Order 18 which states:

No Member shall speak disrespectfully of the Sovereign...nor use offensive words against either House, or against any Member thereof.

On October 16 the member for Nepean—Carleton rose and addressed the House with regard to myself. He stated:

Let us review the facts. During my October 4 address before the House of Commons, I pointed out that the Liberal Party was soft on crime. The member for Mississauga South, who is also soft on crime, rose on a point of order to interrupt my remarks.

Here is the important line. He said:

It was the 14th time that he had risen on a point of order in this Parliament.

Let me repeat that. He said:

It was the 14th time that he had risen on a point of order in this Parliament.

The member, further referring to me, said:

He has a long history of abusing points of order. He has intervened to make 10 false points of order in the House of Commons. Those are 10 points of order that have been summarily dismissed or ruled out of order by your Chair. This occasion was no different at all.

I have much more, but I will leave it at that.

The record will show, and I have checked with the Acting Speaker, the Table and with the *Hansard* index documents, that in fact, in the current Parliament I have only risen in the House twice, not 14 times.

The first time, on May 8, on the matter of attributing animal-like characteristics to an hon. member was sustained by the Chair.

The second issue was on October 4, which was in fact the incident where the member threatened me. The Chair ruled that the Chair thought it was a point of debate. So, one was in fact not sustained as a point of order. However, there were only two, not 14, and not 10 false points of order ruled by you in the Chair.

According to the member's own statement in *Hansard*, those are the facts. In fact, they are not the facts. With the facts manufactured by this member, he has either inadvertently put false information on the record and misled the House or it is not inadvertent.

If the member specifically says there were precisely 14, not a lot, but 14, and precisely 10, not a bunch of them, this member knows exactly what he was saying on the record. However, the record of *Hansard* for the 39th Parliament to the date he made that comment indicates there were only two.

The member concluded, based on the false information that he gave to this House and misled the House on, that I, the hon. member for Mississauga South, have a long history of abusing points of order.

I cited Marleau and Montpetit and the regulations for an important reason. I have been a member of Parliament since 1993. I have never ever, Mr. Speaker, been accused or found to be abusive of this House in any way. I value my reputation as a member of Parliament. I value and respect this House, the Speaker and all hon. members.

● (1030)

I accepted the member's statement of October 16 because I had the presumption of honesty of all hon. members and I was not going to question it. However, when the story appeared in the *Ottawa Sun* yesterday where there were further statements which were insulting to me, I felt it was worth my while to inspect the record.

I could also suggest to you, Mr. Speaker, that if the Chair were to look at the 38th Parliament, the Chair would find that I rose on 18 occasions on points of order and only three of the 18 were found to be points of debate. There is no evidence of my being abusive of the House in terms of points of order as contended by the member who specifically cited 10 incidents in this Parliament.

I believe that I have been insulted. I believe that I have been demeaned by the member for Nepean—Carleton. I believe that he has mischaracterized my work. He has defamed my reputation. Either inadvertently or not inadvertently he has misled the House.

According to the rules of Parliament, the Standing Orders, and our practices and procedures, as I mentioned with regard to Marleau and Montpetit, I believe that there has been a serious breach of my privileges as a member of Parliament. If the Speaker should find a prima facie case of breach of my privileges, I would be prepared to move the appropriate motion.

● (1035)

SUSPENSION OF SITTING

The Speaker: I will declare the sitting of the House suspended in light of the fire alarm.

(The sitting of the House was suspended at 10:52 a.m.)

SITTING RESUMED

(The House resumed at 10:59 a.m.)

● (1055)

SPEAKER'S RULING

The Speaker: The hon. member for Mississauga South raised a question of privilege. I note that the other day the member for

Business of Supply

Nepean—Carleton made a statement that included some kind of apology to the hon. member for Mississauga South. The hon. member for Mississauga South accepted the apology. He said:

I listened to the member carefully. I will take his points to heart and I accept his apology. Thank you.

The Chair really considered the matter closed at that point. He has now raised additional issues that arose out of the apology. It really is a dispute as to the statement that the hon. member for Nepean—Carleton made in the course of that apology.

I know that the hon. member for Mississauga South is offended. He has clearly indicated what he believes to be the correct statement of facts on the record and has cited various facts about his points of order and so on that he has raised in the House in this Parliament and in the previous Parliament. In my view that completes the matter.

I do not believe that a misstatement of what other members have done necessarily constitutes a breach of privilege. I am sure the hon. member felt insulted by what was said. He has made that clear. He has corrected the record and I believe that the matter can then end at that point.

I do not believe it is necessary for the Chair to intervene further to deal with the question of privilege on those issues which really in my view are disagreements as to the facts.

It is a substantial disagreement. I grant the hon. member that. However, he has set the record straight and hearing nothing further on this matter from the hon. member for Nepean—Carleton, I am going to suggest that the matter now has been resolved. I do not believe that there has been a breach of the hon. member for Mississauga South's privileges that the Chair could rule on at this time. I think that matter is now closed.

GOVERNMENT ORDERS

● (1100)

[*English*]

BUSINESS OF SUPPLY

OPPOSITION MOTION—ECONOMIC AND FISCAL POSITION

Hon. John McCallum (Markham—Unionville, Lib.) moved:

That, in the opinion of the House, the government inherited the best economic and fiscal position of any incoming federal government and has not demonstrated the need, value or wisdom of its announced expenditure cuts which unfairly disadvantage the most vulnerable groups in Canadian society.

He said: Mr. Speaker, I am saddened to have to ask the government how it can be so meanspirited and so blindly ideological that it chooses to cut funding for programs that help the most vulnerable in society. Why does it feel that helping young people to find jobs is not a priority, that volunteering is not worthy of government support, that adult literacy is not important?

Business of Supply

I attended a press conference recently where the Minister of Finance and President of the Treasury Board announced that their government was putting an end to programs like these. As the Minister of Finance announced a \$13.2 billion surplus and gloated about the strength of the Canadian economy, he turned to the President of the Treasury Board, who moments later explained that our country would no longer support literacy programs or our museums across the country. The sight would have been comical had it not been so distressing.

The image of those two former Mike Harris cabinet ministers, standing side by side, grinning like two bullies watching each other's back, is a perfect snapshot of the government. The cuts it has made and the way it has announced them let all Canadians see that this is a petty government, a government driven by ideology rather than a good sense of the country, a government that lacks the sense of fairness that so many of our citizens hold dear and a government, as well, that is blind to economics.

In short, these meanspirited cuts have shown us all exactly what the government is all about, and it accepts no counter views. Anything that does not fit into its ideological point of view is quite simply discarded with vitriolic politic rhetoric. I am sure that after yesterday the member for Halton will agree.

The government did not need to punish a member of its own caucus for simply confirming to Canadians what these cuts plainly show. They show that the government is out of touch with the majority of Canadians and, as polls show, it is alienating more and more Canadians week by week. The government needs to be reminded that it had the support of a minority of Canadians in the last federal election. That support is sinking even lower because of the callous way it approaches nearly every issue.

I will back up this general argument now by talking about a few of the cuts in more detail.

As one who spent most of my career in education, the worst move of the lot was the decision to slash \$17.7 million from national literacy programs. For a government that is starting to talk a lot about productivity, after having tabled one of the least productivity oriented budgets in recent memory, this is truly a horrible decision, not only socially meanspirited but economically stupid as well.

As a relatively small country in a world of emerging giants like India and China, it is obvious that Canada cannot compete on the basis of low wages, nor would we want to. We can only compete on the strength of educated, smart, innovative people. That does not mean just high-end smarts with world-class Ph.D.s, it begins with basic literacy skills for all Canadians.

Sadly, statistics show that there are roughly nine million Canadians who share some degree of difficulty with literacy. Of course, a \$17.7 million, 30% cut to our literacy programs is meanspirited. Given the central role of education and training in today's economy, it is also economically foolish.

The Movement for Canadian Literacy has said:

The cuts will decimate the infrastructure built co-operatively by all levels of government and the literacy community and will set us back years.

That is the definition of a meanspirited cut.

● (1105)

[*Translation*]

What about the museums assistance program? In their campaign, the Conservatives promised to fund our museums and the Prime Minister himself wrote to the Canadian Museums Association and stated that:

The Conservative Party of Canada is in favour of stable and long-term funding for the museums of Canada.

Had the ink even dried before the Prime Minister decided to renege on his promise? That is but one example of dozens of drastic, meanspirited and spiteful cuts.

Let us now turn to the decision to eliminate the court challenges program. The Canadian Bar Association asked that funding for this program be restored as it is vital to the protection of the constitutional rights of Canadians, not all of whom may necessarily have deep pockets. The current government seems to be interested only in those with deep pockets. Why would a progressive government try to make it more difficult for its own citizens to challenge laws that curtail their individual freedoms? That is quite simply meanspirited.

And what about funding for Status of Women Canada? Yesterday was Persons Day, on which we pay tribute to the five courageous women who won the right for women to be recognized as persons by Canadian law in 1929. It is almost inconceivable that some of the women with us today were not considered persons in their youth by their own government.

Our society has made tremendous progress towards the socio-economic equality of men and women. However, there remains work to be done. Just look around you and you will see that, despite the efforts of all parties to increase the number of women in Parliament, we are far short of the target.

I believe that the adjective "meanspirited" applies to a situation where drastic cuts are made to the funding of an organization that continues to fight for the equality of men and women.

● (1110)

[*English*]

As a result of these cuts, Canadians from coast to coast are getting a strong picture of just how ideological the government can be. Newfoundland and Labrador's Premier, Danny Williams, has been trying to distance himself from the federal Conservative government by reminding his voters that he is a progressive Conservative premier and that he would never even dream of cutting literacy programs.

There does not seem to have been any consultation process by the government. It simply took aim at programs that did not sit with its ideological beliefs and cut them, without even consulting the people who deliver the programs or the Canadians who use them.

Business of Supply

I keep hearing from those in the tourism industry. They were not even consulted about the elimination of the GST visitor rebate program. The government did not bother to ask those people if they found the program useful in attracting tourists to Canada. Now, after the fact, we are hearing from groups, like the Hotel Associations of Canada, that are saying the resulting loss in tourism will cost the government more than three times the tax revenue that it will save by eliminating the program. It is hardly smart economics or good economics to attack the tourism industry when it is suffering extremely difficult times for other reasons, such as the high value of the Canadian dollar and possible difficulties at the border.

Yet the government has the audacity to call moves like this smart. I think it is high time that the government stopped treating Canadians as though we were stupid. These cuts are not smart. They are blunt, economically unsound and ideologically driven.

The only gauge by which one could conceivably call them smart is that maybe they are good for the Conservative Party. For instance, the government has eliminated the court challenges program at exactly the same time as it has tabled several bills that some experts believe to be unconstitutional. Maybe it was just trying to head off legal challenges. This is just another example of the government doing what is right for the Conservative Party, not what is right for Canadians.

This is only the tip of the iceberg. The Conservatives have admitted that they had a \$23 billion hole in their election platform that would need to be paid for by future spending cuts. In fact, budget 2006 has called for far more cuts than the ones recently announced. The 2007-08 column of the budget's ledgers calls for an additional \$2.4 billion in cuts.

The Liberal government was not opposed at all to the principle of reallocation. In fact, we reallocated \$11 billion over five years, substantially more than has been so far achieved by the government. However, we went to great lengths to ensure that our cuts did not hurt the vulnerable. We examined all possible actions through a regional lens to ensure that the cuts did not disproportionately hit the regions of the country rather than the national capital region. We also examined them through a gender lens and gender based analysis to ensure that our cuts did not disproportionately hurt women. Also, perhaps most fundamentally, we examined them through a fairness lens to ensure that those savings that we made did not unduly impact the most vulnerable in society.

It seems that the Conservatives also used these lenses, but they inverted them. They used a gender lens, but they focused their cuts in areas that were particularly damaging to women. They used a fairness lens, but rather than exempting the most vulnerable, they focused their cuts on the most vulnerable in Canadian society.

When the Conservatives come to identify the additional cuts that they will need, according to their budget and certainly according to their election platform, I certainly hope they will remember the lessons from this fall, that they will apply a gender lens, not to hurt women but to help women and that they will apply a fairness lens, not to punish the most vulnerable but to spare the most vulnerable.

● (1115)

I do not have great expectations in that regard, but I hope the Conservative minority government has learned a lesson from this round of cuts. I believe Canadians expect their government to govern on behalf of all Canadians and not just on behalf of the narrow interests and the narrow base of the Conservative Party.

Hon. Ralph Goodale (Wascana, Lib.): Mr. Speaker, I believe if you seek the consent of the House you would find that the usual discussions have taken place among all parties and that there is consent for the following motion. I move:

That at the conclusion of today's debate on the opposition motion in the name of the Member from Markham—Unionville, all questions necessary to dispose of the motion be deemed put, a recorded division deemed requested and deferred to 5:30 p. m. on Tuesday, October 24.

The Deputy Speaker: Does the member have unanimous consent to put the motion?

Some hon. members: Agreed.

The Deputy Speaker: Shall the motion carry?

Some hon. members: Agreed.

(Motion agreed to)

Hon. Michael Chong (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister for Sport, CPC): Mr. Speaker, I think the member for Markham—Unionville was inaccurate in his assessment of what we have done here. The fact is that we have found \$1 billion in savings.

In the last campaign, Canadians clearly indicated to our party that they were sick and tired of seeing the waste and mismanagement in recent years. We committed to Canadians in the last election that we would do things differently in Ottawa so we have found \$1 billion in savings.

I would like to put this into perspective. We found \$1 billion in savings out of the \$200 billion a year that is spent by the Government of Canada, which is the equivalent of a household that expends \$20,000 a year finding \$100 a year in savings. It is entirely reasonable and entirely appropriate. It is what Canadians do day to day in the management of their budgets and they expect the Government of Canada to do the same.

Furthermore, we have increased spending in this budget by \$5 billion. Some of the \$1 billion in savings we have found will go, in part, to this new spending on, for example, our new child care benefit that is providing \$1,200 a year for each child under the age of six.

With respect to some of the programs that the member mentioned, let us put this all into perspective. We found \$2.3 million in savings out of the museums program out of the approximately \$250 million spent by this government on museums a year, or about 1% of the budget. We are focusing the remaining money on supporting the country's museums and cultural heritage.

In addition, we have increased funding for the Canada Council for the Arts from \$150 million this year to \$170 million. We are putting this in place after years of the previous government freezing funding for arts and culture in this country. We are very proud of our achievement.

Business of Supply

How is the member opposite able to stand in this House and tell this House that this government should not deliver and expect results for programs, should not expect those programs to be delivered efficiently and should not be ensuring that the priorities that Canadians have asked us to focus on are delivered as we campaigned on?

Hon. John McCallum: Mr. Speaker, the hon. minister misses the point entirely. As I said very clearly in my speech, we are in favour of saving money and we are in favour of reallocating from low to high priorities. He is talking about \$1 billion. Our expenditure committee found \$11 billion to reallocate, 11 times more than what he is talking about. That is not the point.

The point is not whether it is a good thing for government to save money and to reallocate to higher priorities. The point is the things the government cuts and the ideological, mean-spirited nature of those cuts. I do not object to government savings. We did more than it did but we did not apply a reverse fairness lens to specifically target the cuts on the least privilege or target cuts on women. We did the reverse.

It is not the principle of reallocation that we object to. It is the mean-spirited nature of those cuts which are ideologically focused on the most vulnerable in society.

The second point is that when the museum people came to the finance committee they told us that they were devastated by the cuts. The literacy people had a \$17.7 million, or 30%, cut and they have \$40 million left. That is criminal. There are 8 million or 9 million people in Canada who have literacy problems. We are competing in a knowledge economy globally and the government cuts 30% of the funding to literacy. That is just unconscionable.

• (1120)

Mr. Pat Martin (Winnipeg Centre, NDP): Mr. Speaker, the NDP was the first to condemn these ruthless cuts by the Tory government. However, I must comment on the revisionist history that we heard from the member for Markham—Unionville because his government was the most right wing government in the history of Canada. The cutting, hacking and slashing of every social program by which we define ourselves was not only ruthless and mean-spirited, it bordered on being cruel.

I represent the poorest riding in Canada. I am not proud of that but I can say that the Liberals' ruthless cutbacks hurt people in tangible and measurable ways in my riding. I will give one example and ask the member if he can remember, if he can shake up his memory a little bit.

Of the \$100 billion in tax cuts that the Liberals gave largely to their friends, \$30 billion came from the EI fund surplus through their cuts and \$30 billion came from grabbing the entire surplus of the public service pension plan, which was Marcel Massé's gift to the public service pension plan. They took the entire \$30 billion surplus without negotiating whatsoever. How is that for being cruel? How is that for a gender lens? Most of those pensioners, who earn on average \$9,000 a year, are women living in poverty on their public service pension plan. The other \$30 billion came from program cuts.

I remember that era very well. The member for Markham—Unionville was not here for all of it, but, believe me, we had the most

right wing finance minister in the history of Canada making the most ruthless, cruel, gender imbalance cuts that created poverty that this country has ever seen.

Will the member concede that he has been sent here to read a speech that is full of baloney, frankly, and will he concede that his government was responsible for the sum total of misery in ridings like mine that the country will never forget?

Hon. John McCallum: Mr. Speaker, the member talks utter nonsense. The problem with the NDP members is that they know nothing about the economy, balancing budgets and fiscal responsibility, which is one reason they never have been nor will they ever be the government.

The fact is that when the Liberal government assumed power in 1993 it inherited a \$42 billion deficit. Had we inherited power from an NDP government it probably would have been an \$82 billion deficit. Of course the NDP never was and never will be the government.

Yes, the government of the day, to correct the huge deficit left by the Tory government and which was leading us, according to the *Wall Street Journal*, into third world status, had to take serious measures, and that was the hallmark of a responsible government. However, once we balanced the books we invested in people and, in the more recent times, in the expenditure review committee. I can tell the House, because I was directly involved, that we did apply a gender lens, a fairness lens and a regional lens. The NDP would not understand this but this was responsible government reallocating taxpayer money from the lower priorities to the higher priorities in a manner that did not hurt the most vulnerable in Canadian society.

• (1125)

Hon. Michael Chong: Mr. Speaker, the hypocrisy on that side of the House is sometimes breathtaking. All of us in this Parliament need to ensure that minority groups, women and visible minorities are included in a good and inclusive society. The hypocrisy from the party opposite is nothing short of breathtaking.

The Liberal Party has virtually all the seats in the city of Toronto. Out of the 23 seats, they have 20. When I look at the benches opposite I count one visible minority out of the 20 seats they have in the city of Toronto. The Liberals only talk a good game about the inclusion of visible minorities, of minority groups and the like.

Would the hon. member for Markham—Unionville, the august patrician member, comment on his party's actions with respect to the inclusion of minority groups in his party?

Business of Supply

Hon. John McCallum: Mr. Speaker, that is absolute nonsense. The hon. member must be desperate to find something to say. The fact is that in my speech I talked about facts, the fact of a 30% cut in literacy, the fact of cuts to young people seeking jobs and the facts regarding the Status of Women.

I come from the 905 area of the GTA and we have a good, solid representation of visible minorities. We have nothing to apologize for to the Conservative Party.

Mr. Pierre Poilievre (Parliamentary Secretary to the President of the Treasury Board, CPC): Mr. Speaker, I thank the House for the opportunity to discuss our government's decision to keep its promise to do exactly after the election what we promised to do during the election.

We promised that we would bring in roughly 29 different tax reductions: reducing income tax; a new Canadian employment tax credit that is worth \$155 for every person who works; tax credits to help parents with the cost of putting their kids in sports so we can encourage families to keep their children active, healthy and out of trouble; a tax credit worth \$80 per student to help students buy textbooks; tax credits to help entrepreneurs buy tools for their daily work; and of course, a reduction in the GST to help every single taxpayer in Canada, regardless of their income.

These were the promises we made. In order to finance these promises, we committed that we would find \$1 billion worth of savings within the fiscal framework of Canada, and that is exactly what we have done. Again we have kept our word. We found \$1 billion in savings that will put money back into higher priority initiatives, allowing us to go forward and finance our agenda of tax relief for Canadian families. Let me talk for a few moments about the savings that we have discovered.

We are spending \$40 million less on politicians. By merely reducing the size of cabinet, we have reduced the costs that are associated with having ministers. Under the previous government, the former prime minister wanted to be all things to all people. He owed a lot of favours to Liberal insiders and Liberal caucus members who had helped him engage in a civil war against his own party and overthrow the previous prime minister. He spent enormous sums just filling his cabinet with friends. When we took office under the leadership of the current Prime Minister, this Prime Minister was determined not to reward friends, but instead to get the costs down and ensure that our cabinet would be focused and frugal.

Recently the expenses for our cabinet ministers came out. We had loud criticism for those expenses from the Liberal Party, particularly from the member for Wascana. What was his criticism? He could not believe we were spending so little on hospitality, on late night cocktail parties, on steak dinners, and on schmoozy lobbyist events. He said it was impossible that we could be that frugal and that responsible. He offered no proof whatsoever that that was the case. He was dumbfounded at how frugal and responsible this Conservative government had become. We are spending \$40 million less on politicians.

We have eliminated a program that the Liberals employed where they would pay Liberal lawyers to sue the government and advance Liberal causes. I heard the Liberal finance critic across the way complaining. He said that the Conservative government has

introduced laws that might present some constitutional problems. What laws is he speaking about? Let us get beyond the mumbo-jumbo over there and let us talk about the facts.

That member is talking about our tough on crime initiatives, such as our initiative to put three time violent offenders and sexual offenders in jail forever unless they can prove they are no longer a danger to society. That member believes these kinds of laws need to be challenged in the courts using taxpayers' money. Our mandatory jail time initiative ensures that criminals who commit serious crimes will serve their time in jail, not in their homes. That member believes we should pay lawyers to challenge these laws and eliminate these tough on crime measures.

• (1130)

That member does not have the presence of mind to state clearly that that is what he is talking about because he does not want his constituents to know how soft on crime he is. His entire party has spent the last 13 years coddling criminals and now when we are getting tough on crime, the Liberals are angry because we will no longer pay lawyers to sue the government for cracking down on crime. Instead, we will redirect those dollars toward higher priority initiatives. So, yes, we have eliminated the court challenges program and we have ended funding for the Law Commission, because we believe that the focus on our justice system should be on getting on tough on criminals instead of financing lawyers to sue the government.

You will be learning more about these exciting proposals, Mr. Speaker, when the member for Tobique—Mactaquac rises, as we are splitting the time on this, something else to look forward to.

Let me talk about the \$13 billion that we paid off against the debt. The member across the way complained that we have put money against the debt. According to Don Drummond with TD Bank Financial Group, paying down \$13 billion of the national debt of the Government of Canada will save the Government of Canada \$660 million every year. Those are dollars we would otherwise have to pay in interest on that debt to bankers, many of them from other countries.

We can use that \$660 million to reduce taxes, to invest in health care, in a tougher justice system, in a whole series of other priorities. That is \$660 million which the Liberal government would not have been able to capture and save because the Liberals would have engaged in March madness, which is to say, when entering the final stages of the fiscal year, governments past have had a tradition of blowing everything in the account, emptying the cupboards to buy electoral support or reward friends.

Instead of that approach, we decided to take the full surplus and put it entirely against Canada's national debt. As a young person who cares deeply about the next generation, I am thankful that we have made that down payment on the enormous \$480 billion mortgage that the next generation is going to inherit. I am very proud of that responsible decision to invest in the future of Canada's fiscal health.

Business of Supply

I am going to talk for a few moments about some of the other dynamic manoeuvres that we undertook to save taxpayers' money. For example, when we are talking about the Status of Women program, we did not cut any of the programs associated with that department, but by merely merging offices, we were able to save over \$4 million. Not one job was lost but we saved that money through intelligent reallocation and intelligent management.

Let me talk about foreign offices that are used for diplomatic reasons. We were able to find \$4 million there just by managing them better.

We cut \$4 million from a marijuana program that the Liberal Party was promoting and boy, they were angry about that. Ever since we cut that program I have noticed they have not been as mellow over there. That was an intelligent move to save taxpayers' money.

In total, again we saved \$1 billion because of our intelligent economizing of people's tax dollars.

The Liberals are angry over there. They said before they supported saving money, but now they are furious because they have learned that it is their friends who have been cut off from the trough. At the end of the day they are making lots of big spending promises but let us be honest with the Canadian people, if the Liberals get in again and they resume their big spending, they will have to pay for it by raising the GST, taking away the \$100 a month to support young families, raising taxes, eliminating the 29 different tax cuts that we brought in for Canadians. That is the real agenda of the Liberal Party.

• (1135)

I wonder if one of the Liberal Party's members, all of whom are here today, will be willing to stand and defend their agenda to raise taxes and take away the choice in child care allowance. Will any of them stand on their feet and defend that plan that they intend to foist on Canadians if they were ever, unfortunately, given the chance to do so? Will any of them stand and do that?

Fortunately, that will not occur because this government has the support of the Canadian people. This Prime Minister is on the right track. We continue to stand up for Canadians and we are proud of the future we are building for this country.

Hon. Carolyn Bennett (St. Paul's, Lib.): Mr. Speaker, first I want to remind the member that the program the Conservatives have released has nothing to do with child care or choices in child care. If the spaces do not exist, the women of this country have no choices.

I would also like to ask the member if he is aware of the statistics. Fraser Mustard's presentation at the Brookings Institution this spring showed that almost 50% of Canadians are in literacy levels one and two of five, which level is totally dangerous in terms of the future economy of this country, and that 70% of young offenders actually have learning disabilities or some problems with literacy.

I ask the member, how on earth can the Conservative government defend the literacy cuts? Literacy programs are so crucial, not as social programs, but as economic solutions for this country.

Mr. Pierre Poilievre: Mr. Speaker, I note that the member once again attacked our initiatives to give \$100 per month to every family with a child under the age of six, which again reveals the Liberal agenda to remove that program altogether. I think there should be an

open warning given to families that are receiving that money and spending it wisely, not on beer and popcorn as the member might suggest, that if the Liberal Party were ever to recapture power in this country, the first thing that would happen is that those young families would lose that \$100 a month.

I spoke with a young mother who has four children. Imagine what that program means to her. She said that her family would not be able to make its mortgage payments any more if the Liberal Party came into power and took away that choice in child care allowance.

On the question of literacy, I am very proud that we as a government are spending \$28 million for the enhanced language training initiative that helps Canada and Ontario immigrants. I am happy that the government is spending \$2.6 billion for aboriginal elementary and secondary education programs which help with literacy. The government is spending \$1.5 million, for example, for the adult education skills development program in P.E.I.

This is a list of examples of how the government is investing in literacy. We are doing it intelligently. We are not going to waste Canadian tax dollars the way the previous government did.

Mr. Tony Martin (Sault Ste. Marie, NDP): Mr. Speaker, when we listen to the member we would think that what the government has done is not make serious and significant cuts in some very important areas in this country.

I want to remind the member that the government has cut \$25 million over three years from a training centre infrastructure fund. It has cut \$30 million from the national literacy secretariat, something that is absolutely essential if we are going to help particularly older workers make the transition from job to job. The government has cut \$25 million from the workplace skills strategy and \$3.5 billion over six years for labour market partnership agreements with all the provinces and territories. This is only a short list of the cuts that the government has made.

My question for the member is in terms of his comments concerning the court challenges program. Was not some of the reason for cutting that program, as Linda McQuaig laid out in the *Toronto Star*, a bit of vindictiveness?

When the Prime Minister was head of the National Citizens Coalition, it was taken to court by Democracy Watch. The National Citizens Coalition wanted to spend literally millions and millions of dollars fighting government and fighting government programs. The coalition lost because Democracy Watch was funded by the court challenges program. That program has been cut so that no one can again challenge the Conservative government when it makes decisions that are not in keeping with the best interests of the people of this country.

• (1140)

Mr. Pierre Poilievre: Mr. Speaker, there is no question that the court challenges program did spend a lot of taxpayers' money on lawyers. We are not going to go down that road any more.

Business of Supply

This party believes in funding Canadians directly. That is the basis of our child care program which puts money in the pockets of real parents instead of advocates, lobbyists and insiders.

The member for Sault Ste. Marie has teamed up with the Liberals on the issue of crime. Both the NDP and the Liberals are extremely soft on crime. They are out of touch with Canadians. Both of them are also soft on spending. Let me read a quote:

I think you'll see an indication in this throne speech that the spenders in the Liberal government are revving up their engines again. Nothing starts a feeding frenzy—

The Deputy Speaker: Order. I am sorry but the time has expired.

The hon. member for Tobique—Mactaquac.

Mr. Mike Allen (Tobique—Mactaquac, CPC): Mr. Speaker, I am pleased to rise today to speak to the motion raised by the member for Markham—Unionville. I am also pleased that my colleague, the member for Nepean—Carleton, is sharing his time with me today.

Part of retaining a strong economic and fiscal position is an ongoing commitment to managing program spending and ensuring that programs are reviewed every year to ensure that Canadian taxpayers are getting value for their money.

[Translation]

Our position comes down to two essential elements.

• (1145)

[English]

Inefficiencies are bad and redirecting money from inefficiencies is good.

[Translation]

I am not surprised that this proposal was made by my opposition colleague, the hon. member for Markham—Unionville.

The choices they made during their mandate resulted in exaggerated increases in government spending that our economy cannot sustain over the long term unless, of course, the members opposite want to raise taxes.

[English]

In fact, this year we have seen program spending actually decline for the first time in nine years. I want to emphasize that Conservatives said we would save \$1 billion a year by cutting wasteful and ineffective programs, and we did just that.

As stated by John Williamson of the Canadian Taxpayers Federation in the September 29 *Ottawa Citizen*, “The majority of Canadians will applaud the government's plan to pay down of the federal debt and a \$1-billion spending cut to some awful programs—”. I underline awful programs.

Don Drummond, in an editorial on September 27 when talking about accusations that the cuts were political, stated that “This is utter silliness...It's true that taxes could have been lowered instead of paying down the debt, but the real culprit keeping the tax burden high has been rapid program spending growth”.

We have eliminated ineffective programs, those that failed to deliver value for money and saved funds that were going unused. We

have reduced the debt by \$13.2 billion, thanks to solid economic growth, curbing the traditional last quarter spending spree, and through a review of ineffective programs.

What is so beneficial to taxpayers and the economy from paying down that level of debt is the annual interest savings of \$660 million. That saving is in perpetuity for Canadians, meaning that every year from this time forward Canadians will be freed from paying interest charges that actually provide no program value.

As stated by Mr. Drummond when referring to the debt repayment saving \$660 million, “And that goes on forever. So you're freeing up \$660 million for tax cuts or other priorities”.

[Translation]

The previous government wanted to be all things to all people. The Liberals never could say no, not even to very bad ideas, such as the sponsorship scandal, the gun registry, and the annual megaconvention they hold every March.

[English]

We have been able to reduce debt, cut taxes, and say yes to more resources for child care and safer streets, all because we have been able to say no to special interests and programs that do not work.

[Translation]

Canadians expect the government to invest their money in successful programs that meet their needs. They know that over the past few years, Ottawa spent too much money on too many unnecessary things—expenses that were completely unjustifiable.

[English]

In budget 2006 we promised that we would review our programs to ensure every taxpayer dollar was well spent. To me this is another case of a promise made and a promise kept. By getting a more modern approach to managing our budgets versus the dated approach used by the last government, we are going to spend more money efficiently on safer streets, cleaner air and secure borders.

As the House knows, our review established a goal to secure \$1 billion in savings. When we look at this, it is heartening to know that \$379 million of the savings will come from programs of unused funds that already achieved their objectives or had a lower than expected take up. For example, we are saving \$5.6 million because it did not cost as much to move the Canadian Tourism Commission to Vancouver as estimated. Also, an additional \$265 million was found from efficiencies just by streamlining programs.

Therefore, of the \$1 billion in savings, two-thirds come from what we would call low hanging fruit or what I would call easy pickings. I would say that the previous government obviously did not do a very good job of executing their expenditure review over the last few years if we could find \$650 million that quickly and easily.

Business of Supply

Next, we found programs that were not meeting the priorities of Canadians. For example, we will save \$4 million, as the parliamentary secretary said, through the elimination of funding for research of medical marijuana. Our government has made commitments to health research and I share the view that the federal government does not need to tell professional researchers what to study.

Through a combination of these program savings and tighter management, we are trimming fat and refocusing spending on the priorities. Our government is keeping its promise to families and taxpayers by reigning in spending and reducing the national debt.

[Translation]

Asking public servants to do more with less is not the right approach.

Rather, we must ensure that their efforts are focused on necessary programs that produce results.

Once again, in last spring's budget, we promised to invest in programs that better address Canadians' priorities. This program keeps that promise.

[English]

What is lost in all the noise in the House over the last couple of weeks is that in this year's budget we committed to spending an additional \$5 billion per year on programs to deliver priorities to Canadians and \$1 billion of that new spending is coming from savings derived from existing programs.

The government is investing \$1.5 billion over two years in regional economic development and \$3.7 billion over the same time period for the universal child care benefit. Many rural families in my riding of Tobique—Mactaquac, who will never have the opportunity to take advantage of regulated day care opportunities, are pleased with our government initiative to help families, including agriculture and forestry families.

There are also small business tax cuts which impact many women who are small business owners. We are committing \$81 million over the next two years for a literacy program and over \$300 million for immigration settlement, which affects people in my riding and the Multicultural Association of Carleton County. There is \$63 million for sector counsel programs that support workplace, skills and literacy programs in key economic sectors and \$73 million over two years for workplace skills initiatives. These are all examples of the government's commitment to the development of people and skills.

[Translation]

To keep moving forward, we must review programs continuously and make smart spending choices. This means that all programs, both current and new, will systematically undergo the same rigorous evaluation process.

• (1150)

[English]

This will ensure that the government approves funds that are actually needed to achieve major results in a way that is effective and provides value for money on behalf of Canadians.

Obviously, with the \$650 million of low hanging fruit being left on the tree by the previous government, I can only conclude that it was good at spending and not so good at managing spending, sort of like the farmer who could not run the hen over the manure pile.

I will close with a couple of points. Our cabinet undertook a review that we promised in the last budget and we have delivered on what we said. Managing spending and debt must become a key competency of any government. I would say that Kevin Dancy of the Canadian Institute of Chartered Accountants had it right when he said:

Debt and interest charges are a tax on future generations and with aging demographics we need to set the benchmark higher in reducing the national debt-to-GDP ratio. We are pleased to see Ministers Baird and Flaherty take action.

Second, and very comforting testimony for me—

The Deputy Speaker: Order, please. The hon. member should know that we cannot refer to members of the House by their names and we cannot do it indirectly by quoting other people who are referring to them by name either.

Mr. Mike Allen: I apologize, Mr. Speaker, the hon. Minister of Finance and the President of the Treasury Board.

Second, and a very comforting testimony for me, is an article in the *Times and Transcript* by Campbell Morrison where he observes that the, "Federal government won't play in provinces' pen. The decision of what to cut largely reflects a government that is retrenching into the strictly federal role as delineated by the original separation of powers that the Fathers of Confederation drew up in 1867".

I have made it halfway through a book by Patrick Boyer entitled *Just Trust Us: The Erosion of Accountability in Canada* where he states that successive governments have clouded the lines between federal and provincial responsibility. He adds that with respect to program spending, lack of responsibility and accountability has led to billions of dollars of money being spent without any measure as to whether it had been successful.

That stops now and it stops with the government. In short, there was a need for this action. We are creating value for Canadians and there is wisdom in what has been done.

Mr. Tony Martin (Sault Ste. Marie, NDP): Mr. Speaker, I found that speech rather interesting, particularly the numerous references to low hanging fruit, as if there were programs out there that were easier to cut than others.

I was wondering if the hon. member might share with us, because we have not been able to get anything out of the ministries on this, what vehicle was used to determine which was low hanging fruit and which was not. What vehicle was used, what consultation was entered into by the government to determine which programs were expendable and which programs were not?

Business of Supply

That would be helpful to us in this place as we assess the efficacy of these decisions and the impact that they will have, not only immediately but in the long term, on the citizens of my constituency and constituencies across the country.

I am particularly interested in what vehicle he used with literacy programs for adults in a changing economy when older workers particularly are being laid off. In my area of the country, in northern Ontario, forestry industry older worker need help shifting from one job to another to regain some of the skills that perhaps they had not retained.

What vehicles did you use? What consultation did you do to determine what was really low hanging fruit and how did you arrive at adult literacy—

The Deputy Speaker: Order. The hon. member for Sault Ste. Marie is directing his questions directly to the member and not through the Chair, but we will hear from the hon. member for Tobique—Mactaquac.

Mr. Mike Allen: Mr. Speaker, when I was referring to the low hanging fruit, I was talking about the \$650 million in the two categories: program funding not used, never been subscribed to, and administrative changes. No one says there were not any tough decisions associated with any practice where we were reducing budget expenditures.

For example, I refer to the member who raised this motion today who led the expenditure review. It was reported in the Ottawa *Sun* on February 25, 2005, where said that he agonized over every cut but that the government planned to make a regular exercise of dropping low priority programs to fund the Liberal agenda.

With the amounts of dollars that were invested, we looked at \$5 billion in new spending. We have talked about a number of these programs over the last couple of days. We have talked about our initiative that the minister announced for older workers.

In my speech I also talked about, and perhaps the member missed it, the funding for an additional \$60 million and \$70 million in targeted initiatives. Those are the kinds of things we are doing that will make a difference to ridings like his.

•(1155)

Mr. Blair Wilson (West Vancouver—Sunshine Coast—Sea to Sky Country, Lib.): Mr. Speaker, I listened intently to the comments of the hon. member. I have a couple of questions and a comment.

Judging from the details of his speech, how narrow an approach the Conservative government has taken to many difficult problems and specifically with respect to the economy and the finances of this country.

For the past 13 years, the Liberal government that was in charge of our economy recognized that it had to take a balanced approach. It had to cut taxes, it had to pay down debt, and it had to enhance productivity. We need to take a balanced approach and attack all three. We cannot just focus on one.

What that has produced over the last 13 years is a record \$13.2 billion surplus that the Conservative government has now inherited.

It has also inherited the lowest interest rates in Canada, the lowest unemployment rates in Canada, and a booming economy.

I would like to draw the hon. member's attention to the fact that it was because of a balanced approach to deal with debt reduction, tax reduction and productivity.

Why does his Conservative government refuse to listen to Canadians and take a balanced approach but instead takes a narrow approach? It increased spending to the military, cut government programs, and actually increased taxes to those at the lowest level of our economy.

Mr. Mike Allen: Mr. Speaker, I will take exception to a part of his question because we have invested an extra \$10 billion over the next two years in social programs.

What is obvious, in the last 13 years of the Liberal government, that any rising tide will lift any boat, including the Liberal government. When he talked about a surplus over the number of years, \$9 billion of that was because of additional GST revenue that it got because of a Conservative plan. His previous government benefited from a rising tide that lifts any boat.

[*Translation*]

Mr. Pierre Paquette (Joliette, BQ): Mr. Speaker, I would like to inform you that I will be splitting my time with the member for Saint-Lambert.

I am pleased to speak to the motion introduced by the Liberal Party, a motion that we will in fact be supporting because it is in the interests of Quebec, and of Quebecers, to denounce the cuts announced a few days ago by the Conservative government. More than anything we have seen since the Conservatives took power, those cuts have demonstrated the ideological motivation behind some of the decisions made by this government. As the name says, that ideology is extremely conservative, not to say neo-conservative.

I am therefore pleased to speak, not because I am pleased that there have been a billion dollars in cuts, but because it is my impression that when I speak today I will be speaking on behalf of the thousands and thousands of people in Quebec who were extremely shocked by the cuts that have been announced and by the places that were chosen for making those cuts.

The fact that recent polls have shown the Conservative Party in third place in Quebec is not surprising. It reflects neither the values of Quebecers nor their vision of the role that a government should play, in particular when it comes to the most disadvantaged people and the causes of groups who are facing particular difficulties.

The first obvious thing is that the public does not agree with the billion dollars in cuts announced by the Conservative government. This is true in Quebec and I imagine it is also true in a large part of Canada. We can see that the values that this party espouses do not reflect the values of Quebecers or, again, of a large proportion of Canadians.

Business of Supply

Quebec is a nation that seeks to develop an approach based on community, so that it can deal with the issues of the future, particularly issues relating to globalization, the war on poverty and the need to reconcile economic prosperity and the welfare of the population as a whole. What do we see when we look at where the Conservative Party has decided to make its cuts? The first thing it does is attack the disadvantaged and the groups that stand up for their interests.

I will give you a few examples. I will not address the entire question of culture, because my colleague from Saint-Lambert is more able to do that than I am and I know that he will do it.

There is a cut of \$10.8 million in the smoking cessation program for aboriginal people. I would like you to tell me where the logic is in cutting \$10 million from this program at a time when everyone agrees that smoking, in society as a whole but particularly among aboriginal people, is a serious health problem.

The budget for women's groups has been cut. Unfortunately, women are still victims of certain forms of discrimination and they need the support of autonomous groups that are active in promoting equality between the sexes. This approach is probably something that the Conservatives do not like. Funding for those groups is being cut. I will be reading from letters that I have received from some of those groups in my riding.

There has also been a reduction in support for volunteer groups and literacy programs. We are all familiar with the challenge of globalization. The Standing Committee on Finance is currently doing a prebudget tour that focuses on Canadian competitiveness. If the competitiveness of an economy can be attributed to anything, the quality of training of the population is one factor and, at the core of training quality is literacy. It is therefore completely absurd, counter-productive, anti-social and detrimental to the economy to make cuts to these programs.

First of all, this is an attack on those who need our help the most. Here are some personal stories.

Stéphanie Vallée, director of the Centre au coeur des femmes in Saint-Jean-de-Matha, in my riding, wrote me a letter dated October 17, 2006. It reads:

Dear Sir,

We do not appreciate the recent decisions and steps taken by the Minister of Canadian Heritage and Status of Women. We find the cuts to the department, totaling approximately 40%, particularly worrisome, along with the undemocratic steps recently taken by the minister to try to silence women's groups, by radically changing the rules of the women's program, which is responsible for funding at the Status of Women.

We at the Centre au coeur des femmes would like to see that decision immediately reversed and we are counting on you, our member of parliament, to convey our message to the minister. We would like to hear the results of this discussion upon your return from Ottawa.

I hope to have good news for them when I return to my riding. However, for now, like this woman, I am extremely concerned about this government's approach to funding for women's groups.

• (1200)

The Bloc Québécois will continue to fight to have the government reverse this decision. Ms. Vallée can count on the Bloc Québécois.

I have here a letter from a literacy group. It reads:

Dear Sir, For more than 16 years, three grassroots literacy groups in Lanaudière—

The three groups are the Groupe populaire Déclit in Berthierville, the Coopérative de services multiples de Lanaudière in Sainte-Julienne and the Regroupement des assistés sociaux du Joliette métropolitain in Joliette. The letter goes on:

—have worked together on projects as part of the program of joint federal-provincial literacy initiatives.

Over the years, funding received has created one job and supported the three groups, the trainers and the adults in training through the creation of adapted instructional material, training for trainers, a strategic awareness and recruitment plan, and so on.

The groups would like to denounce the cuts the Conservative government has announced to its adult learning, literacy and essential skills program, because these cuts will have a negative impact on each of these organizations, as well as on the adults in training.

We firmly believe that this program plays an important role in helping adults in training, trainers and literacy organizations further their literacy efforts. That is why we are asking again that the full amount earmarked for fighting illiteracy be maintained.

This letter is signed by Odette Neveu, project officer for the group.

Could this be any clearer? In Quebec, at least, not only is there disapproval of the cuts, but there is the hope that the government will reverse its position. If this government would abandon its ideological approach, it could reverse its position.

I said that the first cuts are made in programs for the most disadvantaged. However, cuts were also made to programs for organizations that keep the government in check and that address certain unresolved issues that sometimes paralyze our society.

For example, what is the government doing when it cuts funding for the Law Commission of Canada, slashes Revenue Canada advisory groups and abolishes the court challenges program? These are attempts to stifle civil society organizations that seek to bring about social progress in our society. This is clearly undemocratic. A complex society such as ours need groups to speak on behalf of views that are sometimes in the minority but which, in the long run, end up being those of the majority.

For example, take the rights of same sex couples or the rights of gays and lesbians. Had there not been minority groups—supported by programs such as those I just mentioned—to defend these causes at the outset, our society would not have accepted, as it does now, these realities which are quite normal but were considered abnormal a few decades ago.

They have just created the conditions for social decline in Canada and in Quebec. We do not accept that. Once again, it is to be hoped that the government will reverse gears.

The battle fought on behalf of the Montfort Hospital would never have taken place if there had not been a court challenges program. Minority language groups are being attacked, specifically Franco-phone minorities outside Quebec.

Not only are they attacking the most needy, the groups who defend them and the anti-establishment groups that work in our civil society to bring about social and democratic progress. In addition they cut the checks and balances and economic reinforcements; \$39 million was cut from development of the social economy. I just cannot get over it. Simply, it is not Quebec that will pay the biggest price but rather it is Canada.

Quebec had an advantage in terms of the social economy. This year marks the 10th anniversary of the creation of the Chantier de l'économie sociale. Projects were underway and because the previous government announced the creation of this fund, the projects were completed.

Quebec will lose \$5 million, which is completely unacceptable. In the rest of the country, \$34 million will be lost. We need a program of this type in order to create business organizations that are a necessary complement to government programs and the initiatives of the private market, the capitalist market, the profit-seeking market.

Once again, I believe the government needs to reverse gears. There is room to manoeuvre in terms of operating expenditures. We are not against making the federal bureaucracy leaner. On the contrary, the Bloc Québécois has been urging that for a long time.

During the first five years, from 2000 to 2004, expenditures increased by 39%—that is, operational expenditures for the bureaucracy including information technology, furniture and pencils, not program expenditures. That represents an increase in operational expenditures of about 8% per year, whereas an increase of 3.5% would have been appropriate considering population and inflation. There is room to make the Ottawa bureaucracy more efficient.

●(1205)

We do not need to strip resources from the most needy, from the groups that work on their behalf and the groups that work to advance democracy, as well as social and economic progress. That is what the Conservatives have done.

They have been unmasked and, in my opinion, unless there is a reconsideration of their policy, their image has been tarnished forever in Quebec.

ROUTINE PROCEEDINGS

COMMITTEES OF THE HOUSE

ABORIGINAL AFFAIRS AND NORTHERN DEVELOPMENT

[English]

The House resumed from September 29 consideration of the motion.

Hon. Ralph Goodale (Wascana, Lib.): Mr. Speaker, I hesitate to interrupt the flow of the debate, but there is a bit of House leaders' business to be conducted.

Discussions have taken place among all parties concerning the debate scheduled for later today on the motion of the member for Desnethé—Missinipi—Churchill River to concur in the first report of the Standing Committee on Aboriginal Affairs and Northern

Private Members' Business

Development, and I believe you would find consent in the House for the following motion. I move:

That the debate scheduled to take place later this day on the motion to concur in the first report of the Standing Committee on Aboriginal Affairs and Northern Development, be deemed to have taken place, the question on the motion deemed put, the recorded division deemed requested and deferred to 5:30 p.m. on Wednesday, October 25, 2006.

The Acting Speaker (Mr. Royal Galipeau): Does the hon. member have the unanimous consent of the House to move the motion?

Some hon. members: Agreed.

The Acting Speaker (Mr. Royal Galipeau): The House has heard the terms of the motion. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

(Motion agreed to)

* * *

PRIVATE MEMBERS' BUSINESS

ELECTORAL BOUNDARIES READJUSTMENT ACT

(Bill C-290. On the Order: Private Members' Bills:)

September 28, 2006—second reading and reference to a legislative committee of Bill C-290, An Act to amend the Electoral Boundaries Readjustment Act (Northern Ontario)—Ms. Diane Marleau.

Hon. Ralph Goodale (Wascana, Lib.): Mr. Speaker, I have one other brief matter.

There have been the usual discussions among the parties and again I think you would find unanimous consent for the following motion. I move:

That Bill C-290, An Act to amend the Electoral Boundaries Readjustment Act (Northern Ontario), be referred after second reading to the Standing Committee on Procedure and House Affairs as opposed to a legislative committee.

[Translation]

The Acting Speaker (Mr. Royal Galipeau): Does the hon. member have the unanimous consent of the House to propose the motion?

Some hon. members: Agreed.

The Acting Speaker (Mr. Royal Galipeau): The House has heard the terms of the motion. Is it the pleasure of the House to adopt this motion?

Some hon. members: Agreed.

Business of Supply

(Motion agreed to)

GOVERNMENT ORDERS

●(1210)

[Translation]

BUSINESS OF SUPPLY

OPPOSITION MOTION—ECONOMIC AND FISCAL POSITION

The House resumed consideration of the motion.

Hon. Michael Chong (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister for Sport, CPC): Mr. Speaker, I want to respond to hon. member from the Bloc Québécois. Canadians expect their hard-earned money to be invested in effective programs that meet their needs. During the last election campaign, our party promised to look at the programs in order to ensure that taxpayers' money was being spent wisely.

Unlike the previous government—which tried to do everything to please everyone—our government makes real decisions. We will implement programs that will produce results, optimize resources and respond to the priorities of Canadians.

Through this review, the government has a strategy to save \$1 billion this year and next. This year we will earmark that billion dollars and an additional \$5 billion for new programs. That is our plan and I will say again to the hon. member from the Bloc Québécois that it is a good plan.

Mr. Pierre Paquette (Joliette, BQ): Mr. Speaker, in my opinion, the member did not understand what I said in conclusion since there is indeed some fat to be trimmed in Ottawa in operating expenditures, but not in spending on programs that are necessary for the underprivileged, the groups that defend them and those that promote democracy, social progress and economic progress. That is what they took aim at.

Regarding operating expenditures, I explained earlier that they had increased by 8% a year, while the increase in the population and inflation has been 3.5%. So we see there is room. In the announcement made by the Conservatives, scarcely a quarter billion dollars, or \$250 million, is going in cuts to operating expenditures. That means that, out of \$1 billion, \$750 million is being drawn from cuts to useful programs, when some fat could have been trimmed from the Treasury Board, for example, a department that provides no service to the population and that has shown a 26% increase in its operating expenditures over five years. During the same period, in Quebec, we have lowered Treasury Board expenditures by 20%.

At CIDA, direct aid has increased by 20% while operating expenses have increased by 132%. There is definitely some fat to be trimmed there. But that is not where they cut, since three quarters of the cuts were aimed at groups that do work in the field: literacy groups and women's groups that play an essential role.

We could also have looked at military expenditures. For example, the Department of National Defence budget is over \$14 billion. Not one cent was cut. I am not sure that everything in there is useful. This budget should have been examined, not to call into question the

fact that our equipment needs to be modernized, once we know what we will do with the Department of National Defence in Canada.

All departments should have been asked to make cuts in operating expenditures before any thought was given to cutting aid to the underprivileged, the groups that defend them and those that promote social development, economic development and democracy in Quebec.

[English]

Mr. Wayne Marston (Hamilton East—Stoney Creek, NDP):

Mr. Speaker, when the motion by the member for Markham—Unionville came before us today, I was quite struck by it. During the 1990s, I was part of a group of people in Hamilton who were very concerned with the changes taking place in our government.

Members will recall in the mid-1990s the Canada health and social transfer was changed in a fashion that caused government transfers to be less to provinces and the ripple effect that went through our economy when those provinces started downloading their responsibilities to the municipalities at a great cost to them. At the same time we saw unemployment insurance change to EI. In the days where some 80% of workers received benefits, it was reduced.

Would it not be reasonable to expect any government, which has a \$2 billion surplus in EI funds, not to apply those to general revenues but to put them, instead, into retraining for workers, especially those workers sold out by this softwood sellout?

[Translation]

The Acting Speaker (Mr. Royal Galipeau): The hon. member for Joliette has 20 seconds to reply to the question.

Mr. Pierre Paquette: Mr. Speaker, the member is quite right.

When the Conservative member stated earlier on that taxpayers want their money to be effectively managed, he was right. However, the Conservatives have taken an issue that is of real concern to our citizens and distorted it with the objective of making cuts to programs that serve the disadvantaged—

●(1215)

The Acting Speaker (Mr. Royal Galipeau): The hon. member for Saint-Lambert.

Mr. Maka Kotto (Saint-Lambert, BQ): Mr. Speaker, I rise in this House today to say that we support the motion of the Liberal Party which states:

That, in the opinion of the House, the government inherited the best economic and fiscal position of any incoming federal government and has not demonstrated the need, value or wisdom of its announced expenditure cuts which unfairly disadvantage the most vulnerable groups in Canadian society.

Business of Supply

Why do we support this motion? For all the reasons given by my colleague from Joliette and also because we feel that this government has a \$13 billion surplus to work with. It could have cut operating costs, as mentioned by the member for Joliette, rather than programs that affect citizens.

The Conservatives have made what are generally called ideological cuts, and it is not impugning their motives to say so. They target the disadvantaged and minority groups. Mrs. Thatcher taught us a lot in this regard. The Conservatives target programs intended to counterbalance the government. They refuse to consider possible savings at National Defence. I wonder why. The question must be asked. Why is it that there were no cuts to the Department of National Defence when it is one of the departments with the largest budgets, about \$14.7 billion in 2005-06?

During the election campaign in January, we saw the Conservative government still slowly progressing like masked turtles. That is what I told the media at the time. The Conservatives had not yet revealed their true face, but now we know a little more about it.

With all these cuts, the government is stirring up a lot of discontent in Quebec. If our friends across the aisle are incapable of seeing this, all I can say is they are out of touch with reality in Quebec.

The values of the Conservative Party are not the values of Quebecers. The Quebec nation is about solidarity in all areas of life. We know that.

As for the Conservative government I was saying that it is going after the disadvantaged and minority groups. I will provide a few examples, beginning with the elimination of the court challenges program. This program gave minorities a voice: linguistic minorities, advocacy groups on behalf of the disadvantaged, homosexual rights groups, and so forth. The court challenges program funded groups that challenged the positions taken by current members of this government. Was the cutting of this program not a bad sign for all the groups opposed to the ideology embraced by this government? That is the question.

There is also the reduced budget for women's groups, about which my colleague spoke earlier, and cuts to the support for volunteer groups and literacy.

The Conservatives decided to eliminate the Canada volunteerism initiative that was not supposed to end until next March.

The question I want to ask is whether the government will invest in another volunteer action program in its next budget. Stakeholders are waiting for some sign, some hint. If not, another question arises: will the government decide then to transfer the entire file to the Department of Human Resources and Social Development?

The Conservatives have cut funding to the public diplomacy fund, a program that promoted the support of cultural exportation, such as international tours for dance and theatre groups. Once again, they have not missed an opportunity to worry the cultural community.

● (1220)

On the front page of this morning's *Le Devoir*, Stéphane Baillargeon has written an excellent article on the concerns of the cultural and artistic communities in Quebec. I urge all members to read the article, for it is full of information.

With the announcement of \$11.8 million in cuts to the public diplomacy fund, dance and theatre groups are wondering how this will affect the funding of international tours.

This is what I asked the heritage minister recently: Will these cuts put an end to funding for international tours for theatre and dance groups from Quebec and Canada, yes or no? She said no. I am sorry to say, however, that these groups are concerned that this was merely lip service.

I now come to the museum sector, which is very important to us. This sector has been awaiting a new museum policy for 25 years, as well as a budget increase, but unfortunately, the Conservative government just cut 25% from funding for museums.

I would like to read the Conservative Party promises from the last election campaign. This was on December 16, 2005. The Canadian Museum Association received a number of responses to questions it had asked the Conservative Party.

Here is the first question:

Does the Conservative Party of Canada support the development of a new Canadian Museums Policy to replace the current policy that dates back to the 1970s?

Here is the Conservatives' response:

Yes, the Conservative Party of Canada supports the development of a new museums policy for Canada. Canadians want to see the country's rich heritage protected and preserved for this generation and for future generations. It is not acceptable that this policy has not been updated and that Canadian museums have been neglected by the federal Liberal government. A Conservative government looks forward to working with the Canadian Museums Association to develop a revitalized and renewed vision for Canada's museums.

Here is the second question:

Does the Conservative Party support the CMA's principal objectives for a new policy:

Preserve Canada's national heritage, including artifacts of key importance held in museums across Canada;

Support museums in their role as important economic engines in the revitalization of cities and communities;

Increase engagement of citizens, visitors, volunteers, and members by greater outreach to community groups and the general public

Stabilize the capacity of museums to achieve these objectives through multi-year funding—

I could go on, because the commitments were tangible. And the result is that the Conservatives have made a 25% cut.

The Conservatives made a commitment to revitalize and support the arts, but it was a verbal commitment. In conclusion, with this government, women, minorities and culture have become problems. This government prides itself on supporting the arts and culture scene. It talks ad nauseum about providing quality assistance for creators and for heritage, but assistance has to be more than lip service. It has to be tangible and real and take the form of actions and funding.

Business of Supply

We in the Bloc Québécois work tirelessly to promote and support the arts and culture, which the government has abandoned. The government's action, which amounts to a chainsaw massacre, is embarrassing in every respect. This government never stops talking about culture, yet it is destroying culture throughout Quebec and Canada.

We in the Bloc Québécois question the incompetence, the deceptions, the arrogance and the deviance of this government, which regularly sicken Quebecers. We demand that this government meet Quebec's expectations. In anticipation of our emancipation, we will always faithfully reflect the widely held visions of Quebecers in this House.

● (1225)

Hon. Michael Chong (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister for Sport, CPC): Mr. Speaker, I want to respond to the hon. member from the Bloc Québécois. I have two things to say to him.

First, our plan is a good plan. We have a budget for 2006-07 of \$200 billion. This year our government has found \$1 billion in savings. It is not unlike a Quebec family that spends \$20,000 annually wanting to save \$100 a year. Our government's plan is quite reasonable.

Second, the Bloc can promise the moon and talk and talk and talk since it will never be in power. It is not possible for the Bloc to form the government. It is quite easy for the Bloc to talk and criticize every plan since the Bloc does not have a chance to form the government.

Mr. Maka Kotto: Mr. Speaker, the Bloc talks and talks. The Bloc is not capable of forming the government. That is something we are tired of hearing in this House. We are in a democracy and I believe it is proper to respect this game, this modern-day jousting.

There are nations where people stagnate under dictatorship and where people are in prison for speaking out against their government. The Bloc does not speak for the sake of talking. The Bloc talks and offers solutions.

I can list the issues the Bloc has become involved in to give you an indication, whether with the previous government or the current government. Without the support of the Bloc Québécois in some issues, I do not think this government would still be here. I am just saying this as an aside.

I take exception to the fact that the Bloc Québécois is being impugned in this way. It is a clear indication that they do not understand the reason for the Bloc Québécois' presence in this House.

The Bloc Québécois was sent here by Quebecers. Nearly half the population of Quebec sent us here to represent them because they have lost faith in Canadian federalism. When this party or the Liberal Party realizes and accepts that, perhaps then we can engage in a sincere and respectable conversation.

[*English*]

Mr. Tony Martin (Sault Ste. Marie, NDP): Mr. Speaker, does the hon. member not find it rather interesting that the Liberals would bring forward this motion? When the Liberals were in government,

they cut literally \$25 billion out of spending in our country. It dramatically affected some of the most at risk and vulnerable of our citizens. The Liberals were responding to a huge deficit that the Brian Mulroney government had driven up.

Now we have a government that finds itself in a situation where it has a \$13 billion surplus, mostly created on the backs of the poor and the most at risk by the previous government, which announced programs that were supposed to help, but it ended up not spending that money.

Does the member find the dialogue between the previous government and the current government interesting? Both do not seem to understand that the priority is to help communities and citizens participate and live with some dignity.

[*Translation*]

Mr. Maka Kotto: Mr. Speaker, in response to the comment made by my colleague opposite—and it is unfortunate he is not a sovereignist, because I would gladly welcome him into the fold—I would say that we are not so far apart in our social, economic and political thinking.

● (1230)

[*English*]

Ms. Judy Wasylycia-Leis (Winnipeg North, NDP): Mr. Speaker, when I read the motion presented by the Liberals for today's opposition day, I thought it was a joke, that it could not be true. It is so shallow, so hollow, so gratuitous and so without purpose. When I realized it was a reality and this was the genuine intentions of the Liberals, all I could conclude was the Liberals, with this opposition day, were making a mockery out of Parliament. They have embarrassed this place for all of Canada.

If we look at the resolution, it is nothing more than a statement of self-congratulation and gratuitous remarks. It has no purpose, no specific recommendation and no action for Parliament to consider. Therefore, I do not know on what we are supposed to vote. I, along with my colleagues, certainly will not vote on a motion that congratulates the Liberals for bringing our country to its knees over a decade of poor economic and fiscal mismanagement and a decade of cuts that have hurt the ability of Canadians to contribute.

For the life of me I do not understand how the motion was allowed to be on the books and come forward. Surely, it is contrary to all the traditions of this place with respect to opposition day motions, and we are debating nothing. We are debating an empty statement of pure rhetoric, which is self-serving for the Liberals in this chamber.

It presents us with the unique combination of conceit and weakness, which has been so characteristic of the Liberals over this past decade and certainly over the last couple of years when their attitude, arrogance and sense that they were entitled to rule this place, no matter what voters thought, became so apparent.

First, I have no choice but to recommend that my colleagues vote against the motion. It would be ludicrous for us to support such an empty, gratuitous statement. Second, I have no choice but to tear apart the two parts to this resolution

Business of Supply

The first part of the resolution suggests that the Liberals left the Conservatives the best economic and fiscal position of any incoming federal government, which is just nonsense, and I will proceed to prove that.

The second part critiques the current government for not demonstrating the need, value or wisdom of its announced expenditure cuts, implying that if the current government had justified the spending cuts, had given us some background, some evaluation, the \$1 billion in cuts would have been justified, would have been be okay.

We cannot accept that position. We can accept nothing short of a resolution that calls for the reinstatement of these \$1 billion cuts until such time as the government comes forward with an actual cost benefit analysis to show which programs were not producing results and were not contributing to the Canadian economy. So far we have not seen any evidence of that. The Conservative government has cut the lifeblood out of most communities, the very things that help communities help others, that help communities renew housing and community supports, that help give people the tools to access our economy, like literacy and numeracy and supports in socio-economic initiatives.

There is nothing to date, in any of the cuts announced by the Conservatives, that suggests there is any benefit to our Canadian economy, that there is any savings to be accrued, other than adding to our debt down the road and creating more and more difficulties for Canadians to participate.

Let me just go back to this nonsense about the goodness the Liberals have left this nation. I would remind members that over the course of the past 13 years, our country has ended up in a far worse position than we are today.

• (1235)

Let us go back to 1993 to 2006, to the fortunate year when the Liberals were, thankfully, defeated. During that period of time, workers' wages and salaries, as a percentage of GDP, declined steadily over those years, dropping from 54.3% to only 50%.

Let us look at some of the statistics. During this decade, the share of income for the top 1% of our population, those people who make over \$150,000 a year, rose from 9% to 14%. Therefore, the Liberal government did a great job of boosting the already wealthy and catering to the corporate sector, but did nothing to help low and middle income Canadians. The bottom 40% of Canadians' share of national income actually dropped under the Liberals during this decade.

Let us look at the job situation. Under the Liberals, we saw our country move away from a society, which had the possibility of permanent well-paying jobs, where both men and women were treated equally, where people were able to combine work, family and leisure activities on a reasonable basis and had some quality of life. That was taken away by the Liberals. Most new jobs, under the Liberals, happened in terms of temporary employment, part time employment or self-employment. Instead of us moving toward a progressive civil society, where people could put their talents to use in full time meaningful jobs, get some benefits and security and be

able to still participate fully in their family and in their community activities, the Liberal government took that away.

One out of ten manufacturing jobs in Canada has been lost since 2001. More than 200,000 jobs have been lost in the manufacturing sector. That is a blow to many communities in our country and a blow to our whole society.

One in seven Canadians works full time for less than \$10 an hour. Women are two times as likely as men to work in low wage jobs.

The employment insurance, which was supposed to help workers, now only helps about 40% of unemployed workers instead of the 80%. That happened when the Liberals took over as the government in 1993. Instead, they chalked up an EI surplus of \$50 billion, which has not been used to help unemployed workers. It is not being used to train workers. It is not being used. That is the Liberal legacy. While workers were struggling, while families were suffering, while people needed training to be able to access the new economy, the Liberals destroyed the future for many Canadians. I could go on.

When we look at the human aspect to fiscal and economic policy, which is a central part of any fiscal economic management and good government, we have to not simply look at the bottom line in terms of how much debt has been paid off and how much the tax breaks have been given corporate sector. We also have to look at the health and well-being of the workers who contribute so much to our economy and, in fact, grow the wealth in this country. Whether we are looking at the human aspect or the fundamentals in terms of good economic policy, the interest rate policy, the role of the Bank of Canada in trying to cut off growth every time the economy starts booming, all of this has to be traced back to Liberal inaction and incompetence over the last decade.

Finally, let us point to the ludicrously of the Liberals talking about cuts and criticizing the Conservative cuts. Members know we are opposed to the Conservative cuts. They hurt so many people in harmful ways. However, the Liberals were far worse. Do not forget that the Liberals were promising far bigger cuts in 2005 when they were still in office. In fact, for the two year period we are talking about, the Conservative cuts as a percentage of planned Liberal cuts is 25%.

Therefore, what the Conservatives are doing now is modest in comparison to what the Liberals were planning to do. In fact, they entrenched in the whole Treasury Board process the expenditure review, which would lead to significant cuts by the finance critic of the Liberal Party himself, none other than the person who brought forward the motion.

Let us just remember that the Liberal government over the years cut \$25 million from provincial transfers for health and education, cancelled the Canada assistance plan and eliminated its support for social housing. In the 1996 budget, it cut over 45,000 public service jobs. It cut over half a million dollars in appropriations to the CBC. It allowed Canada's foreign aid to slip from 0.4% to 0.3%. It cut the money for core programs for women and cut the heck out of the very fabric of our country. It left us in a position today—

Business of Supply

•(1240)

The Acting Speaker (Mr. Royal Galipeau): Questions and comments, the hon. member for Haliburton—Kawartha Lakes—Brock.

Mr. Barry Devolin (Haliburton—Kawartha Lakes—Brock, CPC): Mr. Speaker, when I talk I like a big audience and, since the official opposition, the Liberal Party of Canada, brought this motion forward today, I hope some of them are listening to what some of the rest of us have to say.

If the Government of Canada did not conduct an annual expenditure review that would be cause for criticism by the people of Canada. Every organization should conduct an annual expenditure review. My wife and I do that in our household. We sit down and look at our household bills to see if there are places where we are spending money where it is not necessary. As a member of Parliament, at the end of the year my staff and I sit down and look at where we have spent our budget trying to serve the people in the riding as best we can and we reallocate resources by taking them out of one area and putting them into another.

When I look at the size of the budget of Canada, approximately \$200 billion a year, and the number of dollars that are involved in this expenditure review, which is about \$1 billion, that is about half of a percent. I appreciate that there will be people who will disagree with some of the decisions that were made and where the trimming took place, but for the Liberal Party or any other party to suggest that this is some large scale reduction of expenditures or that there are massive cuts to programs is untrue and it exaggerates the point.

We should also make the distinction between dollars that are spent actually delivering services to people who need those services and dollars that are spent supporting organizations that often turn around and use those dollars to lobby the government to get more resources.

Does the member not agree that the Government of Canada should do an annual expenditure review? Does she really think that changes less than 1% should be labelled as extreme?

Ms. Judy Wasylycia-Leis: Mr. Speaker, there is a big difference between an honest expenditure review that does a genuine cost benefit analysis and impact study and respects the communities that have worked so hard to make a difference, and the kind of cuts we have seen with the Conservatives, and previously by the Liberals, that are based strictly on ideology, cuts that are based on a hatred or a dislike of certain groups in our society, whether we are talking about feminist organizations, community renewal corporations or literacy organizations, people who help others get the tools so they can participate fully.

The member says that it is less than 1% or 0.1% of the budget. My goodness, that \$1 billion cut by the Conservative government will do more harm and create more debt down the road than anyone can imagine. When the Conservatives take away the tools that help people get a job and pay taxes, it is ludicrous and absolute stupidity and must be called to account.

We have not seen any kind of cost benefit analysis of government expenditures on a broad basis, especially in the area where corporations are able to benefit year in and year out with huge tax breaks, huge giveaways and huge loopholes and never have to

account for the fact that the money is not being reinvested back in Canadian firms, in creating jobs and in growing the economy.

Even Don Drummond pointed out that it was an embarrassment to have this money go to corporations and not see it returned to this country. Instead, it is fleeing this country. It is not being put to use where it would make a difference, which would be a true cost benefit expenditure review. That would be showing that the government is sincere and willing to trim the fat.

When the government eliminates the literacy partners program in Manitoba so people do not have any place to call for help, that is not trimming the fat. It is not trimming the fat when the court challenges program is cut thereby hurting the Unemployed Help Centre in Manitoba, the very centre that helps workers get their feet back on the ground.

What kind of economic and social sense is that? What kind of compassion is that? There is no sense in the Conservative cuts, nor the Liberals' history of cuts.

•(1245)

Mr. Tony Martin (Sault Ste. Marie, NDP): Mr. Speaker, I am honoured to follow the member for Winnipeg North and her impassioned plea for the government to stop the cuts, to get back to its senses and to think about the communities and the people who will be affected very dramatically by every penny that is taken out of their budgets by way of these decisions.

I was pleased to move a motion in the standing committee on which I serve, human resources and social development, that would actually take a look at these cuts, particularly in that ministry. At the first meeting we had this past Tuesday, the most important question we asked the group that came in to talk to us about the impact was whether they had been consulted about these cuts. Members of the group said that there was no consultation, no warning and no conversation whatsoever regarding the impact on the people they serve or whether they would be able to handle this.

We still have not been able to find or to get from the government any vehicle template that it might have used to actually make these decisions.

Not even the former Conservative minister in the Mulroney government, Perrin Beatty, co-chair of the Canadian Labour and Business Centre that must close its doors after 22 years of operation, was able to see the minister or the Prime Minister regarding the cuts to the program that they are so obviously committed to and think is a good thing.

This centre is Canada's longest standing business and labour forum, the only national ongoing forum for partnership and dialogue on labour market and skills issues. The government is cutting that program at a time when the economy is rapidly changing and we are into a global reality. It cut the program and did not want to sit down and talk to the chair of that program about its impact.

Business of Supply

Every time we ask a question here in the House or in committee, the Conservatives stand and say that they are spending millions of dollars on this, that and the other things, but the reality is that no matter what they say on how much money they claim they are spending, they are spending less. They are spending less on programs that affect very directly the most at risk and marginalized of our communities, our families. Most of these cuts are targeted at the most vulnerable people.

The government has cut \$200 million out of the voluntary sector; \$55 million out of youth employment, the summer employment programs; \$45 million out of Canada Mortgage and Housing; \$17 million out of the adult learning and literacy program; \$17 million from workplace skills; \$13 from the social development partnership; and \$13 million from the social economic initiative. That is just a short list of a long list of programs that have been hit dramatically and which will feel very directly every penny that they lose.

However, it should not surprise us at all that the government is making these cuts. When the budget was announced last year by Mr. Flaherty, supported by his good friend from the Ontario legislature, Mr. Baird, sitting up in the gallery was Mr. Harris who was very proud to be delivering on a program that he had very effectively rolled out in Ontario.

If anyone is wondering what these cuts are about, or where they are going, or what is coming next, all they need do is look back at the record of that government in Ontario from 1995 to 2003.

• (1250)

Mr. Barry Devolin: Mr. Speaker, I rise on a point of order. I believe my colleague has inadvertently named members of this place who previously served in the Ontario government. I know he is an experienced legislator and would not have done so on purpose but I think that should be withdrawn.

The Acting Speaker (Mr. Royal Galipeau): I will not comment on the point of order except to say that I agree.

Mr. Tony Martin: Mr. Speaker, I also agree and appreciate the challenge.

The two members of Parliament who serve in the capacity of the Minister of Finance and President of the Treasury Board and who served in similar capacities in the Ontario legislature are the architects of this cut program by the government. It should not surprise us that it is targeted at the most vulnerable of our citizens. The first thing those two members did when they were in the Ontario government in 1995 was to cut 21.6% out of the income of everybody in Ontario on social assistance. It was dramatic. How heartless and uncompassionate is that?

Let me read a letter from one of my constituents, a student in the literacy program for adults and a member of the board of directors of the Ontario Literacy Coalition which will feel the effect directly of these cuts to literacy. Michael Shaughnessy states:

With a \$13 billion surplus, to me it is very stunning that the federal government would pick this time to cut \$17.7 million from adult literacy funding right across Canada. I have seen first hand the change that comes over adult learners after being in a literacy program. It seems to build up their self-esteem, and bring out an inner fire in them which we should not allow the government to extinguish.

Results of the International Adult Literacy Survey (IALS) published by Statistics Canada tells us that 22% of adult Canadians have serious difficulty with reading, writing and math, and another 26% do not have the literacy skills we all need to

participate fully in today's information-based society. In Ontario, 1.2 million adults do not have basic literacy skills and another 1.4 million are not able to read well enough to carry out daily tasks or to find and keep a job.

I was one of the 20% who can't read or write. I could not even read the word "there", but I do have my grade 12 diploma. For whatever reason, I was pushed along and aside and was considered un-teachable. But through a literacy program, I am now at Ontario Literacy and Basic Skills Level 5 (the top adult basic literacy level). That is why I do admire people who have the inner fire to get up the courage to enroll in a literacy program. It is like climbing the biggest peak in Canada. Unlike most people who went to high school who could dream about going into college or university, I was not even able to have this dream. Although some people may fail once they are there, I didn't even have the chance to get up to bat and try to make it...

In a caring and just society, education is not a luxury;—

It is not a low hanging fruit. It is not fat to be trimmed.

—it is a right of all Canadians. This is why I am asking all of the 42% of Canadians who have literacy problems, and all other Canadians who do not have literacy challenges to stand up and say no to the cut back, and write a letter to your MP or the Prime Minister's office and say no to the cut back.

On Tuesday, the committee heard a very compelling presentation by members of the Canadian Labour Congress who came before us and said that these cuts amounted to an attempt to silence the voices of Canadians, especially those not yet able to exercise their full citizenship because of the barriers in their way. They talked about the impact on women, on immigrant groups, on workers of colour, on the disabled, on those who lack literacy skills, on people who the previous Liberal government said it would help and even at the last minute, a deathbed confession, made promises of money for this, that and the other thing.

We could not name one thing that was not in need of money in the month or two before the last election that the Liberals did not target money toward. Did that money get spent? No, it did not, which is the reason the government is now able to say that there is in fact some low hanging fruit. There is money out there, the money that was not spent by the previous Liberal government on very important programs which it has now determined were not necessary when I and my caucus know were in fact necessary.

• (1255)

As well, more money on top of that is necessary if we are going to support communities, families and individuals in being the best they can be, in being all that they can be, and it is necessary if we are going to support the voluntary and non-profit groups that support those efforts in communities and support their efforts to get justice served when in fact they are told they cannot have what they need.

Today I decry these cuts. I ask all hon. members in this place, particularly the Conservative members, to do everything in their power to respond to Michael and say no to these cuts.

Business of Supply

Mr. Barry Devolin (Haliburton—Kawartha Lakes—Brock, CPC): Mr. Speaker, I thank the member for his presentation and am glad to have the opportunity to ask a question. I need to make a small correction to the record. The current Minister of Finance and the President of the Treasury Board were members of the governing party in Ontario in 1995, but were not in fact members of that government, although I suspect both of them wish they had been at that time.

It is an interesting comparison, because the situation we had in Ontario in 1995 and the difficult decisions that had to be made were there as the result of five years of an NDP government in Ontario that had created a financial crisis. I believe my hon. colleague was a part of that government, so he more so than I would remember that time and the difficult decisions that need to be made when governing.

My question for my colleague is this. Given that he lived through that time when the NDP premier of Ontario was Bob Rae, does he not find it astounding, after the experience Ontario had, that it appears the Liberal Party is about to make Bob Rae its leader and potentially put Canada through the same thing?

Mr. Tony Martin: Mr. Speaker, let me respond to that question by saying what this member should know. In fact, this is the kind of misinformation or lack of information that the Conservatives put out there. Yes, in fact, we did govern in some of the most difficult economic times that this country had experienced in probably 30 or 40 years and actually, it has been said, since the Great Depression. We had to make some difficult decisions.

The member will remember the social contract and the price we paid for that in trying to manage the finances of the government of that day. We put in process programs during those five years that in fact would have played out much differently from what happened under the Conservative government, with the two ministers the member mentioned in that government who serve here now and who actually did serve in cabinet in that government.

What happened following 1995 was not that the deficit went down and the debt was paid. In fact, the deficit went up because the Conservative government of that time did exactly what the government is proposing to do here, which is to give massive tax breaks and make cuts in areas where it should not be making cuts. The Conservative government actually drove up the deficit and drove up the debt of Ontario, which is what the Conservatives will do with this country before they are finished.

Mr. Pat Martin (Winnipeg Centre, NDP): Mr. Speaker, I want to thank my colleague from Sault Ste. Marie for not only pointing out the staggering hypocrisy of the language in this particular motion but also for making the point that the Liberals are trying to have us believe some revisionist version of what went on. They are criticizing these cuts, which the NDP was the first to condemn, I believe. The Liberals would have us believe that theirs was a kinder, gentler government, when in actual fact the evidence will show that the former Liberal government was the most right-wing conservative government in the history of Canada. It was known for cutting, hacking and slashing every social program by which we define ourselves as Canadians, in the most ruthless and cruel way that can be imagined.

My colleague made the point quite well, I think, that some cuts simply do not heal, that these cuts hurt people. Some cuts still have not healed. In my riding, the poorest riding in Canada, we feel the effects still of the Liberal economic policy that used the EI system as a cash cow.

I want to ask my colleague if the same is true in his riding. The cutbacks to EI by the Liberal government alone took \$20.8 million a year out of just my riding of Winnipeg Centre. That is like the payrolls of two huge industries, two huge pulp and paper mills, moving out of one's riding. That is what it is equal to. Members can imagine what that would do to an already vulnerable low income neighbourhood like mine. Does the hon. member's riding still bear the vestiges of the Liberal legacy of ruthless cutbacks and slashing of budgets?

• (1300)

The Acting Speaker (Mr. Royal Galipeau): The hon. member for Sault Ste. Marie will have half a minute for his reply.

Mr. Tony Martin: Mr. Speaker, there is no question that we do, particularly now as we face the onslaught of the downturn in the forestry economy, some of it manipulated and helped along by the present government and its new agreement on softwood lumber.

I would like to talk for a second about the impact of the cuts made by the Liberals. I was in the NDP government in Ontario from 1990-95. We were dealing with the worst recession since the Great Depression and, not only that, we were dealing with a federal government that suddenly decided it was going to cut, over two or three years, some \$25 billion out of the transfers to the provinces. We felt that very directly. We tried to manage those cuts so we would not dump on the next level of government, the municipalities, but as for the Conservative government of 1995, what I am saying here is to watch the pattern—

The Acting Speaker (Mr. Royal Galipeau): I regret to tell the hon. member that his 30 seconds were up 30 seconds ago.

Resuming debate. The hon. Leader of the Opposition.

Hon. Bill Graham (Leader of the Opposition, Lib.): Mr. Speaker, I am delighted to rise in support of the motion put forward by the hon. member for Markham—Unionville. I am also happy to share my time with the member for Dartmouth—Cole Harbour.

As is usual for anything proposed by the hon. member for Markham—Unionville, this motion makes great sense. Indeed, it is one which so many members wish to speak to because there are so many examples of how the government's cuts have adversely affected their communities. I contrast this with the rather partisan approach of the member for Winnipeg Centre, who, I can only suggest to the House, is still feeling the lash of his constituents for having put into power the Conservative government that is responsible for the cuts he is so upset about.

Business of Supply

The fact is, thanks to Liberal budget after Liberal budget, the Conservatives inherited the best government balance sheet in the world. And what have they done with that good fortune? The Prime Minister and his government have cut programs for the most vulnerable citizens in our society. They have eliminated help for those most in need. They have cut off support for minorities. They have acted against equality for women. They have turned their backs on those without power, on those who dare to disagree with them and on those who try to assert their fundamental rights.

Gone are the literacy programs to help our fellow citizens who cannot read or write. OECD studies clearly show that people with high literacy skills and medium to high computer skills are five times as likely to have high incomes.

I would like to congratulate the hon. member for Sault Ste. Marie for his personal statement, so moving in the House, about how he overcame his own difficulty with respect to literacy. I am sorry he had to drift into a partisan rant at the end of it, but the fact of the matter is that he is right: literacy is fundamental to economic success in the 21st century, for individuals and for the country.

Yet the government has destroyed literacy funding and, in so doing, has destroyed hope for Canadian after Canadian while damaging our prosperity and productivity. These are cuts that are not just meanspirited; they are counterproductive, make no economic sense, and affect the prosperity of all Canadians.

Let us look at literacy programs for aboriginal peoples, which have been tossed on the scrap heap. Two weeks ago, I had the privilege of being in Nunavut and I spoke with women literacy volunteers. They work across Nunavut to ensure that the Inuit population has the power to lift themselves up, yet the Prime Minister has decided that he just does not care about them or their prospects.

As for reading and writing programs for immigrants and refugees, they are history too. And literacy help for those Canadians having trouble reading the instructions on their medicine or filling out a job application no longer exists.

[*Translation*]

It is a sad truth that there are people across Canada who have trouble reading and writing. These people want to help their children with their homework so they can have a better life. They want to be able to read the bus schedule. They want to learn how to use ATMs. In its wisdom, this government decided that this will not happen. It decided to save \$18 million at the expense of these people.

[*English*]

Gone, too, are essential summer jobs for 25,000 Canadian students. We all have students in our ridings. I have them in my riding of Toronto Centre. They are hard-working, decent young people from across the riding who need that summer program to let them go to a trade school, community college or university.

These young people are stretched to the limit and their parents are stretched to the limit, and the Conservatives have cut them off from help. In so doing, they have destroyed the capacity of many worthy NGOs that have employed these young students to help with summer programs for the disadvantaged and vulnerable.

In my riding, that means programs for youth at Central Neighbourhood House, for the homeless at Toronto City Mission or the Yonge Street Mission, Epilepsy Toronto, the YWCA, the Heart and Stroke Foundation, Jessie's Centre for Teenagers, the Ontario Deaf Sports Association, the Soupepper Theatre Company, the Toronto Kiwanis Boys and Girls Club, and education facilities at Dixon Hall.

That is just the beginning of a list. That just covers the surface. These are real losses for real people in social, economic and very serious human need.

The same is true of the meanspirited cuts to the museum assistance program. We are not talking about big national institutions here. We are talking about museums at the heart and soul of small communities in our country.

We are talking about the Wetaskiwin and District Heritage Museum in Alberta, or the Nanton air museum, where I went a year ago with the member of Parliament for Macleod and where we proudly dedicated the memorial to the brave pilots who flew for this country in World War II. I would like to know how the member for Macleod is going to explain to those hard-working constituents of his, who proudly created a truly great Canadian asset in their community, that all their hopes and all their hours of volunteer work for the future of their museum have been given the back of the hand by another Alberta member, their own Prime Minister.

Similar questions will be asked by those who worked so hard to create the Dawson City and MacBride museums in Yukon, the Chilliwack Museum, the Kamloops Art Gallery, the Cumberland Heritage Village Museum in eastern Ontario, the Mendel and MacKenzie Art Galleries in Saskatchewan, the Agricultural Historical Society of Newfoundland and Labrador, and the Shelburne museum on Nova Scotia's South Shore.

If complete, the list would contain most of the communities represented in the House. What an insult to the 350,000 Canadians who volunteer at museums every year. It is a back of the hand to tourism in our struggling cities and smaller towns. It is an insult to the history and the memory of the men and women who built this great country of ours.

We then look at the cuts in funding to programs to help women achieve equality. Just yesterday, we celebrated Persons Day in our country in celebration of the Famous Five, who in 1929 won the case declaring that Canadian women are entitled to the same rights and responsibilities as Canadian men. Equality for women? This is of no interest to the government.

And as for those who would try to assert their rights under the Charter of Rights and Freedoms in our blessed country, the court challenges program is history too. Gone is the program that allowed visible minorities or gays and lesbians to assert their rights in the face of government indifference or hostility, a program that helped Sikhs achieve progress and the disabled push for equality. In cutting it, the government strikes a blow at them and at all in this country who believe in a fair and just society.

Business of Supply

• (1305)

[Translation]

This program protected our minority language communities.

Franco-Ontarians, for example, have good reason to be disappointed in this government. The court challenges program enabled them to fight to save a hospital that is very important to the community: the Montfort hospital here in Ottawa.

Internationally, the Citizen Diplomacy Program made it possible for us to promote Canadian culture abroad by sending our artists to foreign countries. The budget for this program was only \$25 million per year. The Conservatives chose to cut \$11 million of that.

In the meantime, the United States, France, Great Britain and Italy, to name a few, each spend about a billion dollars a year on such programs. Why? Because those countries recognize that their international image has a direct impact on their ability to achieve their international goals and sell their products on foreign markets.

Canadians are well aware that the government plays a major role in enhancing Canada's image abroad. Our exporters regularly tell us that our country's image helps sell their products. This program also enabled our Canadian artists to promote our culture.

Speaking of thumbing its nose at culture, the government just refused to allocate funds to the Quebec film industry. This is a flourishing industry that promotes Quebec culture in Canada and abroad with the help of the Canadian government. It is unacceptable for the Prime Minister to think it is okay to cut this funding when such excellent films—perhaps everyone has seen *Bon cop, bad cop*—are being produced in Quebec.

• (1310)

[English]

It is the same for affordable housing assistance for the poor. It is the same for regional economic development for Atlantic Canada, northern Ontario and rural Quebec.

These actions undermine the very meaning of Canada. They undermine our notions of opportunity, compassion and fairness.

If people do not fit in with the Prime Minister's extreme notions of social conservatism, they are out of luck with this government. If people find themselves down on their luck or unable to fend for themselves, then it must be their own fault. If they dare to disagree with the Prime Minister or are not part of his electoral calculation, they do not deserve a helping hand from this government.

For our part, Liberals believe in a plan of hope, opportunity, fairness and achievement, a Canada that is a model to the world, a Canada we are all proud to call home, a Canada that embraces all our citizens, empowers all our citizens and unleashes the tremendous potential of each of us and all of us.

That is what this motion by the hon. member for Markham—Unionville is all about. That is why Liberals embrace it with such vigour and such passion.

Hon. Stockwell Day (Minister of Public Safety, CPC): Mr. Speaker, because our questions quite rightly and necessarily have to

be limited, I will try to do a brief preface to each of my questions and then just ask for a brief response. Even a yes or a no would do.

Would my hon. friend admit that in 1993-94 when the Liberals started their expenditure reduction program, one of the key components was a one-third reduction to health care, slashed, bang, gone overnight to all provinces? I was a member of a provincial government at the time so I watched, literally, the blood on the streets when that took place. There was the ongoing reduction for a number of years in national defence and the RCMP, and taxes were increased 67 times from 1994 to 2000, when in face of an election the Liberals were terrified and they did a low tax reduction. Will he first admit that that is how the Liberals did their tax reduction, mainly with the slashing of health care to all provinces?

For my other question I will just use one of the areas which my hon. friend has referred to and I will ask people to reflect on the validity of what he is saying in the other areas. He talked about literacy programming cuts. Will he admit that according to our budget, \$81 million this year is going from this government to literacy programs? Will he also admit that not one single organization with any existing agreement in terms of literacy, not one is having its funding cut?

What we are reducing in the literacy program is the millions of dollars the Liberals used to spend on consultations, millions of dollars to their friends to tell us that if people learn how to read they will do better.

As my granddaughter would say, hello, we already knew that; we didn't have to waste money on that.

Will he just admit these things? Will he admit how they reduced theirs? Will he admit that not one single literacy organization in the country that is delivering programs is having—

The Acting Speaker (Mr. Royal Galipeau): The hon. Leader of the Opposition.

Hon. Bill Graham: Mr. Speaker, one thing I will certainly admit is that it was with a very heavy heart in 1993 when the Liberal government came in that it had to deal with a \$43 billion deficit created by the people across the floor who pretend to be fiscal conservatives and who pretended to the Canadian public that they were managing the economy properly. The contrast between a \$43 billion deficit and a \$10 billion surplus that they inherited from us is precisely the result of good economic management of this country, the return to prosperity and a common-sense approach.

Were cuts made? Yes. Were they regrettable? Yes, but there was a reason for it. It is clear and the reason is sitting on the seats of the hon. members opposite.

Business of Supply

As for the cuts to literacy, I humbly request that the hon. member do what I did and go out and talk to people. Go up to Nunavut and ask the people there what is happening. There are volunteers up there who want to help people in their community who really have very serious problems. They are seeing those cuts. They are seeing the possibility of losing their money with the local college because it will not be able to fund them because there will not be the program funding that is necessary to keep themselves alive.

This is a real problem across the country. Let us not pretend it is not happening. There is \$17 million out of the budget and we know exactly what impact it is going to have on literacy.

•(1315)

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

There is a minute and 15 seconds for both the question and the reply

Mr. Wayne Marston (Hamilton East—Stoney Creek, NDP): Mr. Speaker, I will be very brief. The motion brought before us today from the member for Markham—Unionville is, to my mind, a further example that the Liberals have lost none of their arrogance. The self-congratulatory message in it is typical.

Earlier today when the member for Winnipeg North was in this House critiquing the Liberal government's past record, there was not one single Liberal present over there. I guess they could not save face by defending themselves—

An hon. member: Out of order.

Mr. Wayne Marston: Mr. Speaker, I have a question. I am just wondering where all of the Liberal members were. Were they out having a corporate lunch?

The Acting Speaker (Mr. Royal Galipeau): There is half a minute left for the reply.

Hon. Bill Graham: I can only assume that members in the House were gathered to shake their heads and wonder how the NDP could stand up with so much shame on their heads for having to put in the most fiscally irresponsible, the most vicious mind cutting government that ever came into power. How does the hon. member dare to stand in his place and make this accusation—

The Acting Speaker (Mr. Royal Galipeau): Resuming debate, the hon. member for Dartmouth—Cole Harbour.

Mr. Michael Savage (Dartmouth—Cole Harbour, Lib.): Mr. Speaker, I was very much enjoying the comments of our leader. I did not want to interrupt him.

I have the pleasure to speak to this motion with respect to the decision of the government to cut \$2 billion, \$1 billion this year, to federal programs and organizations.

Canadians are not blind to the actions of the government. They know these cuts were vindictive and were only to serve the Conservatives' narrow vision of the country. Being on the finance committee and touring western Canada last week, being in Ottawa for the last six weeks, and hearing submissions about how people in Canada actually view their country and what holds Canada together, I can say that most Canadians certainly do not share that view.

Let us review the current fiscal situation of the government. On the very day the Conservatives announced cutbacks to those who need government support the most, the government announced a \$13 billion surplus.

We have a surplus, no thanks to the Conservatives. The last time they were in office, as was just indicated, they left us a \$43 billion deficit and an ever increasing debt.

This year they inherited a surplus, the best economy in decades, the best fiscal situation in the G-8, and the lowest unemployment rate in decades. One would think they would at least listen to whatever remnants of progressives are left over there and show some compassion to the people of Canada.

Cuts are okay. Program review is reasonable and sensible. We have done it in the past ourselves, but we did it so that we could put resources toward the people who needed help, not take it away from them.

These cuts are wrong. They are mean-spirited. The majority of them target women's groups, the poor, minority groups, the arts community and the non-profit sector. They are motivated by a narrow ideology and are targeted at programs that are at odds with the political thinking of the government.

One example is the cut to the budget for the status of women. It is no secret that certain elements of the Conservative Party have a different view of the role and status of women than most Canadians, and certainly most Canadian women. Is cutting back a women's organization, like the status of women a matter of cutting costs? I do not think so. It is really meant to send a message to women's groups that Conservatives do not support the progress and the victories that women have achieved over the past number of decades. It is a disgrace.

Women have fought so hard for their rights and equality, and let us not pretend the fight is over. As we look around this chamber we see that the fight is far from over. Yet that funding has been cut.

Next, the Conservatives axed a legal aid program that has helped minority groups and the marginalized defend their rights. The court challenges program introduced under Pierre Elliott Trudeau has proven its value in ways that are immeasurable, resulting in court decisions expanding the rights of Canadian women, the disabled, gays and lesbians, aboriginals and minority language groups. La Fédération acadienne de la Nouvelle-Écosse for example wrote to me last week indicating how much it will feel that loss.

Do the Conservatives take Canadians for fools in suggesting that cutting this program is a case of streamlining administrative expenses? No. It is another example of how the Conservatives distrust some of the fundamental values of Canada, values that include the Canadian Charter of Rights and Freedoms.

Business of Supply

The next cut is to the Canada volunteerism initiative. It is an example of an organization that encourages citizens to participate voluntarily in organizations throughout Canada.

Non-profit volunteer organizations touch on every aspect of Canadian life: health, sport, recreation, environment and cultural sectors. Why would that be gutted? The answer is simple. The Conservatives do not believe in government. They do not believe that government should support organizations like the CVI. They believe that everyone should fend for themselves, a page copied from their Republican friends.

The next cut is to the summer career placement program. All members of the House are familiar with this program which was introduced by a Liberal government. This has employed hundreds of thousands of young Canadians. This past summer more than 45,000 Canadians found meaningful work, often in their field of study thanks to this important initiative and volunteer and community organizations benefited as well. Students were able to gain valuable experience and save money for tuition fees.

The decision to cut the program in half is indefensible. Given the health of the federal government's finances, the program should have been expanded, not gutted.

I have talked with representatives of the Canadian Federation of Students. It has yet to be given a coherent explanation as to why the federal government wants to save a measly \$45 million when it has \$13 billion to the good.

Again, review is good. Cuts are sometimes necessary. This review is bad.

The next cut is the \$17 million from literacy. Cutting \$17.7 million from a program that helps millions of Canadians while sitting on a \$13 billion surplus just does not make sense.

• (1320)

Literacy Nova Scotia and the Dartmouth Literacy Network, organizations like these put together programs for Canadians who need help and they do it on almost no budget at all, and now literacy has been further cut. The story is the same throughout other provinces and territories. In Nova Scotia seven major projects will not be funded, including a project to support the development and coordination of family literacy through a multitude of agencies and programs. I could go on about the great work that they do.

The next cut is to support for the social economy. In our region a program that was to be delivered through ACOA in support of the social economy was shut down completely. This initiative, which was funded in the 2004 budget, would support businesses and community groups which reach out to marginalized Canadians by giving them jobs or providing other services that help people in our communities. It was abruptly cancelled. I would ask members opposite to talk to some of the cooperatives in their area and ask them what they think of those cuts.

Sadly, the list goes on. As with other cuts, there was no consultation.

Canada today is a vibrant, peaceful and just country. Canadians have worked hard to make it so. Throughout our political history

successive Liberal and Progressive Conservative governments have developed policies that value individuals and our communities and recognize that government can and should play a role in our national life.

Even Progressive Conservative Premier Danny Williams of Newfoundland and Labrador called the cuts worrisome and distanced himself from what he referred to as the right-wing federal Conservatives.

Canadians today are seeing what the real agenda is of the government. I suspect many Canadians also wonder what life would be like if the old Progressive Conservatives were still around. The Progressive Conservative Party is dead and its replacement is neither fair nor progressive.

Mahatma Gandhi said that a nation's greatness is measured by how it treats its weakest members. Canadians, in my view, inherently believe that we are all better off when the strong help the weak, that we are all affected by the suffering and the success of each other. We do not believe that government should abdicate its responsibility to the least advantaged. These cuts will hurt Canadians who need help the most. The government should be ashamed.

Mr. Laurie Hawn (Edmonton Centre, CPC): Mr. Speaker, I listened with interest to my colleague's comments. Of course I understand it is the Liberals' job to oppose anything we do and that is fine, but I would ask him a couple of direct questions on specific examples.

There is a literacy group in Manitoba which received \$353,000 of taxpayers' money, his money and my money, and it had \$10,000 worth of deliverables. Is that a good deal? We cut \$2.5 million from administration from status of women organizations. That money is going back into action programs that actually help women. Is that not a good idea? There is \$150 million of the savings identified as money that was never given to anyone anyway. Is it not a good idea to put that money into programs that actually do something?

Those are just three examples that I would like my hon. colleague to comment on.

• (1325)

Mr. Michael Savage: Mr. Speaker, my colleague's question is reasonable and I appreciate that. When we hear that cuts have been made to administration, it sounds an awful lot like what we heard originally when the EnerGuide program for low income Canadians was cut, or the EnerGuide program overall. We heard that it was administration. In fact, it was not administration; it was actually going in and doing work in homes so that further work could be done. It is the same thing with the cuts that we have heard about here.

Business of Supply

I cannot speak to the example he mentioned in Manitoba, but let me refer to a letter from someone in the Annapolis Valley who wrote to me and copied the Prime Minister. He is a director of Literacy Nova Scotia and the Valley County Learning Association and he is a learner as well. He had been in the workforce for 30 years and lost his job because the company closed its doors. He could not find work because he could not write his GED. He was devastated. He lost his job. He thought he was losing his mind. He could not find a full time job, he could not fill out a job application. He found help through the Annapolis Valley Learning Association. Now he says that the literacy programs may end, or they will have to cut back on programs to help learners. This is a travesty. These are real Canadians who are looking for a hand up, not a push down.

The government has misunderstood the generous nature of Canadians and Canadians' belief that this country helps those who need help and does not close the door on them.

Mr. Pat Martin (Winnipeg Centre, NDP): Mr. Speaker, the NDP was the first to condemn this series of cuts. However, we have to comment on the hypocrisy of the Liberal opposition motion today.

When the Liberals were in power, they were guilty of far more ruthless cuts with absolutely no consultation. All the same criticisms that they now apply to the Conservative government, we can apply to them in terms of the disproportionate impact on women to many of their cuts and the gender imbalance.

We are critical of the Conservative government for choosing to trim the budget where we do not believe there was any fat left to be trimmed. However, we are incredibly critical of the member's previous government.

I would ask my colleague from Nova Scotia, when his party was in power, what was he saying around the caucus table? What were the Liberals saying around their cabinet table? Were they arguing with the former finance minister when they were contemplating the most conservative right wing agenda in the history of Canada? Were they arguing when they were cutting, hacking, and slashing every social program by which we even define themselves? What were they saying then around the caucus table, or did they save it all for now to be bleeding after the fact and trying to rewrite history?

Mr. Michael Savage: Mr. Speaker, it is not even comparable to compare what the government of 1993 inherited to the government of today. There is no question that there was a reduction in the transfer payments, for example, for health to the provinces. If there had not been, we would not have a public health system today. We would have been bankrupt as a nation.

What the Liberal Party did saved the social infrastructure of Canada. I was not in the caucus at that point in time, but I suspect that they were saying "these are tough cuts, but we've got to do them". I know that. I was not at that caucus table, but I was at a caucus table in Nova Scotia. My father inherited Conservative deficits as well in 1993 and he had to make changes, changes that he never thought he got into government to do, but he did what he thought was right.

While we were able to invest in the social infrastructure of Canada, we introduced things such as the child tax credit. People attribute the child tax credit to keeping child poverty below where it is. Should it be lower? We would love it to be lower. We are now in a

position to make it lower. We now have money in this country to invest in kids and the government is not doing it. That is a shame.

[*Translation*]

Mr. Steven Blaney (Lévis—Bellechasse, CPC): Mr. Speaker, it gives me great pleasure this afternoon to talk about the fiscal, budgetary and governmental policies of our government. I would also like to do this with my colleague from Winnipeg South, who is doing remarkable work as Parliamentary Secretary to the Minister of Indian Affairs and Northern Development, and with whom I sit as a member of the standing committee.

Our government, unlike the previous government, respects its commitments. We do what we say and we say what we do. This is something new for people who follow politics because they are used to a party that says one thing and the following day says the opposite while it goes on a spending spree. A change has taken place with the arrival of our new government. We have a responsible government that keeps its promises.

Today is a great day. Not because I am speaking in this House but because we have truly announced an effective policy to combat climate change and to overcome smog. This is what is called sustainable development.

Sustainable development is also economics and it is responsible economics. That is what we are talking about today. We are talking about a government that does not want to leave future generations with a tax burden, with a debt. That is the reality. That is also sustainable development. To achieve that, we must manage our money not as though it was someone else's money but as though it were our own money.

It is almost a year since the people of Lévis—Bellechasse, Canadians and a great many Quebecers elected a new government that promised more transparency and greater accountability. The way that government uses public funds is by far the most important aspect of that promise.

Canadians have seen that since we took office. Ask Canadian families, pensioners and businesses. They have more money in their pockets because income taxes and the GST have been reduced. Parents in Saint-Anselme and Saint-Henri who register their children in soccer, hockey, skating and judo programs receive tax credits. We are introducing concrete measures that help Canadians.

However, we also have a responsibility to properly manage the machinery of government. It is normal that the budget should be revised at regular intervals and that unnecessary expenses are cut. That is exactly what we are doing. We can thank the opposition for giving us the opportunity to tell Canadians about our budgetary exercise to cut expenditures on the order of \$1.1 billion out of a total budget of more than \$200 billion.

Business of Supply

Members will agree with me that these are very reasonable cuts, in fact very modest, amounting to barely 0.5%. Still, this is a big difference from the previous government. We know that in the last five years, total program expenditures had risen by an average of 8.2% per year. For 2004-2005 alone, expenditures rose 14.4%.

What does a 14.4% a year increase in the federal budget represent? Had the population increased by 14.4%? Did Canadian taxpayers receive 14.4% more services? The answer is obvious. And yet we had to pay that money out. Unfortunately, we know that the previous government had the annoying habit of also cutting transfers to the provinces. There were increased expenditures, but less money for the people who really needed it.

Yes, we said it and we have done it. In the election campaign we made the commitment to make budget cuts, and we have done so responsibly. This shocks people somewhat. Some people who were used to being here for so long thought it was their money.

Let us talk about the Federal Accountability Act. Our first piece of legislation will create new and significant checks and balances. Parliament and Canadians will be able to see better where taxpayers' money, our money, is being spent, and what the connection is between how it is being used and what measurable results are achieved.

Where do we stand today? There are some people here, on the other side of the House, and their colleagues in the Senate, who are delaying passage of that bill. What is the Senate waiting for to pass the Federal Accountability Act? Maybe, with that piece of legislation, it will be more difficult to set up projects that lead to sponsorship scandals?

Even more recently we learned that public servants had been lent to parties for political purposes, to hold phantom positions.

• (1330)

We need laws that will protect the public's money. I hope that the Senate will abide by the wishes of Canadians.

The government is honouring the commitment it made in the budget. Treasury Board announced it on September 25, 2006, to save money in two very simple ways: through tighter and more disciplined management of spending—something we started to do as soon as we took office—and by applying the results of the program review we did over the summer. We are looking at which of our programs, and where, it is possible to cut, ensuring that we get results, that we optimize the use of resources and that we adhere to the priorities of Canadians.

One thing that our friends from Quebec will be particularly happy about is that we are a responsible government that respects the jurisdictions of the federal and provincial governments. We have a Constitution; let us abide by it.

The President of the Treasury Board has worked with the officials in his department, who have worked hard, and has consulted with ministers to identify departmental programs and expenditures that do not meet the criteria in the recent budget.

What did we do over the summer? We cut unused funds. We ensured that programs were optimized and that the administrative

cuts were rationalized and consolidated. As I said earlier, we dealt with programs that were not in keeping with the priorities of Canadians.

I will provide a few examples of the cuts that were made to the Treasury Board portfolio. The previous government had decided to spend another \$20 million in support for regional ministers. There is already a \$3.8 million fund, and we think that is enough. It is unnecessary, therefore, to allocate these additional funds in the current budget. Eliminating this funding enables us to save \$18.5 million of the taxpayers' money.

Reducing the funding for the Public Service Human Resources Management Agency of Canada program should generate more than \$83 million in savings.

At the end of the year, taxpayers may not have felt the difference, but they will feel it in their wallets. Insofar as program delivery is concerned, these kinds of cuts do not have any effect on citizens. Some cuts eliminated funding that had been allocated by the previous government but was superfluous to what was really needed to carry out certain classification activities deemed necessary. There is nothing so far to make a fuss about here.

We will save more than \$9 million by reducing low-priority training for federal employees at the Canada School of Public Service. I was a public servant myself and can say that I benefited from wonderful working conditions. The school now has an \$89 million budget for its programs. It is important to have competent, well-trained public servants. It is possible to do so. When we speak about low priority, it can hardly be denied that cuts are very possible in light of the situation of Canadian families that need us to manage their money responsibly.

Henceforth, the government will ensure that judicious expenditures become the norm by subjecting all new and existing programs to systematic, rigorous review. This is an exercise that will often have to be repeated because priorities change, needs change and society evolves. Our government will only approve funding that is really necessary in order to efficiently achieve measurable results, while optimizing resources. Canadians are entitled to expect accountable government.

Thanks to these initiatives, the new government will provide significantly greater transparency and accountability and optimized use of resources in all areas of federal government expenditure. Canadians expect nothing less. That is why this initiative is at the heart of the government's management program.

In a word, I gave the House a statistic to remember: in 2004-05, spending grew by 14.4% in a single year. That is a lot. We can support some growth, but it is important to maintain cross-generational equity. To do this, we must bequeath good management to future generations and ensure that the debt burden is reduced.

In conclusion, I say to the families, businesses and pensioners in Lévis—Bellechasse that our government is continuing to take care of the disadvantaged, minorities and immigrants and that, in contrast to the previous government, we manage money as if it were ours and yours.

• (1335)

Ms. Louise Thibault (Rimouski-Neigette—Témiscouata—Les Basques, BQ): Mr. Speaker, the hon. member for Lévis—Bellechasse just said that measurable results were achieved. I would like the member to first explain how the costs and benefits of the cuts were evaluated. How was the impact on Canadians measured? He just said this is nothing to make a fuss about.

I find that insulting to Canadians.

Then, regarding the elimination of unused funds, perhaps the member could explain why his Conservative government was unable to spend \$25 million on the textile and clothing industry, which is very vulnerable at this time, \$50 million on the Northwest Territories, \$20 million on Fisheries and Oceans programs to support the salmon industry in New Brunswick, and \$14 million on the Canadian Food Inspection Agency? We all know that Canadians everywhere face threats ranging from diseases in potatoes to avian flu to mad cow.

I would like the member to respond.

• (1340)

Mr. Steven Blaney: Mr. Speaker, I thank my colleague for her question. I realize that it is much easier to announce new spending than to rationalize and make cuts. Our government promised to introduce accountability, which is what we are doing with the utmost rigour and diplomacy.

I would also like to quote to the hon. member what was said about the Canadian government surplus:

There is a strong temptation for any government that has money to spend it, to make many promises that are politically convenient and to choose inaction over unpopular fiscal responsibility.

Thus, my answer to my colleague is that we just announced measures to help older workers, but there are many needs to consider and we must balance the needs of Canadians with the fiscal capacity of taxpayers.

[English]

Mr. John Cannis (Scarborough Centre, Lib.): Mr. Speaker, I listened very carefully to what the member for Lévis—Bellechasse had to said. He pointed out two things: first, to put more money into the pockets of Canadians; and, second, the GST. I am really puzzled.

First, in the last budget of the Liberals, which the NDP helped defeat, income taxes were lowered from 15.5% to 15%. The Conservative's first budget increased them to 15.5%. Is 15% lower or higher than 15.5%?

My second question is on the GST. When an average family earns \$40,000 a year gross and their take-home money is at \$35,000, it would in essence have to spend all the \$35,000 to save \$350. I do not know what families will do to pay their mortgages or other expenses. Could the member perhaps comment on that?

Business of Supply

In essence, in the last budget of the Liberals, the savings to an average Canadian in tax reduction was about \$450. Could the member comment on that?

[Translation]

Mr. Steven Blaney: Mr. Speaker, I thank my colleague for the question.

It is always good news for taxpayers when the budget is balanced and income tax and other taxes are reduced. We did both in our budget, that is we reduced income tax and other taxes; the budget proposed by our colleague only reduced income tax.

There has been also a change in mentality. Our government also promised to recognize the imbalance in the Canadian federation and the importance of ensuring that cuts are not made to the detriment of municipal and provincial governments. In fact, people forget that cuts have a direct impact on the bill presented to citizens, otherwise known as the municipal tax bill. That is what has changed. *La Presse* stated:

But the big change in doctrine is that the Conservatives do not view public funds as their own. Rather they believe that the money belongs to citizens who pay taxes—

An hon. member: That's right.

Mr. Steven Blaney:

—and that it should be spent prudently.

The Acting Speaker (Mr. Royal Galipeau): The hon. member for Alfred-Pellan should know that there remain 30 seconds for the question and answer.

Mr. Robert Carrier (Alfred-Pellan, BQ): Mr. Speaker, I understood from the presentation of my colleague from Lévis—Bellechasse that he respects provincial jurisdiction.

I will ask him what he thinks about the fiscal imbalance that deprives Quebec alone of \$3.9 billion per year. If his government is so concerned with respecting jurisdiction, should its priority not be to solve the fiscal imbalance as it promised?

Mr. Steven Blaney: Mr. Speaker, I will be brief. I invite my colleague to support the next Conservative budget.

[English]

Mr. Rod Bruinooge (Parliamentary Secretary to the Minister of Indian Affairs and Northern Development and Federal Interlocutor for Métis and Non-Status Indians, CPC): Mr. Speaker, I thank the House for this opportunity to voice my support for our strategy to save \$1 billion of Canadians hard-earned money. I am proud to stand behind these measures.

In some cases hon. members of the opposition need reminding that managing the public's money is about making wise choices and spending responsibly, ensuring the maximum return on taxpayer investments. Canadians put their trust in us, when they signed on to our election platform, to restore transparency and accountability in dealing with public money. We made it clear throughout the campaign that responsible spending was a cornerstone of accountable government. We do not make idle promises. We stick with our convictions and follow through on our commitments.

Business of Supply

In budget 2006 we pledged to review our programs to ensure every taxpayer dollar would spent achieve results, provide value for money and meets the needs of Canadians. Just as the economy and society are evolving, so too must the way government invests in economic and social programming. Through a careful spending review, we have identified a number of opportunities to improve efficiency, strengthen results and sharpen accountability in line with Canadians expectations. As columnist John Ibbitson recently wrote in the *Globe and Mail*, "The Tories are acting with commendable fiscal responsibility".

Most grants and contributions are not affected either. In cases where they are, all signed contribution agreements will be honoured. Statutory programs are not in any way affected by these measures, vital programs like employment insurance, the Canada pension plan, and student loans.

We have focused our attention on spending that was not meeting the needs of Canadians as effectively as it could. We have looked for opportunities to better manage investments and to reduce or eliminate expenditures where concrete results were simply not there.

It seems the opposition has not grasped that responsible management of the public purse does not mean simply spending for the sake of spending. It means putting money where it counts and working with partners across the country to maximize results for Canadians in need. For instance, the social development partnerships program will invest \$139.6 million over the next five years to work with national and community-based non-profit organizations. Support and collaboration on key social issues for children, families, people with disabilities and other vulnerable groups in Canadian society. We are focusing on investments that matter to real people.

The opposition has spent a lot of time attacking the government for its commitment to better and more effective investments in learning and literacy. With a budget of \$81 million over the next two years, Canada's new government will be working with partners across the country to put in place innovative and results-focused projects to help meet learning and literacy challenges. We want federal funds to complement the important investments in literacy by provinces, municipalities and organizations. We welcome the opportunity to work with all levels of government and literacy organizations across the country to strengthen our literacy programming and ensure it is effective and meaningful for all Canadians.

The Government of Canada will continue to foster partnerships and dialogue to support adult learning, literacy and essential skills, while respecting the roles of all levels of government. We need to keep in mind that this \$81 million investment is just one component of an array of federal investments that support literacy, training and skills development. These include programs through employment insurance that help Canadians who lose their jobs to develop the skills they need to re-enter the labour force.

We are working with industry sector councils on projects that identify and develop the literacy and essential skills we need to keep our economy competitive. We are helping students succeed in post-secondary education through our Canada student loan program and have recently introduced changes that will make this program available to more Canadians than ever before.

As these examples make clear, there can be no question that the government continues to be strongly committed to providing effective and meaningful support to Canadians.

I would like to take this opportunity to highlight the money that Human Resources and Social Development Canada has invested, which is close to \$1 billion annually, in programs targeting the needs of youth at risk, Canadians with disabilities, and aboriginal Canadians. These are important investments and we are proud to be working with partners across the country to ensure our programs are meeting the needs of Canadians.

While we have ended the training centre infrastructure fund, I want to point out that our government is investing \$1 billion in infrastructure for post-secondary education and training. This will help keep our universities and colleges among the best in the world, giving Canadian students tremendous opportunities to succeed and to invite students from around the world to come to Canada as a study destination committed to educational excellence.

● (1345)

To help meet the need for skilled trades, we are also providing significant new support for apprenticeships, including a new \$1,000 apprenticeship investment grant. We will no longer be providing support to Workplace Partners Panel. However, we are continuing and, in fact, expanding our collaboration with business and labour on issues of national importance, for example, through sector councils that are focusing on preparing Canada to meet the challenges of the global economy.

We value the views and advice of business and labour organizations. For example, we are seeking the advice of business communities on how to implement our child care spaces initiative. The government recognizes that consultation is more than just institutions and reports. We want to listen, share ideas and, together, find new ways to build a more vibrant, inclusive and innovative Canada.

Again, I remind the House, as the TD Bank Financial Groups' Chief Economist Don Drummond has noted, the spending cuts are relatively minor. They represent only 6% of the overall cost of new initiatives announced in the May budget. They are only 0.5% of total program spending.

Editorial writers for the *Ottawa Citizen* wrote:

It is an improvement on what Canadians had come to expect from Liberals, who would have seen opportunities to spend on other things instead....it's hard to argue against saving ourselves millions in future interest payments.

Statements by Members

The government will not apologize for respecting Canadians and their hard-earned tax dollars. We will not be cowed by opposition demands for ever increasing spending without responsibility or accountability, and our government is about this. We are about, respect, results, accountability, and we have shown this time and time again. We are delivering on our promises and we are keeping the best interests of Canadians front and centre.

•(1350)

Mr. Lloyd St. Amand (Brant, Lib.): Mr. Speaker, I listened with interest to the speech of the member opposite. What I hear from my constituents is that by and large the government has figured out the price or the cost of things not badly, although it yet has work to do on that. However, when it comes to the actual value of services and programs, my constituents are telling me the government is falling very short.

What about the cuts to museums? How is it possible to put a price or a cost on preserving Canada's rich history? The government seems intent on putting a price only on our museums with no regard whatsoever for the value of those museums.

Could the member comment on that?

Mr. Rod Bruinooge: Mr. Speaker, over much of the last decade, we in the museum community have been asking for a new museum policy. I am glad the Minister of Canadian Heritage has committed to bring forward a new museum policy. I look forward to seeing her work in that area.

Like I have said already today, the dollars spent by the government need to be considered in a way that accounts for their most effective use. Despite the subject matter of a particular program, we need to identify whether it is in fact achieving what it set out to achieve. This is the key element that was considered in all of our revisions to these various budgets. As such, we have done what we said we would do. I am very proud of the work the President of the Treasury Board has done and all members on this side.

Mr. Pat Martin (Winnipeg Centre, NDP): Mr. Speaker, it speaks volumes about the ideology of the government when, even in a time of huge budgetary surpluses, it still chooses to cut, hack and slash social programs, while at the same time it willingly overlooks offshore tax havens where tax fugitives are shielding themselves from \$7 billion in tax revenue that Canada could be using for other purposes.

How is it the government nickels and dimes these tiny budgets for valuable services and overlooks corporate Canada, which is using offshore tax havens to avoid paying its fair share of taxes? That would be a \$7 billion bonus to our revenues that could be used for valuable purposes.

•(1355)

Mr. Rod Bruinooge: Mr. Speaker, I thank my hon. colleague for pointing out to me and to all Canadians how overtaxed we are here in Canada when our government has such considerable surpluses.

In fact, this is an exact representation of the fact that the government imposes far too much taxation on its shareholders, the citizens of Canada. Canadians are in fact paying our way and paying for all the institutions of government.

Unfortunately, we have not had enough of a tax reduction. I look forward to working with him and others to find ways to reduce the amount of taxes that is brought in by government.

Mr. John Cannis (Scarborough Centre, Lib.): Mr. Speaker, I have a quick question for the member for Winnipeg South. He said that his government will honour all signed agreements and contributions. Will the government honour the Kelowna accord, the Atlantic accord and the Kyoto accord? As for Danny Williams, will the government honour the agreement that was there and keep their commitments?

Mr. Rod Bruinooge: Mr. Speaker, our government keeps all agreements that have been signed. The member points out the first ministers meeting of last year and how it has become known as the Kelowna accord. The member would know that an accord would indicate a signatory page. He is well aware that there was no such agreement from that meeting.

Mr. Wayne Marston (Hamilton East—Stoney Creek, NDP): Mr. Speaker, the member's government has chosen to cut the court challenges program. The court challenges program helped ordinary people.

Basically, the government rendered the National Action Committee on the Status of Women impotent. This group fought so hard and so long for women's rights and equality. The government has cut programs that helped young people get jobs.

Does the government not understand that during times of surplus and times when the government does have the money, that is the time to invest in Canadians?

Mr. Rod Bruinooge: Mr. Speaker, it is actually an important decision that was made in terms of our fiscal capacity. Members of the government side, and I will highlight the President of the Treasury Board who chose to pay down the debt of \$13.5 billion, are bringing about \$650 million in savings on an annual basis. This is incredible. This will provide our government with an opportunity to operate more efficiently and this fiscal responsibility is something that has been sadly lacking for so many years.

STATEMENTS BY MEMBERS

[English]

GO TRAIN

Mr. Patrick Brown (Barrie, CPC): Mr. Speaker, I rise in the House today to recognize a very important economical and environmental accomplishment in my hometown of Barrie.

The GO Train is now returning to our community. This long awaited announcement comes after many years of indecision by multiple levels of government.

I would like to recognize the Minister of Transport for his efforts in helping the city of Barrie and myself see this project through. He helped get all three levels of government to work together and deliver the GO Train to Barrie.

Barrie commuters will now be able to enjoy the comfort and affordability of travelling the GO Train to and from Toronto while cutting down on gas emissions.

Statements by Members

By working with the Barrie City Council as a team with the federal government, we have achieved a significant accomplishment in returning the GO Train to Barrie. It goes to show that when governments work together we can move mountains or, in this case, trains.

Promises made, promises kept.

* * *

THE ENVIRONMENT

Ms. Nancy Karetak-Lindell (Nunavut, Lib.): Mr. Speaker, the government's track record on the environment is coming home to roost.

For the entire spring and summer the government cut and slashed anti-global warming programs of all kinds, all the while attempting to reassure Canadians that as soon as the made in Canada environmental plan was put into place, all would be well.

Now we have the plan and surprise, surprise, there is nothing there that actually fights global warming or reduces air pollution. Not one standard is outlined. Not one new power is given to the new federal government. Not one Canadian's health will be improved as a result.

I know Canadians will see through this blatant attempt to do nothing on the environment. As someone who is experiencing climate change firsthand in my territory of Nunavut, the made in Canada environmental plan is unacceptable.

* * *

• (1400)

[*Translation*]

WASTE REDUCTION WEEK

Mr. Marcel Lussier (Brossard—La Prairie, BQ): Mr. Speaker, Canadians produce more than 31 million tonnes of waste annually; that is 2.7 kg per person per day. Recycling all of our waste newsprint, cardboard, glass and metal can reduce carbon dioxide emissions by about 400 kg per person per year.

Across Canada, it costs \$1.5 billion per year to dispose of garbage. Recycling one tonne of glass saves about 39 litres of fuel oil, and recycling one tonne of paper saves 19 trees.

Let us take advantage of this Waste Reduction Week to increase awareness of waste reduction. This awareness must lead to a more efficient use of our water and energy resources, which means avoiding waste and leveraging spinoffs from recycling.

In this context, and given how serious the environmental problem is worldwide, we must urgently reduce waste. Let us all do our part this week and, why not, throughout the—

The Acting Speaker (Mr. Royal Galipeau): The hon. member for Vancouver Island North.

[*English*]

FISHERIES AND OCEANS

Ms. Catherine Bell (Vancouver Island North, NDP): Mr. Speaker, the Prime Minister announced that his government will eliminate what it calls the race based fishery.

The Minister of Fisheries and Oceans says that its policies are clear cut. Yesterday, he asked other members to talk to first nations chiefs about his performance on this issue.

I have spoken to many first nations chiefs in my riding as well as members of the First Nations Summit. They are clear in their rejection. They denounce the government's provocative assertions that will do nothing but drive a wedge between aboriginal and non-aboriginal fishermen.

In a recent press release, the B.C. Assembly of First Nations, the First Nations Summit and the Union of B.C. Indian Chiefs were unanimous in calling this performance an affront to first nations in B. C. and a direct challenge to the courts. It said:

Let us be clear, there are no 'race-based' fisheries—there are Aboriginal rights-based fisheries which are judicially recognized...The [Conservative] government should honour court decisions.

That is how we will move ahead in this country.

* * *

YOUNG OFFENDERS

Mr. Myron Thompson (Wild Rose, CPC): Mr. Speaker, we all know that the vast majority of young people today are law abiding citizens. Unfortunately, there is a small percentage of young offenders who insist on damaging property and hurting others.

In my riding alone, the city of Airdrie is experiencing an increase in vandalism and gang activities over the past several months. In the town of Didsbury the people are recovering from a recent incident of animal abuse by young offenders in their community.

The mayors in these towns are outraged and frustrated with our federal system since it is impossible to hold these minors accountable for their actions. I know they are doing their best to combat these problems, but they are asking for a review of a number of sections within the Youth Criminal Justice Act.

I want to reassure these communities that Canada's new government is hearing their call for help. I know that our new justice minister is preparing to review this act and change is coming in the not too distant future.

Soon our youth justice system will once again promote respect and responsibility and that the protection of the innocent will become once again a high Canadian priority.

THE ENVIRONMENT

Hon. Raymond Simard (Saint Boniface, Lib.): Mr. Speaker, today the Conservative government reminded Canadians once again that environmental issues are the furthest thing from its mind. Now it is using Orwellian tactics to try to confuse and deceive Canadians into thinking that the government is actually doing something.

We have a clean air act that does not actually clean the air. We have a government that promises action and the first thing on the list of things to do is to run to the backrooms to consult. We have a minister who says she agrees that there is a need for short term targets as long as they are not drafted for four years.

Canadians are sick and tired of the complete inaction of the government on the environment. Canadians believe that global warming is one of the most pressing issues facing Canada at this time while Conservatives do not even believe it exists.

We are still waiting for the government to stand up and take real action to protect the environment. Given the fact that pollution will continue to increase for four years while regulations are drafted by the new government, the last thing I am going to do is hold my breath.

* * *

[Translation]

COMMISSIONER OF OFFICIAL LANGUAGES

Mr. Pierre Lemieux (Glengarry—Prescott—Russell, CPC): Mr. Speaker, I am pleased to draw attention to the appointment of the new Commissioner of Official Languages, Mr. Graham Fraser. In his career in the journalistic field over the past 40 years, Mr. Fraser has shown great sensitivity to and interest in this country's linguistic duality.

His new duties will entail, among other things, protecting the linguistic rights of all Canadians and promoting equality of status and use of English and French.

The Minister of International Cooperation and Minister for la Francophonie and Official Languages is really looking forward to working with Mr. Fraser, together with all our colleagues, on implementing the Official Languages Act and enhancing the vitality of official language minority communities.

● (1405)

[English]

There is no doubt that Mr. Fraser is the right person for this important and meaningful position, and that Canada will benefit from his contributions.

[Translation]

My best wishes to Mr. Fraser for his term of office.

* * *

ROBERT BOURASSA

Ms. Pauline Picard (Drummond, BQ): Mr. Speaker, I would like to pay tribute to former Quebec premier Robert Bourassa on the 10th anniversary of his death. Robert Bourassa was the youngest premier of Quebec. He helped build today's Quebec by promoting hydroelectric development. In 1975, he won adoption of the Quebec

Statements by Members

human rights charter. Although his ideology differed from that of the Bloc Québécois, Mr. Bourassa had a remarkable political career. Elected to represent Mercier in 1966, he left politics in 1993 and died on October 2, 1996.

Robert Bourassa's love for Quebec is best reflected in this quote from a speech he gave on June 22, 1990, after the failure of the Meech Lake accord:

English Canada has to understand very clearly that, no matter what people say or do, Quebec is and always will be a distinct and free society capable of taking charge of its own destiny and its own development.

* * *

[English]

ASIA-PACIFIC GATEWAY

Mr. James Moore (Port Moody—Westwood—Port Coquitlam, CPC): Mr. Speaker, from the Hudson's Bay Company to the St. Lawrence Seaway, to FTA and NAFTA, and now the Pacific Gateway, Canada is and always has been a trading nation.

The next chapter of our international opportunities lies in our ability to capitalize on the unprecedented economic growth that is occurring in the Asia-Pacific region. We are at the geographic crossroads between the massive economy of the United States and the rapidly emerging economies of China, India and indeed, all of Asia.

Our Conservative government recognizes this opportunity and we are taking action. We have invested \$591 million in key infrastructure projects across British Columbia and western Canada, improving security, making transportation efficient, and working with all levels of government to make the Asia-Pacific Gateway a national success story.

Conservatives believe in free trade, reaching out, seeking global opportunities, and we believe in creating Canadian jobs through world sales. We promised to take action, to lead on the Asia-Pacific Gateway, and we will make it a success story for all Canadians.

* * *

[Translation]

THE ENVIRONMENT

Mr. Jean-Claude D'Amours (Madawaska—Restigouche, Lib.): Mr. Speaker, it is difficult to believe the claims made by the Conservative minority government. The Prime Minister has said that he is the first prime minister to take steps to fight atmospheric pollution. Pierre Elliott Trudeau did this in the 1970s. The Conservative government has said that the former Liberal government bought \$100 million in credits under the Kyoto protocol, but no credits were purchased.

The Conservatives are claiming that Canada's Clean Air Act represents the first integrated approach to the environment, but the Canadian Environmental Protection Act can address all environmental issues. The environment commissioner said that the EnerGuide program was working well. The Conservatives said that 50% of the program costs were waste.

Statements by Members

The Conservatives claim that their Canada's Clean Air Act will give results. Canadians know that this is just hot air.

* * *

[English]

THE ENVIRONMENT

Mr. Mark Warawa (Langley, CPC): Mr. Speaker, I would like to share what the former communications director for Greenpeace and of the NDP said about the Liberals' record on the environment. He said that "in 12 years of so-called progressive Liberal governments, our emissions are rising twice as fast as the Texas oilman in the White House. Our new Prime Minister is not to blame. He did not leave Canada as the world's third worst contributor to the climate crisis. That honour fell to the Liberals. Keen observers may also remember that the Liberals' Kyoto plan, the one trashed by the environment commissioner, was criticized by 11 separate environmental groups, the Bloc and the NDP.

He is right. Today is a great day for the environment. Canada's new government has tabled a clean air act. We are the first Canadian government that is regulating and enforcing emission targets. We are also committed to achieving an absolute reduction of greenhouse gas emissions between 45% and 65% by 2050.

This is a job well done by Prime Minister and the Minister of the Environment.

* * *

● (1410)

CITIZENSHIP WEEK

Mr. Bill Siksay (Burnaby—Douglas, NDP): Mr. Speaker, this Citizenship Week there is much to celebrate, but today many Canadians are fighting for their citizenship rights.

Canadians, especially war brides, children of Canadians who served in the armed forces in World War II, the children of Canadians born overseas to those who served in the armed forces and the diplomatic corps in the period 1947 to 1977, and lost Canadians who, because of gaps and biases in legislation, have been told they are no longer Canadian: these Canadians all face bureaucratic and legal nightmares to fully claiming their citizenship.

Some, like Joe Taylor, the son of a British war bride and a Canadian who served in World War II, are forced to press for their citizenship in court. Mr. Taylor won but, sadly, the Conservatives decided to appeal. Maher Arar and others see their citizenship written off and wait for an apology and just compensation. Dual citizens see their loyalty questioned, even in the midst of war.

The best way to celebrate Citizenship Week would be for the government to make it possible for these Canadians to fully claim their citizenship without delay.

* * *

[Translation]

THE ENVIRONMENT

Hon. Marlene Jennings (Notre-Dame-de-Grâce—Lachine, Lib.): Mr. Speaker, how can this minority Conservative government be so proud of its clean air act, then turn around and cut

environmental programs that work? The Conservatives abolished the wind power production incentive and the renewable power production incentive. They also cut \$120 million from the one-tonne challenge, \$1 billion from the climate change fund and \$250 million from the partnership fund. In addition, they cut the EnerGuide program.

Not only have Conservatives cut current programs that are working for the environment, they have introduced a new bill that we know will do nothing for the environment.

* * *

MAHER ARAR

Ms. Diane Bourgeois (Terrebonne—Blainville, BQ): Mr. Speaker, yesterday Maher Arar received a human rights award from celebrated actress Vanessa Redgrave. Mr. Arar did not wish to accept the award in person because, having no assurance that his name has been removed from the watch list, he was afraid of the reception he would get in the United States.

Along with Ms. Redgrave, the Bloc Québécois and I would like to salute this courageous man who lived through hell during his unjust detention in Syria.

Canada is partly responsible for Mr. Arar's treatment. Canada must demand that the United States remove Mr. Arar's name from the watch list. We must implement Justice O'Connor's recommendations as soon as possible to ensure that such a situation does not recur.

* * *

[English]

THE ENVIRONMENT

Mr. Blair Wilson (West Vancouver—Sunshine Coast—Sea to Sky Country, Lib.): Mr. Speaker, Strange things are done in Ottawa for fun
But the strangest that's ever been done
Was an MP who tried
To make Kyoto die
The MP from Spruce Grove—Edmonton. She started her job with a wink and a nod
To green Canadians from coast to coast
But one moment later, she said see ya later
To programs that helped out the most. From cutting out RPPI and slicing WPPI
To deep sixing things like EnerGuide.
The cuts barely paused to examine the cause
Yet still she sits beaming with pride. Now she's all a twitter with a new clean air fritter
She's baked with nary a care
For a fact that she's fiddling
While all Canada's burning
'Cause gasses are cooking our air. Yes, Mr. Speaker, strange things are done in Ottawa for fun
But the best I hope to see
Is a night on the Hill when we'll all kill this bill
And shame that Spruce Grove MP.

THE ENVIRONMENT

Mr. Jeff Watson (Essex, CPC): Mr. Speaker, the Liberals just cannot come clean on air quality for Canadians.

Despite his call for a new law on cleaner air, the Liberal member for Etobicoke—Lakeshore voted for Kyoto instead. The Liberal member for Don Valley West said that legislation for clean air standards was unnecessary. The former Liberal environment minister said that the status quo was good enough. It may be good enough for Liberals but it is not for Canadians.

The status quo for the Liberals was: record smog days; an OECD pollution ranking of 28 out of 29; and GHG emissions up 30% because of a failed Kyoto plan criticized by the environment commissioner, 11 separate environmental groups and, at one time, the NDP and the Bloc, but that was then.

Politics made strange bedfellows last week. The opposition parties' support of a Liberal bill, a new opposition Kyoto ménage à trois, at the environment committee only means a delay in clean air for Canadians.

Canadians voted for a breath of fresh air in January. Our government has delivered a clean air bill. The Liberals and the opposition need to clean up their act and vote for it.

* * *

• (1415)

[Translation]

BOBBY HACHEY

Ms. France Bonsant (Compton—Stanstead, BQ): Mr. Speaker, it is with great sadness that Quebec mourns the loss of one of its country music idols, Bobby Hachey. Mr. Hachey became a living legend of country music and had an exceptional career that spanned nearly 50 years.

He was originally from New Brunswick and began his career at the age of 14. Very early on he appeared on popular programs of the day and joined forces with Willie Lamothe. In 1975, the two friends went on tour in Louisiana at the invitation of the Ministère des Affaires culturelles du Québec and the Council for the Development of French in Louisiana. The duo had the great privilege of performing in Nashville, the country music capital.

Bobby Hachey began pursuing his solo career in 1976 and won the Félix award for best country artist at the ADISQ gala in 1979. They called him Monsieur Sourire, Mr. Smile.

The Bloc Québécois offers Quebeckers and Bobby Hachey's friends and family its sincere condolences.

ORAL QUESTIONS

[English]

THE ENVIRONMENT

Hon. Bill Graham (Leader of the Opposition, Lib.): Mr. Speaker, this spring the government completely walked away from Canada's global commitments on the environment. It cancelled programs already in place to help Canadians make their homes

Oral Questions

energy efficient. It gutted other environmental programs right, left and centre.

When we asked what it would do to save the environment, we were told to wait. We have waited and what we got today was nothing less than a national disgrace, a national embarrassment.

My question is for the Prime Minister. How on earth could the government have laboured so long to now tell us that there is not one new action in this decade to stop climate change or reduce air pollution for our citizens of this country?

Mr. Jason Kenney (Parliamentary Secretary to the Prime Minister, CPC): Mr. Speaker, before the Leader of the Opposition has the right to ask questions about the environment he should answer some questions.

Why is it that the Liberal record over 13 years was one of unmitigated failure? Why is it that the Liberal leadership candidate, the hon. member for Etobicoke—Lakeshore, said, "On Kyoto the Libs never got it"? Why is it that the member for St. Paul's said that we had one smog day in 1993 and 48 last year?

That record is not acceptable to us, which is why we have introduced, for the first time, meaningful, tough regulations on pollutants and greenhouse gas emissions.

Hon. Bill Graham (Leader of the Opposition, Lib.): Mr. Speaker, it was exactly that sort of bafflelegab and hot air that set off the fire alarms in Parliament this morning.

Environmentalists are telling us that this nonsense from the Conservatives is nothing more than a policy made in the U.S.A., like so many other actions of the government.

For the next four years, Canadians must wait while the government does nothing but talk. For the 15 years after that greenhouse gases will increase. Climate change gets worse for more than 40 years.

Why is the government violating its responsibility to the environment, our children and the future of our planet?

Mr. Jason Kenney (Parliamentary Secretary to the Prime Minister, CPC): It is incredible, Mr. Speaker, because every Liberal leadership candidate who has proposed targets for greenhouse gas emissions has proposed that those targets will be met by 2050. The difference is this. We are committing today for the first time ever to introduce meaningful, tough regulations to reduce greenhouse gas emissions by 65% by 2050, as opposed to the commitment by the member for Etobicoke—Lakeshore to reduce them by only 50%.

Oral Questions

We will do far more than the Liberals ever will.

[*Translation*]

Hon. Bill Graham (Leader of the Opposition, Lib.): Mr. Speaker, all evidence points to the contrary. This plan will be harmful to our children's health, contribute to the degradation of our environment and destroy Kyoto. While the Conservatives continue with their consultations, our planet is dying.

Why will the Prime Minister not just admit that he does not care about the environment, that he has no plan today, and will not have one tomorrow, next year or in 44 years?

Mr. Jason Kenney (Parliamentary Secretary to the Prime Minister, CPC): Mr. Speaker, after 13 years of monumental failure by the previous Liberal government in terms of environmental policy, our government is taking action by introducing the first ever clean air legislation, which will reduce pollutants and greenhouse gas emissions.

In fact, after watching greenhouse gas emissions increase by 28% under the Liberals, our government is promising here today to significantly reduce emissions.

• (1420)

Hon. Lucienne Robillard (Westmount—Ville-Marie, Lib.): Mr. Speaker, what the minority Conservative government announced this morning is simply a disgrace for future generations. We might as well say that the government is in complete denial about the urgency of taking action against global warming. Not a single new measure to deal with greenhouse gas emissions was announced.

Why does the Prime Minister not simply admit that he wants to destroy Kyoto and that the bill is just smoke and mirrors?

Mr. Jason Kenney (Parliamentary Secretary to the Prime Minister, CPC): Mr. Speaker, with regard to Canada's commitments in respect of the Kyoto protocol, it was the previous Liberal government that was such a monumental failure since greenhouse gas emissions rose by 28% under its tenure.

Our government, on the other hand, has introduced measures for the automotive sector for the first time and is proposing new stricter regulations governing air pollution. Today, after 13 years of Liberal failure, we are taking concrete action.

Hon. Lucienne Robillard (Westmount—Ville-Marie, Lib.): Mr. Speaker, the minority Conservative government's bill truly represents a step backwards. It does not identify any short-term objectives and does not give any new powers to the government to fight climate change.

With regard to greenhouse gas reductions, the Conservative government has set no objectives for 2010 or even for 2030. It is targeting 2050, which is almost half a century away.

Can the Prime Minister explain why his government has decided to set objectives for 44 years from now and why he has no plan for achieving them?

Mr. Jason Kenney (Parliamentary Secretary to the Prime Minister, CPC): Mr. Speaker, can the member explain why the member for Saint-Laurent—Cartierville promised to reduce greenhouse gas emissions by 60% by 2050; the member for York Centre, by 50% over the next 45 years; Mr. Bob Rae, by 50% in the next 45

years; the member for Etobicoke—Lakeshore by 50% by 2050, or over the next 45 years?

Today, we have promised to reduce them by 65% over the next 45 years.

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, the government has been promising us for months a made in Canada green plan that will go beyond Kyoto. Today, the government introduced a bill providing instead for a four-year consultation process before even producing any regulations. Moreover, in its bill, the government left itself a loophole, a way out of honouring its Kyoto commitments.

Will the Prime Minister admit that, after nine months, he has given birth to an empty shell and that, in the meantime, greenhouse gas emissions are continuing to increase and will continue to do so until 2010?

Mr. Jason Kenney (Parliamentary Secretary to the Prime Minister, CPC): Mr. Speaker, I will readily admit that this is the first government that has taken concrete action to reduce greenhouse gas emissions, to reduce pollutants, to introduce legislation and to improve the quality of our environment with good, strong regulations.

Ours is the first government to regulate emissions. Realistic regulated targets will allow us to achieve our environmental objectives. We are proud of the work accomplished by this government.

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Even though it is imperative to reduce the greenhouse gas emissions responsible for climate changes already affecting the public, the government flat out rejects the Kyoto objectives.

Will the Prime Minister admit that only the big oil companies stand to benefit from his "made in Alberta and written in Washington" plan?

Mr. Jason Kenney (Parliamentary Secretary to the Prime Minister, CPC): No, Mr. Speaker, that is not true. It is totally ridiculous to suggest such a thing when all industrial sectors in Canada, including the oil industry, will be affected by the regulations announced today and by the bill.

Every industry and region of Canada has to play an important role in the steps being taken to reduce air pollution and greenhouse gases so as to improve the quality of our environment and the health of Canadians.

• (1425)

Mr. Bernard Bigras (Rosemont—La Petite-Patrie, BQ): Mr. Speaker, the government confirms that it has decided to take the intensity approach, the one put forward by the previous government and roundly criticized by the Commissioner of the Environment. This ill advised choice will not bring about any major reduction in greenhouse gases and might even allow them to increase.

Given that the oil companies will double their production in the coming decade, does the Prime Minister admit that the intensity approach only confirms his indulgence towards his friends, the oil companies?

*Oral Questions**[English]*

Hon. Rona Ambrose (Minister of the Environment, CPC): Mr. Speaker, our government was very proud today to table Canada's clean air act, because our clean air act is actually going to reduce greenhouse gases and reduce smog, but most importantly, for the first time in Canadian history we will actually have national air quality objectives. That will reduce smog. It will reduce cancer. It will reduce chronic bronchitis. It will reduce childhood asthma.

I would like to ask the member opposite if he is against those things. If he is not, I hope he will support the clean air act.

[Translation]

Mr. Bernard Bigras (Rosemont—La Petite-Patrie, BQ): Mr. Speaker, I ask the Minister rather to read her own bill because it makes no reference to Kyoto, provides for intensity reductions that will not begin before 2011, confirms that the government does not plan to make any short- or medium-term international commitment and provides expressly that the government does not have to fulfil its commitment to the Kyoto protocol.

Will the Prime Minister admit that this bill quite simply means the end of the Kyoto protocol, and that this will certainly make his friends, the oil companies, happy?

[English]

Hon. Rona Ambrose (Minister of the Environment, CPC): Mr. Speaker, I do not know why the Bloc is against clean air and against actually introducing for the first time in Canadian history regulations across every industry sector for air pollution and greenhouse gases.

If the member is against the clean air act, I guess he is also against setting fuel efficiency standards in the auto sector for the first time in Canadian history, against establishing national air quality objectives for the first time in Canadian history, and against myself and the Minister of Health being accountable to Parliament by reporting on annual progress.

Canadians want these things. Quebeckers want these things. Why does he not want these things?

Ms. Libby Davies (Vancouver East, NDP): Mr. Speaker, it is official. Just like the Liberals, the Conservatives are going to make the air Canadians breathe a whole lot dirtier. Despite what the minister says, there are no caps on greenhouse gases. There are no targets for the industrial sector. By the government's own admission, pollution will not go down, it will go up.

Can the Prime Minister explain why he just gave his friends in big oil and big industry a 20 year pollution holiday?

Mr. Jason Kenney (Parliamentary Secretary to the Prime Minister, CPC): Mr. Speaker, the hon. member is completely wrong. The hon. member comes from a party that asked and made a platform commitment for the introduction of a clean air act.

I guess those members cannot take yes for an answer, because today we have for the first time introduced meaningful regulations and a meaningful law that will give the government the power to restrict the emissions of both pollutants and greenhouse gases, with a hard target of a 65% reduction.

I would like to know what the member has against mandatory auto fuel efficiency standards. Is she going to vote against those standards and against the clean air act?

Ms. Libby Davies (Vancouver East, NDP): Mr. Speaker, this act does not make the air better, it makes it worse.

If the minister thinks that industry is a cheap date, as she said, then why did she give industry another five years to pick up the cheque? If the government really believes in regulating industry, then why did it not have the guts to do it today?

Will the Prime Minister admit that the big winner today is the pollution industry, while the losers are Canadians who are tired of being promised clean air when all they get from Liberals and Conservatives is hot air?

● (1430)

Mr. Jason Kenney (Parliamentary Secretary to the Prime Minister, CPC): Mr. Speaker, like on so many issues, the NDP members are so blinded by their dogma and ideology they cannot see the facts, the facts today from this government.

The Liberals introduced the statutory framework for regulation of industry in terms of pollutants 35 years ago, but they never brought those regulations into effect. That is precisely what we have done today.

After 13 years of Liberal inaction, today we introduced meaningful industry regulations that will reduce pollutants in our air to protect the health and safety of Canadians.

Hon. John Godfrey (Don Valley West, Lib.): Mr. Speaker, the so-called clean air act pretends to deal with air pollution and greenhouse gases by removing them from the toxics section of the Canadian Environmental Protection Act. The government has just opened itself up to years of lawsuits, because this measure is likely unconstitutional. Apparently no one told the minister that the government only has the undisputed constitutional power to regulate toxic substances if they are clearly labeled toxic.

Will the Minister of Justice admit that this process weakens the law and will tie up any real environmental action for years in the courts?

Hon. Rona Ambrose (Minister of the Environment, CPC): In fact, Mr. Speaker, what Canada's clean air act does is enhance the powers that I have as a federal environment minister and enhance the powers that the health minister has. In fact, for the first time in Canadian history we will be able to regulate indoor air for things like radon, which is a leading cause of lung cancer in non-smokers.

What did the Clean Air Foundation say about that? It said, "We are pleased to see that the clean air act will permit, for the first time in Canadian history, regulation of products that will have impacts on indoor air". That is results for Canadians and protecting the health of Canadians.

Oral Questions

Hon. John Godfrey (Don Valley West, Lib.): Mr. Speaker, I fear the law does not support the minister. In the Hydro-Québec case, the Supreme Court decided that the federal government needs to label toxic substances “toxic” in order to regulate them with certainty. This bill removes all air pollutants and greenhouse gases from the list of toxic substances in the Canadian Environmental Protection Act. The government is begging for a lawsuit.

Will the minister admit that her real intention is to delay action on climate change for years when she already has the tools she needs to act today?

Hon. Rona Ambrose (Minister of the Environment, CPC): Mr. Speaker, the hon. member must have missed the press conference this morning, because what we introduced today was a notice of intent to regulate all industry sectors under current legislation, the Canadian Environmental Protection Act. All regulations will proceed without Canada's clean air act.

What Canada's clean air act will do is enhance our powers to do things we cannot do right now, like regulate indoor air pollution and regulate biofuels so that we can burn cleaner and greener fuels and give opportunities to farmers.

If the member cares about those things, he will support Canada's clean air act.

[Translation]

Mr. Pablo Rodriguez (Honoré-Mercier, Lib.): Mr. Speaker, the minister has just delivered the final blow to the Kyoto protocol.

She has no short-term objectives, no measurable targets, no binding timetable; her only specific target is for 2050. I wonder how old the minister will be in 2050. By then will there still be any glaciers in the Far North? How much land will no longer be arable? How many coastal cities will have been flooded? How many people will have died as the direct or indirect consequence of climate change?

How can the minister do this to our planet and, more important yet, how can she do this to our children and grandchildren?

[English]

Hon. Rona Ambrose (Minister of the Environment, CPC): Mr. Speaker, it is precisely why we need Canada's clean air act: to protect our generation and the generations to come after us.

I would like to know how the hon. member could vote against a bill which will make sure, for the first time, that we can enact interim emergency orders to shut down polluting industries if we think immediate action is needed. How can he vote against something that will expand the inspection powers of our enforcement officers?

Most surprising is how he could actually vote against fuel efficiency standards in the auto sector. Do we know why? It is because those members never had the guts to regulate the auto sector.

● (1435)

[Translation]

Mr. Pablo Rodriguez (Honoré-Mercier, Lib.): Mr. Speaker, I would never vote for something so irresponsible.

A few months ago, the minister made an announcement saying that she would announce something shortly. Since then she has come

to the Standing Committee on Environment and Sustainable Development to announce that there would be an announcement that would announce the announcement of the announcement.

Recently the Prime Minister confirmed in an announcement that he was going to shortly make an important announcement about the announcement that would precede the announcement. Today they are finally announcing that they are going to consult. They are going to consult for years.

We have been consulting for years. We want action. When is it going to happen?

[English]

Hon. Rona Ambrose (Minister of the Environment, CPC): Mr. Speaker, let us talk about regulations that will come into force in the next few weeks and the next few months, regulations to reduce pollution from big equipment in construction, regulations to reduce pollution from outboards, ATVs and snowmobiles, heavy trucks, school buses and forklifts, and to reduce pollution from consumer products in things like paints, cosmetics and cleaning products.

All of these things have an impact to improve the health of Canadians. That is what Canada's clean air act does. That is the action we introduced this morning. That is what this member should support.

* * *

[Translation]

OLDER WORKERS

Mr. Yves Lessard (Chambly—Borduas, BQ): Mr. Speaker, yesterday, the Minister of Industry boasted about an agreement with the Government of Quebec regarding the income support program for older workers. That is not the case, because no fewer than three ministers of the Quebec government—and not the least of them the Minister of Finance, the Minister of Economic Development, Innovation and Export Trade and the Minister of Employment and Social Solidarity—said that they were disappointed with the federal program.

What answer can the Minister of Industry give the Government of Quebec, today, when it is asking for an income support program for older workers and not just re-employment measures?

Hon. Maxime Bernier (Minister of Industry, CPC): Mr. Speaker, I am pleased to announce in this House that Quebec is participating in our program. If you have not read the papers today, I can tell you that the minister, Ms. Courchesne, has said that the program:

—is a valuable program for many of the workers affected by the crisis in the forest industry—

Therefore the Government of Quebec is behind our program.

Ms. France Bonsant (Compton—Stanstead, BQ): Mr. Speaker, the Minister of Employment, Michelle Courchesne, also said, and I quote:

—excluding Montreal when we are talking about the garment industry, when we are talking mostly about women from the cultural communities, there is some concern—

Does the Minister of Industry not realize that not only does his program include no income support measures, that being the main problem, but it also excludes Quebec City, Gatineau and Montreal—half of Quebec, no less?

Hon. Maxime Bernier (Minister of Industry, CPC): Mr. Speaker, I would like to remind the Bloc Québécois that in its 2000, 2004 and 2006 election platform it called for an older worker adjustment program.

Some hon. members: Yes.

Hon. Maxime Bernier: The Bloc Québécois was an ineffective opposition when it came to getting a program for all those years, and it was just as ineffective in successfully standing up for the interests of Quebec.

The Bloc Québécois and the Liberals failed to deliver the goods. It took a Conservative government to get things done, and it takes a Conservative government to stand up for the interests of Quebec.

* * *

FIREARMS REGISTRY

Mr. Serge Ménard (Marc-Aurèle-Fortin, BQ): Mr. Speaker, recently the Quebec National Assembly unanimously demanded that the firearms registry be maintained, and it condemned the federal government's Bill C-21.

How can the Minister of Public Safety ignore the demands of parents and victims of the Dawson College tragedy, ignore the Quebec National Assembly's unanimous appeal, and pursue its intention to remove hunting guns from the Canadian Firearms Registry? For all practical purposes, this would render the registry useless.

Hon. Stockwell Day (Minister of Public Safety, CPC): Mr. Speaker, we will maintain a registry for all those who wish to own or buy a firearm. I would also note that police forces will still keep information in their systems so they know if a man or woman keeps a firearm at home or at school.

We will maintain the system.

• (1440)

Mr. Serge Ménard (Marc-Aurèle-Fortin, BQ): Mr. Speaker, this government is suffering from a serious lack of consistency: more people in prison and more firearms in circulation.

Why does this government always take its cue from the worst of what is happening in the United States? Proportionally, the U.S. incarcerates seven times more people than Canada, and has many more firearms in circulation. As a result, the homicide risk is three times higher there than in Canada. More people in prison and more firearms in circulation means more homicide.

Hon. Stockwell Day (Minister of Public Safety, CPC): Mr. Speaker, on the one hand, he says we have a problem with criminal situations, and on the other, he says we have a problem because prisoners are still in prison.

Oral Questions

We want to keep dangerous people in jail, but the Bloc opposes that approach. We want safe streets for our families, for our men, women and children. It seems they are against that too.

* * *

OLDER WORKERS

Ms. Raymonde Folco (Laval—Les Îles, Lib.): Mr. Speaker, yesterday, the Minister of Industry assured us that the Government of Quebec was more than satisfied with the Conservative government's so-called assistance program for older workers. But Quebec's minister of employment and social solidarity, Michelle Courchesne, has said very clearly and very publicly that this is not true.

How can Quebec be satisfied with a program that is supposed to help textile workers, for example, but excludes the very region where textile jobs are concentrated? Can the minister explain that to us?

Hon. Maxime Bernier (Minister of Industry, CPC): Mr. Speaker, as I said earlier the minister, Ms. Courchesne, said that we have developed a program that applies to many workers in the industry and will be very useful to the forest industry. And she is not the only one, because the president of the Confédération des syndicats nationaux, Claudette Carbonneau, said that this was a legitimate program, with legitimate retraining measures for workers.

Ms. Raymonde Folco (Laval—Les Îles, Lib.): Mr. Speaker, I would like to know what the forest industry has to do with the textile industry in greater Montreal. In my opinion, the minister is reading from his paper without really thinking about what he is saying.

We see the lack of communication between the Conservative minority government and the Government of Quebec. That is patently clear.

The critical mass of the textile industry is located in the Montreal area and includes not only older workers, but also many women from Montreal's multicultural community.

Why is the government abandoning these women from the multicultural community?

Hon. Maxime Bernier (Minister of Industry, CPC): Mr. Speaker, we are concerned about the fate of the women and men who work in the textile industry. This program is very flexible and reflects this new government's open federalism.

The Government of Quebec will decide on the applicability criteria for this program. In addition, the program will be tailored to Quebec's needs.

* * *

[English]

GOVERNMENT PROGRAMS

Ms. Ruby Dhalla (Brampton—Springdale, Lib.): Mr. Speaker, the human resources minister and the Prime Minister seem to always speak with one mind when it comes to muzzling voices of those who are in dissent.

Oral Questions

They have written off the youth. They have given up on older workers. They have cancelled Canada's volunteerism initiative, which impacts thousands of volunteer organizations across the country. They have even abandoned adults who want to be able to learn to read and write.

The Conservatives continue to attack the most vulnerable in our society. Does the minister not realize that her cuts are forcing thousands of literacy organizations to close their doors?

Hon. John Baird (President of the Treasury Board, CPC): Mr. Speaker, we are looking at all government expenditures to ensure that they are achieving the results they were intended to achieve. It is something that is tremendously important.

Rather than put funds to have conferences and symposiums, rather than put funds to have advocacy, which was so popular among the previous government members, we want to focus on something unique. We want to focus on actually helping people learn to read and write.

• (1445)

Ms. Ruby Dhalla (Brampton—Springdale, Lib.): Mr. Speaker, the only thing the Conservatives are focusing on is attacking the most vulnerable in the country.

The facts are clear. The budget cuts by the Conservative government have gutted funding for adult literacy and training programs across the country. The axe has fallen, without any consultation, without any consideration and without any compassion. The Prime Minister has indicated, not only to his entire caucus but to Canadians across the country, that it is his way or the highway.

Why is the government so determined to muzzle, to gag and to silence the most vulnerable?

Hon. John Baird (President of the Treasury Board, CPC): Mr. Speaker, when the Liberal Party was in government, the most vulnerable in society were taxpayers.

We saw the billion dollar boondoggle at HRDC. We saw another billion dollar boondoggle when it came to the long gun registry. We saw, literally, millions of dollars misspent and misdirected, some of it even into the coffers of the Liberal Party.

Thank goodness we have a Prime Minister and a government that stand with ordinary taxpayers and fight for them.

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ACCESS TO INFORMATION

Mr. Dave Van Kesteren (Chatham-Kent—Essex, CPC): Mr. Speaker, just a few weeks ago the opposition Liberals were smearing the reputations of public servants and members of the Prime Minister's staff, accusing them of having deliberately broken the law by leaking the names of access to information requesters.

However, an inquiry into the matter by the access to information, privacy and ethics committee has revealed that no laws were violated and no names were leaked.

Will the Parliamentary Secretary to the Prime Minister demand an apology from the official opposition for having recklessly smeared the reputations of public servants and misleading Canadians?

Mr. Jason Kenney (Parliamentary Secretary to the Prime Minister, CPC): Mr. Speaker, I thought it was shameful that we had several members of the Liberal opposition drag through the mud the names of honourable public servants of our country, people who work in the Prime Minister's office, who they claimed deliberately and wilfully violated the law and violated the Privacy Act.

We now know, after a standing committee inquiry, that those allegations were completely invented, totally fabricated and completely false. Even the Liberal member for Willowdale said, "I haven't heard anything to indicate that there was a breach of the law in this matter".

We are looking forward to an apology to our public servants.

* * *

[Translation]

THE ENVIRONMENT

Mr. Nathan Cullen (Skeena—Bulkley Valley, NDP): Mr. Speaker, the Conservative's made in Washington plan is basically a free ticket for oil companies to continue to pollute. With the minister's proposal regarding intensity-based targets, pollution will not be reduced; rather, it will continue to increase.

Can the minister explain from where she drew her inspiration? Was it George W. Bush, Ralph Klein or the previous Liberal government, a complete failure?

[English]

Hon. Rona Ambrose (Minister of the Environment, CPC): Mr. Speaker, again the member has his facts wrong. We regulate greenhouse gases in this country, which is what we announced this morning. The United States does not, from a national perspective.

Again, the member knows full well that every industry sector across the country will be regulated with hard caps on pollution, including the oil sector.

Mr. Nathan Cullen (Skeena—Bulkley Valley, NDP): Mr. Speaker, the message from the government is simple: Tell Canadians to hold their breath for five years while they figure themselves out.

The government said it had a plan; it does not. It said it would reduce pollution; it will not. It said there will be targets and timelines; there are not. It said it would regulate, but it is not.

Will the minister admit that this plan is an absolute failure and that she lied to the House and to Canadians?

The Speaker: That question is out of order.

* * *

INFRASTRUCTURE

Hon. Ralph Goodale (Wascana, Lib.): Mr. Speaker, municipal governments across Canada are worried that their local decisions and their local contracting will now be second guessed and manipulated by the meddlesome minority Conservative government for totally partisan reasons, for the sole vindictive purpose of inflicting personal political abuse.

Oral Questions

It is not only the cities of Toronto or Ottawa. The worry is nationwide.

Is it the policy of the government that every municipal contract, including those to which the Government of Canada is not a contracting party, are subject to the partisan whims of the President of the Treasury Board?

• (1450)

Hon. John Baird (President of the Treasury Board, CPC): Mr. Speaker, the quick answer to that question is no.

I can tell the member for Wascana this. At least our budget is not subject to the whims of the New Democratic Party.

Some hon. members: Oh, oh!

The Speaker: Order, please. We do not want to waste time. The hon. member for Wascana has another question. Everyone wants to hear it. We will hear it now.

Hon. Ralph Goodale (Wascana, Lib.): Mr. Speaker, I would remind the hon. gentleman that it was not us but them who implemented the NDP proposals.

The minister bellows and he blusters, he rants and he raves, but he just fails to offer to any proper justification for his interference. He demands access to contracts to which he is not a party. He violates confidentiality agreements and uses the federal purse to bully and blackmail local authorities. He uses his office to advance his own partisan interests.

Is this just a local personal vendetta in Ottawa, or does his venom extend to every municipality in Canada?

Hon. John Baird (President of the Treasury Board, CPC): Mr. Speaker, another day and another gift from the member for Wascana.

The member for Wascana has the nerve to stand in his place in the House and talk about breaking confidentiality. I remind the member opposite about the income trust scandal, where literally tens of thousands of hard-working senior citizens lost millions of dollars because of the blabbermouth member for Wascana.

* * *

AGRICULTURE

Hon. Wayne Easter (Malpeque, Lib.): Mr. Speaker, that minister is subject to wild whims of fiction.

The other minister, on the other hand, stated it would be inappropriate for grain companies to be part of the discussions for undermining the Canadian Wheat Board. However, on September 18 he wrote Agricorp, a grain company, stating:

I appreciate your comments, which will be very useful...as we move towards implementation of marketing choice.

Now a director of that company is calling on key board officials to resign. Why? Why is—

The Speaker: Order. The hon. member's time has expired.

The hon. Minister of Agriculture and Agri-Food.

Hon. Chuck Strahl (Minister of Agriculture and Agri-Food and Minister for the Canadian Wheat Board, CPC): Why? Why didn't he ask me a question?

Mr. Speaker, since he did not ask me a question, I guess I will ask him one in response.

Why does he want only western Canadian farmers to be subject to the Canadian Wheat Board Act? Why does he not ask for Prince Edward Island farmers, Ontario farmers and B.C. farmers to be included?

The reason is he wants to make decisions on behalf of western Canadian wheat farmers. We say it is time they had marketing choice.

Hon. Wayne Easter (Malpeque, Lib.): Mr. Speaker, the minister has not answered a question with facts since January.

First, why is the minister involved in collusion with the grain companies as opposed to supporting primary producers?

I might add, the Prime Minister promised cost of production in this House and during the election. The minister, last Thursday, contradicted the Prime Minister and stated cost of production was too expensive.

Will the minister now support the Prime Minister and go to cost of production?

Hon. Chuck Strahl (Minister of Agriculture and Agri-Food and Minister for the Canadian Wheat Board, CPC): Mr. Speaker, I think there were a couple of questions in there.

On the first one, I would just repeat what I have always said. We are listening to grain handling companies, to the western Canadian grain farmers, and to the entire industry, which by the way has not had a profitable year since the Liberals came to power in 1993.

As far as cost of production is concerned, we continue to work day and night, night and day, to try to fix the program that his government brought in. The CAIS program was flawed from the start. We are going to replace it.

* * *

• (1455)

[Translation]

GOVERNMENT PROGRAMS

Mrs. Vivian Barbot (Papineau, BQ): Mr. Speaker, the Minister of Canadian Heritage answered with a firm "no" when asked if cuts had been made to theatre and dance troupes. Yet, those troupes are telling us otherwise, that they have in fact suffered cuts.

Will the Minister of Foreign Affairs please tell us whether or not cuts have been made to these troupes?

[English]

Hon. Peter MacKay (Minister of Foreign Affairs and Minister of the Atlantic Canada Opportunities Agency, CPC): Mr. Speaker, obviously, we are involved in this with 36 other countries. This is a deployment of troops that is involved in interesting and important work to provide security for the development of the work that is undertaken. If the member wants to be a little more specific, perhaps she could provide us with that information.

Oral Questions

[Translation]

Mr. Maka Kotto (Saint-Lambert, BQ): Mr. Speaker, the question was not about military troops. It was about theatre, dance and music troupes.

I ask the question again: will the cuts to the public diplomacy fund affect the international tours of dance, music and theatre troupes, yes or no?

[English]

Hon. Bev Oda (Minister of Canadian Heritage and Status of Women, CPC): Mr. Speaker, I want to be clear because the other day this same member asked a question with inaccurate information. Again, dance troupes and performing troupes will continue to be able to tour.

Yesterday, this member talked to me about museums that were going to have their funding affected. I asked him to give me the name of the museum affected. He has yet to do that. We are going to ensure that our cultural communities do enjoy our support.

* * *

SMALL ARMS AND LIGHT WEAPONS

Hon. Keith Martin (Esquimalt—Juan de Fuca, Lib.): Mr. Speaker, my question is for the Minister of Foreign Affairs.

As we speak, at the United Nations right now, there is an international treaty to ban and stem the proliferation of small arms and light weapons.

Small arms and light weapons kill more than 150,000 people a year. However, 100 countries support the establishment of this treaty. Right now the government has removed Canada from supporting the small arms and light weapons treaty.

Why has the new Conservative government removed Canada from supporting the establishment of a treaty that—

The Speaker: The hon. the Minister of Foreign Affairs.

Hon. Peter MacKay (Minister of Foreign Affairs and Minister of the Atlantic Canada Opportunities Agency, CPC) Mr. Speaker, I thank the hon. member for Esquimalt—Juan de Fuca for his question and also his interest and passion on this file.

The fact of the matter is he is incorrect. He is factually incorrect. We have not withdrawn support for this treaty. This is something that we have involved ourselves in for some period of time. We supported British efforts in this regard. It is ongoing at the United Nations as we speak. We will be engaging and we will be making our position known in the days ahead.

* * *

JUSTICE

Mr. Gary Goodyear (Cambridge, CPC): Mr. Speaker, on Tuesday students and teachers at Southwood Secondary School in my riding had a handgun scare which necessitated a code red alert. Thankfully, no one was physically hurt. I commend Southwood staff and students, and our police for the quick response and for having an emergency plan in place that worked.

Since the election Canada's new government has tabled eight new bills to tackle crime. Can the Minister of Justice please tell me what the public reaction has been to these initiatives?

Hon. Vic Toews (Minister of Justice and Attorney General of Canada, CPC): Mr. Speaker, earlier this week when talking about the dangerous offender bill, B.C.'s Liberal solicitor general said that it was high time this change was made.

On the subject of reverse onus, according to the *Toronto Star*, during the election the member for Mount Royal said he had no doubt such a provision in the Criminal Code relating to bail for weapon offences would pass a challenge under the charter of rights.

The hon. member for Toronto—Danforth said during the election that if individuals commit a crime or have been carrying a gun and they have been charged, they should have to show why they should not be kept locked up from that moment in time.

* * *

● (1500)

HOMELESSNESS

Mrs. Irene Mathysen (London—Fanshawe, NDP): Mr. Speaker, since the Liberals abolished Canada's national affordable housing strategy over a decade ago, homelessness in this country has skyrocketed. Canada has a national housing crisis and the time for action has long past.

Will the government update the House on the status of the implementation of a motion adopted by the human resources committee to fully commit funding and immediately flow funds for the national homelessness initiative and its six programs?

Mrs. Lynne Yelich (Parliamentary Secretary to the Minister of Human Resources and Social Development, CPC): Mr. Speaker, we have absolutely no cuts to the funding of the SCPI program and I believe that is what the member is actually asking. We are consulting with the stakeholders on the best practices with regard to homelessness programs, on informed decisions, and how we are going to proceed.

We are a responsible government. We will ensure that projects will provide value for money. To do that we need to take the necessary time to review projects thoroughly.

Mrs. Irene Mathysen (London—Fanshawe, NDP): Mr. Speaker, the time for consultation and inaction is over. Why is the government ignoring the dire need for affordable housing in this country?

There is unanimous support for the continuation of the SCPI program among the advocacy groups. This program is essential. If the government cannot tell us it is prepared to listen to this House on the much needed new initiatives, will it tell the housing community if SCPI is being renewed or is it already on the chopping block?

Mrs. Lynne Yelich (Parliamentary Secretary to the Minister of Human Resources and Social Development, CPC): Mr. Speaker, I will repeat again. There have been absolutely no cuts to the funding for SCPI. In addition to extended funding for one year this spring, our government made an additional \$37 million available to 2005-06 programing just over a month ago.

SMALL ARMS AND LIGHT WEAPONS

Hon. Keith Martin (Esquimalt—Juan de Fuca, Lib.): Mr. Speaker, there is no time on Canada supporting or not supporting the international establishment of an arms trade treaty. That is the point. The vote comes up next week at the United Nations.

I want to ask the Minister of Foreign Affairs this question. The vote is next week and 100 countries have supported the establishment of this treaty. Canada is not on that list.

Will he support this treaty, yes or no, or is his government going to cover under the gun manufacturers lobby and say no?

Hon. Peter MacKay (Minister of Foreign Affairs and Minister of the Atlantic Canada Opportunities Agency, CPC): Mr. Speaker, the reality is there is time because the decision will be taken in due course. We have until next week. We have a motion that was tabled, and the hon. member is aware, by the Standing Committee on Foreign Affairs and International Development.

We are looking at this of course in conjunction with other information provided by the U.K. We are very interested in having a trade treaty in place that will ban the trafficking of illicit arms that would go to conflict areas of which we are all very aware, including those in Africa of which the member is obviously very concerned, as are we, and it will happen in due course.

* * *

NATIONAL DEFENCE

Mr. Fabian Manning (Avalon, CPC): Mr. Speaker, earlier this month Liberal Senator Colin Kenny called for the closure of Canadian Forces Base Goose Bay located in Newfoundland and Labrador. Was this the secret Liberal agenda all along?

Then just last week Liberal Senator George Baker stated:

If the Senate committee had any brains at all, which they don't, they should have suggested the closure of Bagotville, Quebec. But I'll bet you that they'll never recommend the closure of a base in Quebec, although it makes all the sense in the world.

Can the Minister of National Defence inform the House as to the status of the above mentioned bases and whether or not he will be taking advice from the Liberals who want to close these bases?

Hon. Gordon O'Connor (Minister of National Defence, CPC): Mr. Speaker, we are now seeing the hidden agenda of the Liberals. They wanted to destroy the communities of Bagotville and Goose Bay. That is totally unacceptable.

Our government will implement our Canada first policy, which will increase the resources and the operational commitments at both those sites. There is a bright future for CFB Goose Bay and CFB Bagotville.

* * *

PRESENCE IN GALLERY

The Speaker: Order. I would like to draw to the attention of hon. members the presence in the gallery of the Hon. Kevin O'Brien, Minister of Business for the Government of Newfoundland and Labrador, and the Hon. Kathy Dunderdale, Minister of Natural Resources for the Government of Newfoundland and Labrador.

Some hon. members: Hear, hear!

Privilege

The Speaker: I would also like to draw to the attention of hon. members the presence in the gallery of the Hon. Michael de Jong, Minister of Aboriginal Relations and Reconciliation for British Columbia.

Some hon. members: Hear, hear!

* * *

BUSINESS OF THE HOUSE

The Speaker: It being Thursday, I believe the hon. member for Wascana has a question.

• (1505)

Hon. Ralph Goodale (Wascana, Lib.): Mr. Speaker, on the Thursday question about procedure and process, I wonder if the government House leader or the government whip could indicate to us today what the government's agenda will be for the rest of this week and for the following week.

I wonder, since we are now well into this particular supply period and we have an expiry date facing us on November 10, would the government be in a position today to indicate which two days between now and November 10 will the government designate for the consideration of the estimates on the floor of the House of Commons in committee of the whole?

Mr. Tom Lukiwski (Parliamentary Secretary to the Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Mr. Speaker, today we will continue the debate on an opposition motion which gives the government an opportunity to talk about keeping its promise to review our programs to ensure every taxpayer dollar spent is well spent and by reducing the debt by \$13.2 billion.

Tomorrow we will begin debate on Bill C-25, proceeds of crime, followed by Bill C-26, payday lending.

Next week, we will continue with the business from Friday with the addition of Bill C-27, dangerous offenders, Bill S-2, hazardous materials, Bill C-6 aeronautics, and Bill C-28, a second act to implement certain provisions of the budget tabled in Parliament on May 2, 2006.

With respect to my hon. colleague's question on supply day, just like a child waiting for Christmas, he will have to wait a little bit longer. We will get back to him next week.

* * *

[Translation]

PRIVILEGE

ORAL QUESTION PERIOD

Mr. Michel Gauthier (Roberval—Lac-Saint-Jean, BQ): Mr. Speaker, I rise on a question of privilege to do with the fact that an extremely serious incident occurred during oral question period. This incident involved the Minister of Industry.

In his usual fashion, the Minister of Industry used comments made by others to illustrate his own argument. This time, he went too far.

Point of Order

The Minister of Industry misled the House by saying he had the support of Claudette Carbonneau, the president of CSN, on the older workers assistance program introduced by the government yesterday.

I have before me two extremely specific quotes by Ms. Carbonneau, who said precisely the opposite of what the minister said today. In my opinion, this constitutes a breach of parliamentary privilege. I will read these two quotes by Ms. Carbonneau, which are quite clear.

For years the CSN has been calling for an income support program for older workers unable to find work after losing their jobs. The federal government delivered precious little today in its targeted initiative that in no way responds to the real needs. The CSN is extremely disappointed.

That is exactly the opposite of what the Minister of Industry said here in this House.

Ms. Carbonneau also said:

—there is another class of workers, those 55 and older who, no matter what active measures are offered to them, have no chance of retraining. What they need is an income support program to bridge the gap between the end of their employment insurance benefits and their retirement. There is nothing for them in the program announced today [Tuesday].

That is what Ms. Carbonneau said in a press release.

What gives a government minister the right—knowing the very clear and categorically expressed opinion of someone like Ms. Carbonneau, who leads thousands of unionized workers in Quebec—to knowingly misrepresent the comments of such a person by saying strictly and precisely the opposite of what Ms. Carbonneau said. It was in all the papers and all the media.

I maintain that the minister misled the House and breached parliamentary privilege. He should apologize, not only to Ms. Carbonneau, but also to this House and the people he misled.

• (1510)

[English]

Mr. Tom Lukiwski (Parliamentary Secretary to the Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Mr. Speaker, I think it is quite clear from my hon. colleague's comments that this is not a point of privilege. This is clearly a point of debate. I could go on to give examples of why this is so, but I would trust, Mr. Speaker, being as learned as you are, you would rule accordingly. I would ask you to please give a ruling immediately.

The Speaker: I appreciate the kind comments from the hon. parliamentary secretary.

[Translation]

Nonetheless, the hon. member for Roberval—Lac-Saint-Jean indicated that, in his opinion, the minister misled the House. The quotes provided by the hon. member and those provided by the minister during his responses to today's questions will need to be reviewed. That is what I will do and I will soon come back to the House with a ruling.

POINT OF ORDER

ORAL QUESTION PERIOD

Hon. Denis Coderre (Bourassa, Lib.): Mr. Speaker, during oral question period, there was heckling going on while my hon. colleague from Honoré-Mercier was putting a question to the Minister of the Environment.

I do not know why, but the Minister of Foreign Affairs took comments about environmental impacts on humans and animals as a personal attack.

Someone on our side shouted, "What about Peter's dog?", and the Minister of Foreign Affairs shouted back, "You already have her". What an appalling thing to say.

[English]

It is disgusting. It is shameful. I demand to know why the Minister of Foreign Affairs stated that. I want to know at whom he was aiming. I want him to apologize to everyone. It is disgusting.

Mr. Mark Holland (Ajax—Pickering, Lib.): Mr. Speaker, on the same point of order, there were some comments on this side of the House that the lack of action on the environment by the government might have an impact on the foreign affairs minister's dog, to which the foreign affairs minister responded, "You already have her", and he gestured toward the seat in front of me, which is the seat of the member for Newmarket—Aurora.

This is clearly shameful. The minister owes an apology to the House. It was a shameful display, for which he absolutely must apologize.

Hon. Rona Ambrose (Minister of the Environment, CPC): Mr. Speaker, I am not sure what happened over here but I would like to point out that the member for Bourassa, who raised this question, at one point called me a name, a sexist comment saying that I was merely a pretty picture vase sitting at the front of the entrance to a home.

It has been a number of months, but I am glad he raised this issue because it has always bothered me, so I would like an apology from him today for that.

[Translation]

Hon. Denis Coderre: I would like her, Mr. Speaker, to tell me what this is about exactly, given that I never address her or speak to her.

Obviously, this is a diversion tactic on the part of the Minister of Foreign Affairs, who is once again making a show of his private life in this House.

[English]

He should apologize.

I do not know what the member is talking about. She can call me and talk to me, but I do not know what she is talking about.

The Speaker: We will leave this matter for the moment.

The hon. chief government whip has a point of order.

LANGUAGE USED IN ORAL QUESTION

Hon. Jay Hill (Prince George—Peace River, CPC): Mr. Speaker, the point of order that I am raising really highlights what we have just heard in the latest exchange. I am raising a point of order about something that everyone heard and that there is no disputing.

During question period the member for Skeena—Bulkley Valley, in asking a question of my colleague, the hon. Minister of the Environment, said something that is completely unparliamentary and shameful. He accused the minister of lying. He knows that is unparliamentary. He has been here long enough and I am sure he knows that.

I would ask him to immediately retract that terminology and apologize to the minister.

• (1515)

Mr. Nathan Cullen (Skeena—Bulkley Valley, NDP): Mr. Speaker, the respect I have for this place and for all parliamentarians gathered here to do the work that all Canadians sent us here to do is of the utmost.

I humbly beseech you, Mr. Speaker, that in this regard, the minister has presented herself as bringing forward a plan to Canadians with targets and timelines of the things that I mentioned. I accept the consequences of my action, but I will not withdraw.

The Speaker: The question that was asked by the hon. member for Skeena—Bulkley Valley was ruled out of order by the Chair because he used unparliamentary language in the question. The question, as I recall it, and I am quite prepared to review the blues later but I heard the question quite clearly, asked the minister if she had done this unparliamentary thing. He did not accuse her of doing it; he asked if she had.

He used language that, in my view, is unacceptable and that is why I ruled the question out of order. I hope we do not hear that kind of language again. It is unparliamentary and it should not be used in the House, but I do not believe that in the circumstances it is one that has to be withdrawn because he did not make the accusation.

I will review the blues since the chief government whip has raised this matter as a point of order, and make sure that I was correct in what I thought I heard, but I did not order the member to retract the words at the time for the simple reason that I did not believe he had gone over the line, except that he had used unparliamentary language. That is why I ruled the question out of order. I assure the chief government whip that if questions are asked in that tone, they will be ruled out of order in the future. The notice is there.

Hon. Jay Hill: Mr. Speaker, as always, I respect your judgment in this matter. Perhaps with all the noise in the House today, I could have misheard the member's question. I respect the fact that you are going to review it and if subsequent action is necessary, I am sure you will take it.

The Speaker: The hon. member for Souris—Moose Mountain has some submissions on another point of order he wishes to make to the Chair. I will hear him now.

Point of Order

CITIZENSHIP ACT—BILL C-14

Mr. Ed Komarnicki (Parliamentary Secretary to the Minister of Citizenship and Immigration, CPC): Mr. Speaker, I, perhaps, have a somewhat tamer point of order which is in response to a previous point raised. I want to clarify the facts referred to in the comments made by the member for Burnaby—Douglas on Tuesday, October 17, when responding to the point of order I raised in respect to Bill C-14.

Before making a ruling, I believe it is important to note that the member was incorrect when he asserted that the denial of citizenship to an adopted child was a de facto denial of an immigration visa and permanent residence status. The member made this argument to persuade you, Mr. Speaker, that there was no difference between citizenship and immigration matters so that you would conclude that the immigration appeal division of the Immigration and Refugee Board may hear citizenship matters.

The fact is that citizenship and permanent residency each have a very different status in law. Indeed, so substantial are the differences that each is defined in separate statutes, as are the procedures and applications relevant to them.

Mr. Speaker, the member would have you overlook the fact that there is nothing in the Immigration and Refugee Protection Act that provides the Immigration and Refugee Board with powers or a mandate to deal with citizenship. The procedures and process for citizenship are limited to the Citizenship Act. None of those procedures or processes refer to or relate to the IRB.

More fundamental to the argument by the member for Burnaby—Douglas is his incorrect assertion that one can look past the lack of a citizenship mandate of the IRB by finding that citizenship decisions have an impact on the applicant's visa or permanent residence status application. The member, simply put, was wrong.

The fact is that denial of citizenship has little impact on permanent residence status. It is certainly incorrect to say that a denial of citizenship is a de facto denial of permanent residence. Under the current law it is possible for a permanent resident to apply for citizenship and be denied with the denial having no effect on his or her permanent residence status.

The second significant error to the member's submission that I wish to clarify is his suggestion that the incompleteness of the amendments may be addressed by regulations to Bill C-14 by stating:

...that requirements as to its operation can be delineated in regulations developed to implement the act, and therefore the amendment meets all the tests of completeness.

The member made this argument hoping to persuade you, Mr. Speaker, to overlook the fact that the legislation that creates the Immigration and Refugee Board does not already recognize citizenship or a role for itself in dealing with citizenship matters.

Speaker's Ruling

The member's submission that a new role for the IRB can be delineated in regulations to Bill C-14 is incorrect. I gave my remarks on October 6 on the inadmissibility of an amendment that requires subsequent amendment of an act that was not before the committee. I do not propose to repeat those comments here but to simply respond to the member for Burnaby—Douglas' contention and clarify that there are no provisions in the Citizenship Act or the Immigration and Refugee Protection Act that would permit the making of regulations that would change the existing mandate of the immigration appeal division.

If his submission is to be taken as being that the regulations to Bill C-14 can speak to the mandate and powers of the immigration appeal division and broaden them to allow the immigration appeal division to deal with a citizenship matter, then I would refer to my previous comments on October 6 only to add that regulations to an amendment of the statute may not amend another statute that was not before the committee.

In this instance, regulations to an amendment to the Citizenship Act may not amend the Immigration and Refugee Protection Act which creates the mandate and powers of the immigration appeal division.

With respect to the royal proclamation, the argument essentially was that since there would no longer be appeals under the Immigration and Refugee Protection Act, somehow these funds could be applied to appeals under the Citizenship Act, is somewhat circular in the sense that if there is no appeal provision in respect to the adoption provision in the Adoption Act, moneys would be saved and in order for the appeal to happen we would require additional funding which would require a royal proclamation. For that reason, also, it would not be acceptable.

• (1520)

Mr. Joe Comartin (Windsor—Tecumseh, NDP): Mr. Speaker, I am a bit concerned. I have been following this exchange between the previous speaker and the member for Burnaby—Douglas and I have some sense that the previous speaker may have raised some additional new points. He was not just responding to the response that we had from the member for Burnaby—Douglas. I would like to reserve the opportunity for the member, who is not present to counter that argument, that he be given the opportunity at some point in the future.

The Speaker: I am sure if it is necessary he will be given some opportunity. I am not in a position now to render a decision based on the submissions I have just heard. I will take them into consideration with the others I have heard on this case.

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PRIVILEGE

LAW COMMISSION OF CANADA—SPEAKER'S RULING

The Speaker: I am now prepared to rule on the question of privilege raised on October 3, 2006, by the hon. member for Windsor—Tecumseh concerning funding cuts to the Law Commission of Canada.

[*Translation*]

I wish to thank the hon. member for raising this issue. I also wish to thank the hon. member for London West, the hon. government House leader and the hon. member for Vancouver East for their interventions.

[*English*]

In his question of privilege, the hon. member for Windsor—Tecumseh expressed concern about the government's announcement on September 25 that it would be eliminating funding to the Law Commission of Canada, thus effectively dissolving the organization. He questioned the authority of the government to do so without parliamentary approval, contending that the House of Commons first had to pass legislation to repeal the Law Commission of Canada Act. In support of this argument, he referred to a 1993 precedent when Bill C-63, an act to Dissolve or Terminate Certain Corporations, was passed. In conclusion, he asserted that the actions of the government breached the collective privileges of the House.

The hon. member for London West contributed arguments in support of the question of privilege. She gave a brief summary of the history and mandate of the Law Commission of Canada, citing several sections from the Law Commission of Canada Act. The hon. member for Vancouver East also spoke in support of the question of privilege.

For his part, the hon. government House leader contended that this was not a question of privilege. He stated:

...the President of the Treasury Board and the Government of Canada are not obligated to continue to spend money in areas which the government has decided it does not want to spend...

The matter raised by the hon. member for Windsor—Tecumseh is complex. The question on which I have been asked to rule is twofold. First, is the government's actions in conformity with existing legislative provisions respecting the Law Commission of Canada? Second, do the government's actions in eliminating the funding for the Law Commission breach the privileges of the House?

With respect to the first point, as my predecessors and I have pointed out in many rulings, where legal interpretation is an issue, it is not within the Speaker's authority to rule or decide points of law. Mr. Speaker Lamoureux's ruling, found at page 7740 of the *Debates* for September 13, 1971, deals with this question as follows:

Whether the government has an obligation under the terms of the existing law to make certain payments is not a question for the Chair to decide...This is a matter of judicial interpretation and is far beyond the jurisdiction and certainly far beyond the competence of the Chair.

Accordingly, if there is a legal problem, then the solution is to be found in the courts.

Now let me address the procedural issues that do lie within the Speaker's purview. The hon. member for Windsor—Tecumseh argues that the collective privileges of the House have been breached.

Generally speaking, the collective privileges of the House are categorized as the power to discipline; the regulation of its own internal affairs; the authority to maintain the attendance and service of its members; the right to institute inquiries, call witnesses and demand papers; the right to administer oaths to witnesses; and the right to publish papers containing defamatory material. In this particular instance, it is evident that none of these collective rights have been breached.

● (1525)

[Translation]

That being said, *House of Commons Procedure and Practice* states, at page 52:

Any conduct which offends the authority or dignity of the House, even though no breach of a specific privilege may have been committed, is referred to as a contempt of the House. Contempt may be an act or an omission; it does not have to actually obstruct or impede the House or a Member, it merely has to have the tendency to produce such results.

[English]

In short, the Chair is being asked to judge whether this action by the government has challenged the perceived authority and dignity of Parliament. Let me review briefly the parameters of that authority as they relate to this case.

Through the estimates and ways and means processes, Parliament authorizes the amounts and destinations of all public expenditures. Once Parliament has allocated the moneys, it is the prerogative of the government to manage these funds. On page 697 of the *House of Commons Procedure and Practice* it states:

As the Executive power, the Crown is responsible for managing all the revenue of the state, including all payments for the public service.

Although responsibility for financial management belongs to the government, the House retains an important oversight role. Members, through the standing committee system, have an opportunity to examine how the government has managed these funds through their review of the estimates, the annual departmental performance reports, the Public Accounts of Canada and the reports of the Auditor General.

At this time ministers may be invited to appear before standing committees to defend these expenditures and the committees may report back to the House. In addition, as part of its responsibility for oversight of government activities, a committee may invite a minister to appear at any time to discuss administrative decisions.

Following such inquiries, committees are empowered to report to the House concerning any comments or recommendations they may wish to make. The House then has the authority to take up the matter and deal with it as it sees fit.

Thus, the duty of oversight goes to the very reason for the existence of Parliament and this range of activities represents the normal operations of this place. In this way, members who disagree with the course taken by the government on any particular issue can pursue such questions in a variety of ways. Since the avenues remain open to the hon. member, the Chair cannot conclude that the government's action on the Law Commission is flouting the authority of the House.

Business of Supply

While members may have deep concerns about the decision to no longer fund the Law Commission of Canada, this decision does not constitute a breach of privilege. While the hon. member for Windsor—Tecumseh may feel he has a grievance, I cannot find a prima facie case of privilege in this case.

I thank the hon. member, however, for bringing this important matter to the attention of the Chair.

GOVERNMENT ORDERS

● (1530)

[English]

BUSINESS OF SUPPLY

OPPOSITION MOTION—ECONOMIC AND FISCAL POSITION

The House resumed consideration of the motion.

Hon. Roy Cullen (Etobicoke North, Lib.): Mr. Speaker, I am pleased to debate the motion. I will be splitting my time with my esteemed colleague, the member for Mississauga South.

The motion accurately describes the present situation in which we find ourselves. The motion reads:

[Translation]

That, in the opinion of the House, the government inherited the best economic and fiscal position of any incoming federal government and has not demonstrated the need, value or wisdom of its announced expenditure cuts which unfairly disadvantage the most vulnerable groups in Canadian society.

[English]

As I said, I completely agree with the motion. We have seen that almost every federal government department has felt the wrath of these meanspirited cuts. What is all the more confusing is that they have done this when we, as a nation, are enjoying one of the best fiscal periods ever.

Perhaps the Conservatives need a reminder of the financial record of our Liberal government. We posted eight consecutive budget surpluses, the longest string in our country's history, experienced record job growth, debt reduction and low interest rates. First home buyers were able to buy affordable homes under our mandate. We started the process of paying down the federal debt, some \$55 billion, which saves \$3 billion each and every year going forward. We also, though given that, were able to cut taxes for Canadians, the largest cut of taxes in Canada's history of \$100 billion. At the same time, we were able to invest in health care, with the health care accord, some \$41 billion to improve the health of Canadians.

The bold economic agenda set out by the Liberal government allowed Canadians to invest in our families and businesses. It allowed our government to invest in the social programs we as Canadians all value, such as health care, child care and education.

There is more. As I said, we had debt retirement, investments in research and training, job creation, low unemployment, low inflation and strong sustained economic growth.

Business of Supply

I will talk about one thing we did not do. We did not take advantage of the poorest and most disadvantaged in our country. Programs such as literacy programs, the court challenges program and many others are very important to my constituents in Etobicoke North and, indeed, to Canadians across this land.

We have heard details earlier in this debate of many of these cuts. I would like to focus on the cuts in natural resources. I do this because I am our party's critic for natural resources. Here we have seen a number of cuts that do not seem to make any sense whatsoever, programs such as the wind power production incentive program, the EnerGuide for houses retrofit program, funding to fight the mountain pine beetle program, programs for the development of new base metals, the leading edge long telescope system, or VLBI, are all gone. All these valuable programs are gone.

At a time when the country is experiencing unprecedented fiscal prosperity, the government has decided to attack and slash these important programs. At a time when we need to improve our energy efficiency, when we need to conserve energy and we need to encourage alternative energy sources, the government has shown a callous disregard for programs that we know are working and working very well.

In reference to the EnerGuide program, in spite of very clear advice from the departmental experts to keep these programs alive, the minister and the government decided to scrap this effective and popular program. The only reason we can deduce it did that is for ideological reasons, not for reasons of program efficiency and effectiveness.

[Translation]

However, this was a mistake that needs to be corrected. There is no shame in that. In this case, it is clear to everyone that a mistake was made.

Clifford Maynes, executive director of Green Communities Canada, asserted that the elimination of the EnerGuide program could set back the residential energy efficiency file by at least 10 years.

• (1535)

[English]

On average, this program was achieving about 30% energy savings for homeowners. The \$75 million that was spent in the program, from October 2003 to March 2006, will yield \$975 million in energy savings over the life of the retrofit investments. The government must recognize this error and reinstate the program.

We heard from the minister that 50¢ out of every dollar was for administration. We know this is not correct. The deputy minister clarified this at committee and indicated that 12¢ out of every dollar was for administration.

It is also very hard to believe that the wind power production incentive program has been frozen.

[Translation]

With the rapid development of the wind energy sector in Canada, which is proving to be one of the main contributors to the

diversification of energy sources for the next 20 years, now is not the time to freeze or cancel such important programs.

The Liberal Party recognizes this fact, as did the Liberal government, which is why we committed to expanding the wind power production incentive in the 2005 budget, by quadrupling the previous program and by promising \$200 million over five years.

The private sector's response was very positive, and so were industry comments on the program.

[English]

The recent report of the Commissioner of the Environment and Sustainable Development has said that the wind power production incentive program has stimulated investment. It goes on to say that there is broad-based support for the program from provincial governments, companies and utilities.

In fact, we know that many provinces, like the province of Quebec, are planning a huge expansion in wind power. Wind power has the potential to offer a very real alternative. It is not the complete solution nor is it the complete replacement for fossil fuels, but it has great promise. We need to encourage and provide the incentives necessary to keep that program moving forward.

The decision by the Minister of Natural Resources to freeze further funding for this program is imperiling this important industry and imperiling many jobs and investments. For example, every one megawatt of installed wind energy capacity in Canada generates \$1.5 million in investment and creates 2.5 direct and 8 indirect person years of employment. If 5% of Canada's electricity were generated by wind energy in 2015, and I think we have the potential actually to move that benchmark up to 20% of our total energy needs in Canada, this development would produce \$19.5 billion in investment and create 32,500 direct and 104,000 indirect person years of employment.

Therefore, given that this program was being used, that it was effective and that we all recognize wind energy is an important component in Canada's future power supply, we must immediately reinstate this program.

I could go on. There are other areas that have been cut and slashed from this important portfolio of natural resources. The government has hacked and slashed for crass political reasons and has done so at the cost of our environment. Some very important programs were working well for all Canadians. They were moving us closer to our objectives of reducing greenhouse gasses and creating a better environment for ourselves, our children and our children's children.

Axing these important programs is severely hurting Canada's ability to fight climate change and control pollution. The government must be held accountable, and we on this side will ensure that this happens.

Business of Supply

Mr. James Moore (Parliamentary Secretary to the Minister of Public Works and Government Services and Minister for the Pacific Gateway and the Vancouver-Whistler Olympics, CPC): Mr. Speaker, with the budget cuts that we have announced, it is important to put everything in perspective. Some of the language we have heard from the Liberals, during the course of this debate and over the past couple of weeks, has been hyperbolic at best. We are talking about cutting less than one-half of 1% of the federal budget. That is it.

My colleague and some members of other parties in the House have mentioned programs. There is no question they are sincere in the concern about what these cuts will mean to some specific programs. However, to describe this as somehow meanspirited and draconian, as the Liberals describe, is insincere and wrong. This is a very small cut. We are cutting, for example, a number of programs where money was allocated but never spent. For example, \$20 million was set aside for fish farms, polluting dirty fish farms, in Nova Scotia. That money was allocated but never spent. It is hardly draconian cutting spending that was never in fact done; it was just allocated.

The most important aspect of the Conservative fiscal plan is that we are paying down the debt by over \$13 billion. When I was first elected to this place six years ago, I was 24 years of age. The big issue in that campaign, and it continues to be for young Canadians, is that the federal government has to pay down the federal debt so future generations of young Canadians are not hammered economically because of the broken and failed promises of politicians they have never met.

We have made the largest debt paydown in Canadian history, over \$13 billion. It is to the benefit of young Canadians. We have done this with small cuts to programs, which are reasonable cuts. It is less than one-half of 1% of the federal budget. If we cannot do that, then the Liberals are saying there is no way we can possibly pay down the debt if we cannot even get that done.

What we are doing is entirely fiscally responsible. The Canadian Federation of Independent Business says so. The Canadian Chamber of Commerce says so. My constituents are saying so. They applaud the fiscal measures. Just because the federal government has a surplus, it does not mean the money is being spent well. There is no better expenditure for young Canadians than to pay down the debt and give them a better future.

• (1540)

Hon. Roy Cullen: Mr. Speaker, if the expenditure cuts were made for reasons of efficiency and effectiveness, then I might have some sympathy. The members on this side know about cutting. When we came into power in 1993, we inherited a \$42 billion debt. It was our government that started to realign the fiscal capacity of the government.

The member cannot really give us a lesson in paying down debt. We started the process. We paid down \$55 billion in debt, but we did not focus only on one aspect. We invested \$41 billion in health care. We reduced taxes. We invested in research, development and training. We had the orders and the priorities right. We did not cut for ideological purposes.

The member for Port Moody—Westwood—Port Coquitlam talks about some of these little nuances of money not allocated or money frozen. That is just smoke and mirrors. They may be calling these programs frozen, but that is just a way of saying they are in limbo, and maybe permanent limbo in fact. This is a tragedy for some of those programs where we have to diversify our energy alternatives. We have to fight greenhouse gases.

The member knows full well we can do, as a government, more things than just one and we do not need to cut programs for ideological purposes.

Ms. Denise Savoie (Victoria, NDP): Mr. Speaker, I agree with the member opposite. It is time to invest in people and the environment.

The Liberal legacy has been a \$13 billion surplus, amassed on the backs of ordinary Canadians, on cities, on provinces in which services were downloaded. More than that, it has resulted in 13 years of inaction over greenhouse gas emissions, of increasing disparity between the rich and poor in Canada.

Just a couple of weeks ago Madame Gélinas indicated a \$6 billion waste of money for which there were no results and no monitoring.

My question is twofold. First, is that what the member considers fiscally responsible? Second, does he consider that the social deficit and the environmental deficit that has been created in amassing this huge surplus is being fiscally responsible?

Hon. Roy Cullen: Mr. Speaker, I always find it strangely amusing when we have this debate in the House that the Bloc Québécois and the NDP. They talk about budgetary surpluses as something that is bad and nasty and something we should avoid.

In fact, we went through just the opposite of that with the Conservatives in power. We inherited a \$42 billion debt and that was eating into the fiscal capacity of the government to invest in social programs, in health care, in post-secondary education. Therefore, it is not a crime to create surpluses.

What I think is very unfortunate is cutting programs, for example, EnerGuide. Under access to information, I have the material that the minister was briefed on and the department recommended that the EnerGuide program be continued because it was working quite efficiently and quite effectively. Why would the government not heed that advice on a program that is working very effectively and very efficiently? No, I think our government—

• (1545)

The Deputy Speaker: Order, please. I am sorry but the time has expired.

The hon. member for Mississauga South.

Business of Supply

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, I listened to the debate today. I suppose it would be easy to repeat many of the points again, but I thought I would change gears a little to see if we could maybe put this in terms my grandma would understand.

I think Canadians are aware of the history of the Liberal Party. They are aware of what it did during its term of office that ended last January. Canadians also will know that the financial year of the Government of Canada ends on March 31 and the Conservative government started to sit in April of this year.

When the Auditor General finally did her work and reported on the financial position of the Government of Canada for the 12 months ending March 31, 2006, which was just before the Conservative government called Parliament together, there was a \$13.2 billion surplus. This is something that we as Canadians should celebrate.

A surplus is not a bad thing. In fact, it shows good fiscal responsibility. It means the debt can be paid down and the money spent on interest can be saved. Indeed, the interest savings are going to be approximately \$600 million a year. That is a good thing because that is the real fiscal dividend.

I can remember our discussions in 1997. When we came in, we inherited the Brian Mulroney financial situation of the country, with a \$42 billion deficit. It took three years after we were first elected to whittle that down to the first balanced budget, which occurred in 1997. The members might be interested to hear the question we were then posing, which was about getting to the point where we were actually going to balance the books. That is a good thing. Canadians want that. As a matter of fact, I believe that Canadians say it is unacceptable for any party in government to incur a deficit unless there are extraordinary circumstances clearly beyond its control. We are not going back into deficit. I do not think there is a party in this place, maybe other than the NDP, that would want to go back into a deficit.

Having said that, I will say we must understand that the Auditor General determined in September that, as of March 31, \$13.2 billion was the number. Under the rules of accounting of the Government of Canada, the entire amount goes to pay down debt. No decision was taken by anybody. March 31 was over six months ago. The moneys already were applied against the debt. There was no decision to be taken.

Back in 1997 when we were talking about having our very first balanced budget and maybe a small surplus, people were saying, "What should we do with the surplus?" We then got into defining what the real fiscal dividend would be to Canadians. What was the benefit to Canadians of having a surplus? It is not the surplus in itself, which goes to pay down the debt; it is the interest savings on the financing of the debt. It is the interest savings year after year. A surplus only occurs in one year, but if the bank loan is paid down, that means interest for all the years thereafter will be lower than otherwise projected.

We passed on a healthy situation to the Conservative government. That is a good thing. We should celebrate that, but now, each and

every year, each and every government, regardless of what party it is, has to be a responsible government.

The debate I have heard indicates that people are getting a little partisan about this. They are talking about somebody maybe doing things because they really do not have their eye on the ball of making "good laws and wise decisions", as we pray each day. They are not looking at an integrated vision for Canada, an economic plan and a social plan and things that would work together to make our country even better than it is.

How do we build up immunity to big hits during a recession? How do we deal with high unemployment, should that occur? In one year, if we were to go into a deficit, we could have a \$6 billion additional charge to the EI fund just because of the unemployment caused by a recession.

● (1550)

We talk here about billions of dollars, but ordinary Canadians are looking at their paycheques. Most Canadians who talk to us are saying that they have family responsibilities and bills to pay and they have to provide for their future. They say they work hard for every dollar they earn and they want, expect and deserve fiscal responsibility from the government.

So yes, there was a \$13.2 billion surplus. It paid down debt. It is going to save us approximately \$600 million a year. That is a good thing, but that \$600 million a year is new dollars available to invest in the priorities of Canadians. It should be invested in things like health care, things for our youth and seniors, and for government efficiency, to continue to do things as we are able to, and for tax cuts as they are affordable.

Responsible government is about having a vision. I think the debate going on back and forth around the House is questioning whether or not, on a partisan basis, someone is doing things for partisan reasons. Perhaps rather than having their eye on a vision of Canada and how we are going to have responsible government in Canada, they are in fact looking at when the next election is going to be. Is it really going to be next spring after the budget comes down? The Bloc Québécois has already said it is voting against the budget because it is not concerned. The role of the official opposition is to oppose and we will be opposed to the budget, because we already know that the government made commitments in its last election platform and many of them have not been introduced into this place yet.

In the next fiscal period, there are significant undertakings. One of them, I am afraid to say, is going to be tremendously expensive, and that is the wait times guarantee. I am not going to get into that, but there was no money in the last budget. There will have to be a lot of money in the next budget if the government is going to make a serious commitment to achieving a platform objective.

All in all, what the economists have worked out is that in the next budget we have to trim something like \$23 billion of what we spend today, in this fiscal year, so that we can pay for the \$23 billion in additional promises that were made by the Conservatives in their last platform. That is not partisan. That just happens to be the fact. Those are the undertakings of the government of the day, so we know things are going to be happening.

Business of Supply

When the government comes to this place and announces that there will be a billion dollars in cuts and another billion two years from now, it is inconsequential. I do not think they really have to do that, but some of those cuts touched a chord with ordinary Canadians like my grandma.

Seniors are affected by this and our youth are affected by this, as are the illiterate in our country. Members well know that illiteracy in Canada is way higher than most Canadians even realize. People are unable to read a simple instruction manual on how to operate machinery, equipment or any other technological item. That is the world we live in.

I think the President of the Treasury Board struck a nerve with a lot of Canadians when he said about literacy that the government is cutting adult literacy programs because those people are already adults, they cannot read and so nothing can be done about it. In fact, programs have shown that adult literacy programs are productive.

The Parliamentary Secretary to the Minister of Public Works and Government Services was saying that the Conservatives only cut a half of 1% of the budget of the Government of Canada. That is a billion dollars. Let us talk about a billion dollars. Saying that it is only a half of 1% is not the way to look at it. It is a billion dollars, and there are some cuts there.

Canadians want to understand why Parliament does things and why we do things. I felt really bad to hear a minister of the Crown say that we are not going to do this any more in adult literacy because they are old people now and we cannot teach an old dog new tricks. That is just not the way it works. I think we have the responsibility, collectively in the House, but certainly with the lead of the government, to make sure that we do not leave anyone behind. All Canadians need hope.

• (1555)

Mr. Ken Epp (Edmonton—Sherwood Park, CPC): Mr. Speaker, I have always appreciated the clarity with which that individual speaks. The member for Mississauga South used to be a member of the finance committee. As an accountant, he has a fairly good sense of the numbers. One thing I really like about him is that most of the time he is able to distinguish between deficit and debt, which some of the Liberal members over there have an inability to do, including the member for Kings—Hants.

I would like to point out to him, to his grandmother and to all of the other people who happen to be listening to this or will hear it in the future, that when it comes to economics, it is something like steering a ship. I read somewhere a long time ago that the captain of a large ocean liner has to begin his turn some 10 miles before he actually expects the direction of the ship to change, because of the inertia of it. The same thing is true economically.

I hasten to point out that the debt, which the Liberals claim they inherited in 1993 from the Conservatives of the day, was in fact nothing more than the Liberal debt from 1972 onward, with accumulated interest. That is really what it was. During its time of being in power, the Conservative government actually had a balanced budget on programs.

This is a long term thing. I think if the Liberals were honest they would have to admit that it was some of the programs like NAFTA,

and even the GST, which they said they would cut, these things, that set in motion the ability of this ship to turn nine years down the road. If it had not have been for that, they would not have been able to do even what they did.

Beyond that, during their short time between 1999 and 2003, government spending went up 50% under those Liberals. Let us think of the amount of debt we could have paid down if there had been responsible spending practices on the part of the Liberal government.

Mr. Paul Szabo: Mr. Speaker, all I do know is that when the Auditor General reported on each and every one of the nine years of the Brian Mulroney government, there were deficits added to the debt. In fact, the debt got as high as about \$500 billion.

We are just a little bit below that today even though we have had balanced budgets since 1997, the reason being the deficit that had to be eaten away. In 1994, I believe the \$42 billion deficit went down to something like \$27 billion. It actually went up to \$550 billion. Then we paid down about \$60 billion worth of debt, so we are just a little better with the total federal debt than we were when we started. In fact, it is almost the same.

Basically the member said that “if only we had not raised the spending”, but I think he has to understand that the spending that occurred during that period of time was to help Canadians most in need. I think that is the difference between Liberals and Conservatives. Conservatives say they will cut to certain levels, regardless of what it is for, while Liberals say they will take care of our health care system and they will take care of the—

The Deputy Speaker: We do have a few more people seeking the floor.

On questions and comments, the hon. member for Victoria.

Ms. Denise Savoie (Victoria, NDP): Mr. Speaker, I and my NDP colleagues very much respect every dollar that Canadians earn and pay in taxes, unlike the Liberals, who wasted billions of tax dollars on programs that have had absolutely no results, not to mention the sponsorship scandal, where millions of dollars disappeared, so I hope the member was not giving the NDP lessons.

Even the finance department agrees, asking how often provincial governments have balanced budgets since 1984. The NDP balanced the books 49% of the time, whereas the Liberal Party did so 23% of the time. I want to make that point.

What I was trying to say about the \$13 billion surplus that the Liberal Party is boasting about is that it was amassed over the heads of ordinary Canadians and cities and provinces where services were downloaded. Canadians are now facing polluted waters, polluted air and crumbling infrastructure.

Does the member understand a triple bottom line, in that creating a surplus in one area does not balance off in creating an environmental deficit and a social deficit such as those we are facing today in Canada?

Business of Supply

•(1600)

Mr. Paul Szabo: Mr. Speaker, I would like to speak to the member in some detail. We cannot do that now, but she should understand that the \$13.2 billion deficit for the 12 months ending March 31, 2006 is for the entire government and all of its responsibilities on behalf of all Canadians.

It included the \$42 billion of incremental health care spending, in which we established benchmark guarantees and transferred by far the greatest incremental transfers to the provinces for health care purposes. It also included the final installments and the impacts of about \$130 billion of income tax cuts. Notwithstanding that, there was still a surplus.

The member should understand that there is only one taxpayer. We understand that. The federal government, yes, has to be responsible. Are all the programs perfect? No, and we should work together to ensure that all the programs receive the scrutiny that we should be giving them so that Canadians are well served.

[*Translation*]

Mr. Richard Nadeau (Gatineau, BQ): Mr. Speaker, it is my intention to share the time available to me with my colleague from Rimouski-Neigette—Témiscouata—Les Basques.

I rise to speak in the House of Commons for the first time since I was named as the Bloc Québécois Treasury Board critic. I will do everything in my power to honour the example of my late colleague, Benoît Sauvageau, and Odina Desrochers, another Bloc member who filled the same role.

Today, we are discussing a motion by the Liberal Party concerning the cuts of more than a billion dollars made by the Conservative government. These cuts will affect vulnerable groups, organizations and citizens in our society. People whose lives have been shattered by their economic situation will be very much affected by these cuts.

In my remarks today, I will try to deal with three subjects.

First, by cutting one billion dollars the government is not living up to a promise that it made to Quebec in the last election campaign to address the fiscal imbalance. There is no attempt to do that.

Second, we believe the government could have made cuts in its operating expenditures rather than in the programs that affect individual citizens.

Third, we believe that the Conservatives have made ideological cuts. Indeed, they are attacking the most needy, along with minority groups and programs that provide checks and balances on the government. They have refused to consider possible economies in the Department of National Defence. That is why we call these ideological cuts.

Let us agree on one fact. At the end of fiscal year 2005-2006, the federal debt was \$481.5 billion, a drop of \$81.4 billion from the peak of \$562.9 billion in 1996-1997. Expressed as a percentage of gross domestic product, the federal debt is now at its lowest level in 24 years.

The point that I want to bring out in my remarks is that the Liberals and the Conservatives must stop attacking the needy

members of our society with their budget cuts. They must start thinking about the people of Quebec and Canada, who suffer under this desire to reduce the debt at all costs, with no compassion for the most vulnerable groups in our society, groups who need help. We must help them in those areas where we show concern for people, for individuals, those who should receive help from the government to which they contribute every year through various forms of taxation.

We have a surplus of \$13 billion, and indeed a little more. Whether the previous government or this government produced that surplus, the fact remains that it is all taxpayers' money. This is not Liberal money or Conservative money. It is money from Quebecers and Canadians.

Yes, we have to pay our debts. There is an old saying that a person who pays his debts increases his wealth. The fact remains that we could use part of that \$13 billion to pay down the debt and also use part to help people.

•(1605)

Why not take part of it to help the taxpayers who need some help and not just pay off interest on an accumulated debt when people are suffering in our society?

When we are very rich, when we put our money in the bank and act like Ebenezer Scrooge, we are not showing compassion for people. We are only showing that we are closing our eyes to any realities that do not suit us. We are just trying to look good in an electoral platform, which is purely ideological and has nothing to do with human feelings, with the entreaties of society, whether from agencies or individuals who need help.

Here is an example. A few minutes ago I heard a representative of the cabinet, a parliamentary secretary, saying that they had just cut about 1% of the budget just to reduce expenditures. This \$1 billion is 1% too much. Not only was \$13 billion paid towards the debt, but a way was also found to cut into the money that had already been put in place. It had been spent, was about to be spent, or its spending had been delayed, but a cut was made nevertheless. It is as though \$14 billion had been set aside.

I cannot imagine how the Conservative government can seriously tell us that it is just 1%. Go and tell that to the people who today are suffering from cuts among the first nations or among French-speaking people, people in Canada who no longer are even entitled to challenge governments that do not respect the Canadian Constitution. Go and explain this situation to the people who want to inspect our food to make sure that we do not end up with deaths caused by mad cow disease or food poisoning.

We have to go farther than the bank or the institution that lent us some money. These are mechanisms that will not vanish tomorrow morning. Yes, the mistakes of the past must be corrected. There are deficits in the federal government that have been accumulating since the years of the Trudeau regime. Nevertheless we must not put all our eggs in one basket.

There are human beings in Quebec and Canada and this must be understood at some point. I have heard such ugly things from people on the right as, "Anyway, poor people do not vote." What a fine social conscience!

We have to help the most vulnerable. We are leaders in this society. That is why we have to help people who have needs and who, all too often, no longer believe in the system. They might stop voting. The participation rate is low. When we see tangible evidence that the most vulnerable people do not come to the system that is supposed to help them, we must ask ourselves whether it might be our responsibility to reach out to them. That one magic word, "humanitarian", indicates that it is our responsibility to help those who need it most.

We have a \$13 billion surplus. Do not make more cuts. That makes no sense. The Liberals can crow about it being their surplus all they want, and the Conservatives can say it is thanks to them, but that is all garbage, because reality is flesh and bone: these are people with a soul, with spirituality, and we have to do whatever we can to help them.

The fiscal imbalance means that the federal government has more money than it needs to tend to its constitutional responsibilities, while the provinces do not have enough for health care, education, income assistance, social services, assistance to municipalities and culture. The fiscal imbalance absolutely must be corrected. What does that mean? It means that the federal government must give Quebec and the other provinces what they have a right to for areas that fall under their constitutional responsibility.

• (1610)

The Conservative government must correct the fiscal imbalance. That is what they promised to do during the last federal election. I hope they will fix it. If they do not, another election may happen sooner than expected.

[English]

Mr. Gary Goodyear (Cambridge, CPC): Mr. Speaker, at the risk of being yelled at, I would like to remind the member of a couple of different things. Ultimately, what this government is intending on doing, and I think it is reasonable to expect of any government, just like any business, is to periodically review the massive expenditures that it goes through.

The previous Liberal government had an opportunity to pay down \$40 billion more on the deficit, which would have left us with \$5 billion to \$8 billion extra to provide for services.

Unlike the previous government that was attempting to be everything to all people, this government is taking a reasonable approach. We need to provide money to those programs that actually work.

We are asking that of our health care community. We ask that of our educational institutes. We look for areas where there is wasted money. Indeed, most of the programs that the gentleman is referring to were not cut at all.

No matter how loud we want to get in the House of Commons does not make it accurate. The fact is that in 1999 government spending was \$119 billion. In 2003 government spending had risen

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to \$178 billion. That is so far above any standard in this country. It was out of control.

We have not cut programs dealing with literacy. We do not need to pay folks to fly around the country and do more studies to tell us that literacy rates in 1994 compared to 2004 have not changed.

Canadian taxpayers expect value for their dollar. This government is committed to putting \$80 million into literacy programs to help Canadians in programs that will work, not just spend money for the sake of spending money. The member should know that.

I appreciate that it is his first time rising as the critic for financial stuff, but my goodness—

The Deputy Speaker: The hon. member for Gatineau.

• (1615)

[Translation]

Mr. Richard Nadeau: Mr. Speaker, I commend my Conservative colleague. If that is the Conservatives' intention, they will have to prove it.

They could eliminate tax havens. This would help more than cutting funding to groups who need it.

They could stop looting the employment insurance fund like their predecessors did. Since they have been in power, the Conservatives have taken \$2 billion from the employment insurance fund. This money comes from employee and employer contributions and the government used it to pay down part of the debt.

By adopting this new attitude they would get to the heart of the problem. They would be taking money and giving it to those who deserve it.

By eliminating tax havens—it was even a campaign issue in the last two federal elections—they would not have to cut assistance to those who need it. Instead they would be taking money from those who do not deserve it.

[English]

Mrs. Irene Mathysen (London—Fanshawe, NDP): Mr. Speaker, I thought the remarks by the member for the Bloc were most pertinent. Would the member please comment on this whole idea of paying down debt versus investment?

We know that the member for LaSalle—Émard congratulated the NDP in June 2005 with regard to the fact that we had \$4.6 billion in that June budget taken away from tax cuts to corporations and reinvested in communities. At that time the member for LaSalle—Émard said that was a balanced and fair approach. So we can indeed invest, balance budgets, and still pay down debt.

I would ask my colleague to comment on the fact that despite Canada having all of this money, we still do not have a pharmacare program and we still do not have a national child care policy. We have students, young people, the youth that our government seems to be so concerned about, swimming in debt. The debt is so much that access to post-secondary institutions is denied. That is not how to invest in our youth.

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[Translation]

Mr. Richard Nadeau: Mr. Speaker, I thank the hon. member from the NDP.

Indeed, we have to pay off some of the debt, but we should not put all our eggs in one basket, as I was saying earlier.

We absolutely must help Canadians and Quebecers who are struggling, whether economically or socially. The social fabric of a society is of paramount importance.

Programs that help citizens have to be introduced, but we should not neglect the debt. However, we must not pay down the debt at the expense of our fellow human beings.

Ms. Louise Thibault (Rimouski-Neigette—Témiscouata—Les Basques, BQ): Mr. Speaker, I want to thank my colleague from Gatineau for sharing his time with me.

I rise today on the subject of the expenditure cuts announced by the Conservative government last September 25 because it is important for the people listening to us to have the benefit of some factual, critical information about these \$1 billion in cuts over two years.

I also had the pleasure of introducing a motion on behalf of the Bloc Québécois before the Standing Committee on Government Operations and Estimates to allow the committee members to study these cuts, discover their real objectives and question witnesses—including the president of Treasury Board and senior officials from various departments and federal agencies.

On September 25, 2006, the finance minister and the president of Treasury Board announced, first, that their government would eliminate a large number of programs, second, that it would reduce government expenditures by a tiny bit, and third, that it would put the \$13 billion in surpluses toward paying down the debt.

These three parts of the Conservative plan must be kept in mind in order to understand the ideological approach of this minority Conservative government. I will therefore focus on these three parts, one at a time.

Let us speak, first, about debt reduction. My hon. colleague just said it, but I want to say it again: the federal debt is at its lowest level in 24 years. The Conservative government has chosen to put the \$13 billion surplus toward paying down the debt. To do this, it has deliberately chosen to penalize an important segment of the public, the most vulnerable people, and it has even announced in advance that it will continue doing so as long as it is in power.

This government is no more interested than the previous one in the legitimate and necessary redistribution of wealth around communities. Some of these surpluses could have been well used, among other things, to assist the regions, the unemployed and our older workers who are experiencing on all sides a major crisis in the forest industry. These surpluses could have been used to deal at least partially with the fiscal imbalance. But no, this is not one of the Conservative government's priorities. The real needs of people are simply not a priority for it.

The second part of the Conservative plan has to do with what I will call "internal" cuts. These are minimal cuts to the government's

operating expenses. I say "minimal" because they represent only a quarter of the total cuts of \$1 billion. Cuts to the machinery of government represent only a quarter of the total. Once again, the Conservative government has deliberately chosen not to significantly reduce government operating expenses. Instead, it has chosen to slash spending that affects the public. Seen another way, this spending represents investments in people. The government would even have us believe that these internal cuts are due in part to efficiency gains. These gains are so efficient that, for Health Canada, \$28 million has been targeted—I do not know whether it is by the finance department or the Treasury Board—yet Health Canada does not even know the details. This is a great way of doing things. What is more, the government has the audacity to present the decision to cut unspent funds as inconsequential, without showing any concern about the negative effects of not using this money.

Let us look at a few examples: at Natural Resources Canada, the government is cutting the mountain pine beetle initiative, which essentially helps companies in British Columbia that are hard hit by the softwood lumber crisis; at Fisheries and Oceans Canada, the government is cutting funds for the salmon ranching industry, which benefit New Brunswick; at the Economic Development Agency of Canada, the government is cutting uncommitted funds earmarked for the social economy, which will cost Quebec \$5 million, because this money will not be invested in the social economy; for the rest of Canada, the government is cutting \$34 million.

• (1620)

How can the government explain the fact that it could not spend \$25 million for the textile and garment industry which needs it so badly, \$50 million for the Northwest Territories, \$20 million for the Fisheries and Oceans Canada programs I mentioned earlier, or \$14 million for the Canadian Food Inspection Agency, when we know that we are threatened by potato blight, bird flu and mad cow disease?

Those are only a few examples, but I think they speak volumes. We are entitled to wonder about these cuts, in the form of cancellation of the funds that should be been used, that should have made a genuine contribution to focussed, useful assistance objectives. The government has chosen to end that funding in order to meet its objective of a mathematically calculated cut of \$1 billion over two years. This is irresponsible.

The third point relates to the cancelled programs. The real reductions, the real cuts, are being made in programs and initiatives that affect the most vulnerable people, as I said earlier. Once again, because of the short time available to me, I will name only a few of the programs affected.

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At the Canada Revenue Agency, the elimination of advisory committees amounts to \$1.4 million. Heritage Canada has been handed a 50% cut because of a reduction in assistance to museums, amounting to \$4.6 million. Cancellation of the court challenges program amounts to \$5.6 million. For the justice system, with the cancellation of another legal program, the Law Commission of Canada, the government is saving \$4 million. At Human Resources and Social Development Canada, there will be a \$13 million reduction in grants and contributions to the social development partnerships program. Learning and literacy programs are being cut by \$17.7 million. At Industry, we have a reduction in support program funding, including Technology Partnerships Canada, in the amount of \$42 million. At Health Canada, \$10 million earmarked for smoking cessation programs for the First Nations and Inuit people is being cut.

Although this is not an exhaustive list—that was my point—it is enough to show how the Conservative government's cuts are affecting services to vulnerable people and businesses. In addition, by attacking programs that allow minorities to make their voices heard, or that provide the most disadvantaged people with ways of defending their interests, the Conservative government is making ideological choices—what am I saying?—is imposing its ideology and is doing a serious disservice to a segment of the public that it should be helping and supporting.

I urge everyone with access to the Internet to visit the Department of Finance site to see with their own eyes—because it really is almost unbelievable, to read for and by themselves just how sympathetic this government is when it describes the programs I have just listed as wasteful, when it explains that it has cut the fat, when it congratulates itself for saving \$15 million in lawyers' fees because it made an agreement—as we well know—that left \$1 billion behind for the United States, and thus deprived our forestry companies of \$1 billion. And for this it congratulates itself.

I will conclude by pointing out that the federal government has more money than it needs to look after everything under its jurisdiction, with a \$13 billion surplus and a \$7 billion increase in its operating expenses over the last 10 years. It also has all the resources it needs to solve the fiscal imbalance.

• (1625)

[English]

Mr. Rick Norlock (Northumberland—Quinte West, CPC): Mr. Speaker, the member speaks of so-called budget cuts and cuts to vital programs. The previous Liberal member, who was discussing the fiscal condition of Canada, referred to a relative of his, his grandmother. I would like to refer to some friends of mine who live in my community, most of the people who actually live in my community.

They are suffering from high taxes. They are suffering from skyrocketing prices of every commodity that they buy every day. I will tell members how they make ends meet. They go to the grocery store and they buy the can of peas that is cheaper yet provides the same kind of nourishment that they need for their families. They go to the grocery store and they buy the bread that is on special. They ensure they have saved a few cents, so that they can afford to pay their property taxes, provincial taxes and federal taxes.

It is up to the Government of Canada to show the same kind of responsibility with regard to its budget as the families that go to work every day, pay their taxes, and try to make ends meet. That is why the government is treating the finances of this country the same as average Canadians treat their finances, by finding savings here and there so that they can afford to do the things they have to do for their families. These families want to be responsible. They want to pay down their mortgages, so that near the end of their financial cycle they can afford to pay for their children's high school.

To the hon. member, that is what this government is doing. It is doing the same thing that families do every day, and that is balance their budgets and pay down their mortgages, so that they can afford to do the things that they have to do.

• (1630)

[Translation]

Ms. Louise Thibault: Mr. Speaker, I fail to understand my Conservative colleague's logic. He talked about—and I agree with him on this—the fact that when people go grocery shopping they make every penny count.

But that is precisely not what the Conservative government did. It did not look at how it could make cuts internally in order to trim government fat. It did not do that at all. It made only a 25% cut.

As I have already said, in a proportion of 75%, the Conservative government did more harm by not helping its citizens and by making ideological budget cuts.

Our colleague talked about cutbacks here and there. The public does not need those kind of cutbacks. It needs internal cutbacks to reduce the additional \$7 billion in spending over 10 years within the federal government. This is major spending.

[English]

Hon. Karen Redman (Kitchener Centre, Lib.): Mr. Speaker, I listened with great interest to my hon. colleague. I have often risen in this House to speak about the value of the arts. Investment in the arts and culture promotes excellence in all aspects of the creative process, encourages diversity in Canada, and helps us know who we are.

One of my constituents wrote me a letter, Cheryl A. Ewing, who coordinates eyeGO, an innovative program which enables students to go to the arts and provides access. When she heard of the government's cuts, she wrote that it was inconceivable to her that any government with a vision and an understanding of Canada could impose devastating cuts on a sector that is growing and continuing to grow and that has demonstrated much better fiscal management by making do with much less than a self-respecting businessman would.

I know my hon. colleague mentioned the reductions in the museum funding. Would she agree with this sentiment that cutting the arts is a devastating thing to do to the culture and the quality of life in Canada?

[Translation]

Ms. Louise Thibault: I want to thank my colleague for her question. She will not be surprised to learn that this issue affects me deeply and is important to me as a Quebecker, a member of Parliament, a member of the Bloc Québécois and as a citizen.

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When we talk about culture, we are talking about our very identity, our quest for meaning, our opportunity to express ourselves and to convey our identity through our traditions.

This must not be lost. This must enrich not only our lives but the lives of everyone with whom we come in contact. Our lives in turn can be enriched through contact with their culture.

It is very serious when a government that is responsible for a society attacks its cultural programs, because by doing so it is attacking the identity of the very people it is responsible for. It is terrible.

[*English*]

Hon. Larry Bagnell (Yukon, Lib.): Mr. Speaker, I will be splitting my time with the member Laval—Les Îles.

As people are pretty well aware now, we have had a devastating attack on the most vulnerable that has raised a furor across the country. We have attacked the tourism industry, youth, women, museums, housing, aboriginal people, literacy and volunteerism.

There has been such an outcry across the country and in Parliament we are now on our second day of debate on the topic. This will not end if there is no relief for the most vulnerable in our society.

Member after member from every party in the House has attacked the government for making these senseless cuts on the most vulnerable in our society. I want to go beyond the House to make sure that the Conservative Party knows that it is not just all the members of the House of Commons and all the other parties and three members in the gallery, but this is spreading right across the country.

I am going to give evidence from the farthest constituency in the country of how far the disdain, astonishment and disgust with the cuts has gone. On the weekend I talked to the head of our arts centre, Chris Dray, and he explained how this has really motivated the arts centre that my colleague from Kitchener just talked about. It got them riled up. The members are just beginning to start their movement because they cannot believe this.

In a letter from Brent Slobodin of the Yukon Historical and Museums Association, he wrote:

The Yukon Historical & Museums Association is shocked and dismayed by the recent announcement of \$4.6 million in cuts to the museums assistance program. Yukon museums are avid subscribers to the fund and have carried out much important work with assistance from the fund to preserve our collections, document our histories, and to promote our organizations both locally and through traveling exhibits nationally.

The President of the Treasury Board and another member just today said it was just administrative conventions or something. It is not. It pertains to projects. Mr. Slobodin also wrote:

Between 2003 and 2005 six applications were approved through MAP in the Yukon. Projects range from First Nations oral history projects, cultural center planning, exhibit development, to collections preservation and access...All of these worthwhile projects would not otherwise take place without the Museums Assistance Program.

Let me go on to volunteers. It is inconceivable to Canadians that once again this was done without consultation and that has upset people almost as much as the cuts. It was a shock. People could not

even adjust and find other funding. How could the government cut volunteers who are at the heart of Canadian society? I will quote from another letter:

On September 25th, the federal government eliminated its support for the Canada Volunteerism Initiative (CVI). We want to ensure that the federal government continues to invest in volunteerism. In 2004, 12 million Canadians volunteered with 161,000 non-profit organizations that provide critical services to citizens. The quality of life of every Canadian is better because of the work of volunteers across this country.

It goes on to say that it was eliminated because it was not a priority for Canadians. The government refused to accept that volunteerism is a priority of Canadians. Tracy Erman, executive director of Yukon Volunteer Bureau, wrote:

Volunteerism is certainly a high priority for those 12 million Canadians engaged in civil society and ultimately to all those who they serve. It is a priority for Canadians who depend on health services, who access social support systems, whose children are involved in sports, who have school age children or aging parents...the list goes on. It includes all of us. Federal investment in volunteering and volunteerism is a priority for Canadians.

The quotes that I am reading are from Canadians. They are not from members of Parliament opposite. Let me go on.

We have a government that professes that it would like to cut down on crime and yet it cut investments in cutting down on crime and the root causes. Cathrine Morginn, a project manager for crime prevention in Yukon, wrote:

Social order and disorder (crime) are DIRECTLY CORRELATED with how well people are able to care for their needs as a community group. The NGO sector is a significant force positioned to innovate, coordinate and deliver when the natural social connections aren't enough to keep everyone healthy. Non-profit efforts create a web of support and safety for all the different issues people face. Through learning that prison does NOTHING to prevent crime, I have learned that the web of myriad of non-profits DOES ALMOST EVERYTHING...Please help.

● (1635)

Let us go on to literacy. Citizens across the country are more shocked that any government in the modern world could cut literacy, the most needy in our society. Imagine trying to survive in society without literacy.

Priscilla Clarkin, a social worker in Whitehorse wrote: "Please support literacy and independence it brings to people".

Helen Winton, an instructor at Dawson Campus, Yukon College, Dawson City wrote:

As an educator who has been working in the field of adult education for over 20 years, I am astounded by the recent decision to cut funding for literacy. This decision targets one of the neediest and least vocal sectors of our society. Please reconsider this funding cut which will seriously impair the ability of this segment of our population to play a rich and meaningful role in the growth and prosperity of Canada.

Prema Ladchumanopaskeran, Program Coordinator, Healthy Moms, Healthy Babies wrote, "Please reconsider the harsh decision that was made to the budget cuts this past week".

Another letter, from Ken Agar, to the Prime Minister and the minister of the Treasury Board and the finance minister and the minister of HRSDC stated:

Literacy is significant issue in the North. The Yukon faces problems that stem from the extent of literal and functional literacy. It is my far better for our community, and less expensive, to develop literate citizens than jailing people because they cannot read or understand documents that are critical for their participation in our society.

Business of Supply

If you review the literacy statistics for those who are incarcerated you will find that by far the most disadvantaged of the inmates have functional illiteracy and problems adjusting in our society.

Do Not Jail people because it is easy way out. Teach people how to contribute.

SUPPORT LITERACY AND THE PEOPLE WHO WORK FOR OUR COMMUNITY.

Let me go on to one of our leading literacy directors. This person spoke very eloquently when the finance committee was in Whitehorse a couple of weeks ago. When it was there, the government was criticized by witness after witness for these cuts. One of the witnesses, Sierra van der Meer, who subsequently followed *Hansard*, had the following to say:

We've been reading the *Hansard* and are flabbergasted by some of the commentary coming out of it.

First of all on October 16th.

[Minister of HRDC]:

Mr. Speaker, we recognize that Canadians need to know how to read, write and do their number. That is quite simple. That is why we are investing over \$80 million in literacy.

We are going to invest it in programs that deliver real results to Canadians. We are not going to invest that money in advocates and lobbyists who do not get any literacy results on the ground.

This comment infuriates me. We receive information that our funding is cut, of course we lobby and advocate for its reinstatement and then we are told that we will not receive that money because we are advocates and lobbyists. This is like the Salem Witch Trials—throw them in the water, if they sink, they are innocent—if they swim, then they are witches. Cut our funding, if we say nothing, we are slowly and silently eliminated, if we make noise, we are lobbyists and don't deserve funding. Our Coalition project had NO money allocated to advocating or lobbying. It had money to provide training for practitioners, promotion for the development of literacy skills, the establishment of a learner's network and more. Yet, our funding was eliminated. Of course we do some advocacy work, don't you think literacy is worth advocating for? We are speaking for hundreds of thousands of Canadians who are affected by the stigma of illiteracy. If [the minister] thinks the majority of Coalition funding is spent on advocacy and lobbying, she is sadly misinformed. But, if she thinks coalition workers won't stand up to defend and advocate for literacy, she is also wrong. Learners deserve to have a voice and shouldn't be punished for having one.

She goes on to say:

If the crime rate rises, do we fire the police? If the cancer rate rises, do we cut research funds?

She explains when the Prime Minister had said that literacy was going up:

If adult literacy rates went up, don't you think that signals a need for ADDITIONAL funding, not eliminating funding.

As I have one minute, I will quote Rock Brisson, a learner in the Yukon. He said:

If Prime Minister Harper cut literacy funding three years ago, I would likely be dead by now.

•(1640)

The Deputy Speaker: The hon. member knows that he cannot talk about the Prime Minister by name either by himself or by quoting from letters that do the same.

Hon. Larry Bagnell: Sorry, Mr. Speaker. He said:

If [the] Prime Minister...cut literacy funding three years ago, I would likely be dead by now. Battling over 50 years of literacy issues, learning disabilities and related health issues, over the last three years with the help of Yukon Learn Society and the other association, I have increased my reading from well below a grade three level to above a grade six, and I couldn't have done that without the assistance of Yukon Learn Society programming. Yukon Learn will lose much of this much-needed...community based funding, and this will seriously affect the Yukon as a whole. The literacy program offered to me saved my life...and...increase my family's

quality of life. We need the funding to continue, because I know that I am only one of many Yukoners that have challenges surrounding literacy and we need help.

I don't think there's any question that this is not administrative—

The Deputy Speaker: I am sorry, but the member's time has expired. I might just say to the hon. member and through him to other members that I cannot give you a heads-up that your time is up if you never look at the Chair. That is one of the reasons why people are supposed to speak through and to the Chair so we can give you the appropriate signals.

The hon. member for Parkdale—High Park.

Ms. Peggy Nash (Parkdale—High Park, NDP): Mr. Speaker, a previous member of the member's party made a comment about NDP finances. I draw something to the attention of the House. The Conservative government's finance department issued a report saying that the NDP had the best fiscal track record across all parties and all levels of government in 1984 and 2006. We did this by investing in programs for people.

I also want to remind the hon. member that his party made some of the largest cuts in Canada's history to our cherished social programs, which took our social spending back to 1949 levels. At the same time it gave the largest corporate tax breaks in Canadian history. Three-quarters of the personal income tax cuts went to the wealthiest 8% of Canadians. In that period we saw the deterioration of our health care system, an increase in child poverty of 60%, tuition fees more than doubled and workers' wages went down.

I agree with the hon. member. The cuts announced by the Conservative government are truly devastating for many vulnerable Canadians. I specifically want to affirm his comments about literacy. These cuts are particularly meanspirited. This is not just about people having conferences. It is about reaching out to the community, trying to help people who need these literacy programs the most.

The \$1 billion the government wants to allegedly save could have been cut from the subsidies to the oil and gas sector, which were also in place under my colleague's government. Why does he think the Conservative government chose to continue subsidizing the oil and gas sector, but cut programs to some of the most vulnerable and needy people in our society?

•(1645)

Hon. Larry Bagnell: Mr. Speaker, the member's question gives me a chance to talk about the surplus.

What made Canadians even more angry was the fact that the government announced the \$1 billion cut in programs for the needy on the same day it announced a \$13 billion surplus. This was an extension of a record of cuts to programs for the needy and other segments of our society that did not have to occur.

Business of Supply

The \$5 billion Kelowna accord was an historic agreement that could have brought a group of Canadians together, a group that is below average in all sorts of important segments in life such as health, learning, child birth and death. The Kelowna accord was cut, yet there is a \$13 billion surplus.

Day care programs were cut. I still have single mothers writing me telling me they cannot go to work because they have no place for their children.

Historic agreements signed with provinces all across the country have been cut.

Our greenhouse gas programs, which would have cut thousands of tonnes of greenhouse gases, were cut. The EnerGuide program, the one tonne challenge and various other renewable energy programs were cut. Some were allowed to expire. All of those programs could have been funded out of that \$13 billion surplus. There was no need to make these cuts at this time when we left such a wealthy fiscal inheritance for the government.

Mr. Tom Lukiwski (Parliamentary Secretary to the Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Mr. Speaker, there is one thing I find odd, when I hear members of the opposition talk about the cuts of \$1 billion to Canada's most vulnerable. The first question that springs to mind is that out of that \$1 billion in cuts were \$47 million we saved by reducing the size of cabinet. I am wondering if the member is considering members of the former Liberal cabinet to be among Canada's most vulnerable and we should have perhaps extended that. I think not.

In addition, I want to make just a couple of comments about the literacy funding itself. For the member's benefit, in all seriousness, I have been involved in my home province of Saskatchewan in literacy programs and campaigns for many years. In fact, I was the head of the Peter Gzowski fundraiser for literacy, a major fundraising campaign that Peter Gzowski established with no government assistance for three years.

Mr. Gzowski's commitment to the then Governor General of Canada was to raise over \$2 million for literacy. He established this program across Canada. I ran it in Saskatchewan. We were very successful and raised hundreds of thousands of dollars without one nickel of government money. To suggest that all Conservative members are meanspirited and do not care about literacy is not only a falsehood but insults and offends me.

I will say this about the cuts about which my hon. colleague talked. A recent article in the *Winnipeg Sun* talked about the cuts to what I believe was called the Literacy Partners of Manitoba. This article indicated that the particular foundation in question did not deliver one nickel toward literacy programming. It was merely an advocacy program. The closest it came to delivering direct money for direct programs in literacy was a 1-800 number that was utilized on average less than once a day. When people phoned the 1-800 number, they were directed to a government department that directed money to programming for literacy.

It is important for Canadians to know that not one existing agreement in place, not one program has been cut. Most of the literacy programs are provincially directed. It is in the provincial

jurisdiction. We are putting over \$80 million into fundraising for the programs that will help Canadians directly learn how to read and write and that is a record of which to be proud.

• (1650)

Hon. Larry Bagnell: Mr. Speaker, that was very embarrassing. He talks about Peter Gzowski. It was run across the country. I have been involved with volunteers and money to literacy. Exactly what the government has cut is the basis for that.

If he is asking if it is a good suggestion that we cut Conservative cabinet ministers, it is a very good one. When I ran into the Minister of the Environment at the back door following question period, I told her there were reporters outside and she said "no thanks". If the Conservatives are not going to answer to their programs, then it is a good job we cut Conservative cabinet ministers.

[*Translation*]

Ms. Raymonde Folco (Laval—Les Îles, Lib.): Mr. Speaker, I would first like to thank my colleague the member for Yukon for sharing his time with me. I rise today in the House of Commons to give my support to the motion presented by my colleague, the member for Markham—Unionville.

I am sorry that the people on the other side of the House who speak English are now leaving. I believe when someone speaks in French in this House it is just as interesting as when someone speaks in English, especially since we have simultaneous translation.

Canada's history did not begin yesterday. It was built brick by brick by women and men from every part of the country who fought for the right to equality. Yet, with one stroke of the pen this new Conservative government has wiped out all the gains made as a result of those hard struggles for equality.

The irony in all this is that the government opposite is using women to do this dirty work. The women sign and the men give the orders. Here we are at least 100 years later and women still have to fight for equality in the shadow of the men who continue to exercise the power.

Yesterday, Persons Day was celebrated on Parliament Hill. The reception took place here in the Parliament buildings. The event took the form of an exhibition highlighting women, some better known than others. All those women had their heads severed above the neck, the mouth or the forehead. The message was powerful: women still feel cut off from society. This is what comes of the cuts by this government because as of now, from what we have heard, they are going to do away with recognition of women by the UN, by Canada, and they are going to cut strengthening of equality under the Canadian Charter of rights and Freedoms.

Here is one example among many others: the Canadian Research Institute for the Advancement of Women is a national institute that focuses on research and promotion of equality for women, and that, no doubt, will lose all of its funding of nearly \$300,000 because this institute falls into the category of organizations that will no longer be funded by the government, since its mandate includes research and promotion of equality for all women.

[*English*]

Could it be that an \$18 million cut from the literacy skills program is considered fat trimming by the government? That is a lot of fat in administrative surplus. Why is it we do not yet have the details of these cuts? Let us be transparent. That is what the opposition had asked us. Is the government afraid Canadians will find out the true ideological agenda of the Conservative government?

While the Conservative government talks about working with businesses to support the integration of newcomers, shortly after it took office in January it put on hold the entire \$3.5 billion in funding that the former Liberal government had committed to labour market partnership agreements with the provinces and territories. These cuts were made despite the fact that our agreements had already been signed. These dollars would have expanded apprenticeship programs, literacy essential skills programs, workplace skills development programs and would have improved labour market integration of recent immigrants to Canada.

• (1655)

[*Translation*]

This will increase the inequality of newcomers by denying them access to apprenticeships and other skills development programs. Despite an apparent lack of skilled immigrants to this country, the Government of Canada has now made \$18 million in new cuts to training and literacy.

In addition, it has cut \$83 million from public service human resources programs. In my riding, Laval—Les Îles, the Laval Women's Group recently received a letter from this new Conservative government announcing that several million dollars would be cut from funding for literacy programs for 2007. In other words, this letter told them that they could no longer count on the roughly \$80,000 they were receiving every year for their programs.

Another organization, the Table de concertation de Laval en condition féminine, is also extremely concerned that its funding, which supported its work for women's advancement, is now threatened.

This organization works to prevent violence and to effect social change in the local community. Last Monday, it launched a DVD as part of its education program. The Table does not know whether its members will be able to continue their work with women.

I am also thinking about the shelters in Laval and the Regroupement des familles monoparentales et recomposées de Laval, which will inevitably and unfortunately be affected by this government's cuts.

Violence against women has not decreased. We still regularly read horror stories about women who are murdered.

Business of Supply

The newspapers today reported that the remains of a decapitated woman had been found in the Rideau Canal as workers were preparing the canal for the winter. This is terrible.

[*English*]

What we are witnessing today is the dismantling of programs that benefit newcomers, that benefit small and medium sized businesses and that benefit vulnerable Canadians who have a difficulty reading and even understanding product labels. These are Canadians who, through whatever circumstance, had to postpone their education at a very early age.

Even when the past Liberal government began cleaning up the fiscal debacle left by the previous Conservative government and we had to make tough fiscal decisions, the Liberal government never dismantled programs for vulnerable Canadians. Yes, we may have frozen program increases, but we never went so far as to dismantle programs on the scale that we are witnessing today.

The speech from my colleague from Yukon and my own, speak from two parts of Canada that are wildly different, the Yukon in the far north and my riding of Laval—Les Îles where I see people who come from the cities.

[*Translation*]

People also come from outside urban areas. There are two kinds of people, but they are all Canadians. All these Canadians will suffer and are already suffering as a result of this Conservative government's budget cuts.

Mr. Pierre Poilievre (Parliamentary Secretary to the President of the Treasury Board, CPC): Mr. Speaker, I would first like to correct my hon. colleague on a few facts stated in her speech that were not at all correct.

First, she talked about a literacy program that she accuses us of cutting. What she neglected to say in her speech, however, is that these are not cuts in services to people. The cuts are for conferences, groups of lobbyists and researchers, and so on. So this was not services provided directly to people.

As a government, we are providing a great deal of money for programs that are available to older people who want to learn to read. That is in our budget. Millions of dollars are provided for that purpose. But the hon. member did not mention those facts.

I would also like to say that the reason why the Liberals are not happy with the changes made is that they want to spend the taxpayers' money on their friends. We have put an end to the practice of giving money directly to the Liberals' friends. That is the real reason why they are not happy. The Liberals had a history of waste and corruption such as has never been seen in the entire history of Canada.

We have here \$28 million available for language learning, and for the other programs to teach immigrants to read English and French. We have programs that are still there in our budget.

Business of Supply

I would like to know why the hon. member does not want Canadians to know that we have not cut services. This only involves the special interest groups that the Liberals had favoured.

• (1700)

Ms. Raymonde Folco: Mr. Speaker, it is hard to answer that quickly.

It is hard not to try to make people see what the reality and the truth are. I am talking about my experience, in my riding of Laval—Les Îles. I can tell you that the Laval Women's Group is not going to Hawaii or Vancouver or wherever to have a good time. This is a group of women who work hard, day and night. The vast majority of them are volunteers who do everything they can to help people acquire literacy skills.

I think it is an insult to the women to say that they are travelling around the country having a good time. We know perfectly well that these women are volunteering or are paid part-time but working full-time. Without these women, all those people would not be able to read and write and it would be up to this Conservative government to do the job, which in fact it does not want to do.

[*English*]

Mr. Bill Siksay (Burnaby—Douglas, NDP): Mr. Speaker, I want to ask the member about the summer career placement program, a program that has been hugely important in my riding, as I am sure it has in hers. It is an excellent program for summer work for students and for community organizations running things like day camps and doing community economic development. In my riding almost 100% of the money went to non-profit organizations and small businesses to run that program. Now the Conservatives have cut the money by over 50% to student employment, which I think is outrageous.

The problem I have is that the scissors must have been warm because the Liberals tried to cut that program by 30% in many ridings in the last Parliament. Why did the Liberals warm up the scissors to cut the student employment program which has been so crucial in so many ridings in the country?

[*Translation*]

Ms. Raymonde Folco: Mr. Speaker, it would help us all out if the party opposite would decide who its enemy is. Its enemy is not on this side of the House.

When we reformed that program, which is an excellent program, I was involved in making some slight changes to the formula for how we gave out the money and whom we gave it to.

That being said, the number of students who received bursaries for the summer stayed the same and in fact increased.

[*English*]

Mr. Rick Dykstra (St. Catharines, CPC): Mr. Speaker, I will be sharing my time with the hon. member for Fleetwood—Port Kells.

I will begin by thanking my colleague from across the floor, the member for Markham—Unionville, for offering me the opportunity to discuss the importance of responsible budget planning.

While he and I may duel a little bit at the finance committee, he likes the GST and I happen to dislike it, we still can have a fruitful discussion about the nation's finances.

This topic raises an important question, a question that tells us a lot about our values and how best to translate them into a better economy for Canadians and for our families; an economy that can keep pace in the increasingly fast paced and advanced global arena; an economy with better job opportunities; and a higher standard of living and greater opportunity for Canadians to learn, to earn and to invest in the future of their want for themselves and their families.

I listen to the families in St. Catharines and Canadian families all over. What they tell me is that they want some basic budgeting principles applied when they manage their finances. First, they do not want the government to spend beyond its means. Canadians understand this and Canada's new government understands it as well. Not only do we understand this, but we are acting on it.

We announced significant spending control measures to ensure that the government does not spend beyond its means and that spending is effectively focused on the priorities of all Canadians. We have clearly indicated that a strategy is in place to secure \$1 billion in savings this year and next, as we promised in the spring budget. We saw that federal program spending was down \$1.1 billion from the previous year, the first year over year decline in nine years. This is a critical point.

I would like to use some quotes to support our focus. First, "The government plans to make a regular exercise of chopping low priority programs to fund the Liberal agenda". Second, "When it comes to funding and savings", this individual said, "philosophically I believe it's absolutely the right thing to do". This gentleman went on to say that his initial goal of bringing in excess of \$12 billion out of government departments was just a start. Finally, he said, "There's no doubt you can't find \$12 billion or even a chunk of it without affecting jobs".

I know the House is waiting in breathless anticipation to hear who said those things. It was not me. It was not the President of the Treasury Board. In fact, it was not the Minister of Finance. It was the member for Markham—Unionville, the very person who is moving this motion today.

In fact, what the government is doing is what my hon. friend from across the floor agrees should be done. We have secured savings by identifying unused funds for programs that will not proceed. These are funds in excess of what is required to achieve results.

The previous spend-happy government liked to have its hand in the cookie jar so much that it could not be bothered to put the lid back on the jar. In fact, it became known across the country as the sponsorship jar because it was so easy to get into it.

This government has thrown out the jar and put the funds where they belong the most, with the highest priorities of Canadians. We also confirm that Canada's new government is reducing the national debt by \$13.2 billion, one of the largest pay downs of debt reduction in Canadian history. This means that federal debt is actually down \$561 for each and every Canadian and that the federal government will save approximately \$650 million this year and every year into the future.

This represents substantial progress. It is reflected in the favourable ratings we receive from investment houses and bond rating agencies, which will result in lower interest for all Canadians at all levels of government, including right here and starting right here at the federal level.

• (1705)

Paying down the national debt means lower interest payments for all Canadians, freeing up resources for real priorities like tax reduction, supporting our seniors, and funding our health care system.

Canadians understand how this works. They know that it is better to pay down our debts as soon as possible so that we can spend money on better things than interest payments.

That is how Canadians want us to proceed and that is how we will proceed.

Our approach is already paying dividends, dividends we are reinvesting into some of the highest priorities of Canadians, such as our universal child care benefit, which provides parents with \$1,200 per year to support their child care choice, or investments in core federal responsibilities like public safety, national defence and border security. These are vital for ridings like mine in the Niagara region.

There are also the priorities of financial assistance that will help meet the critical infrastructure needs of the communities we call home, the integrity of our universities and our colleges, and assistance for those who need affordable housing in this country.

We have done all this and we will continue to do more for Canadians and their families, because the Canadian family is at the heart of our agenda. As I hope I have illustrated here today, it is also the inspiration for our approach to managing taxpayers' dollars.

Paying down the debt is an investment in a low tax, high potential future for our children. That is what my parents, who are sitting here in the House today, want for their children. That is what I want for my children.

St. Catharines residents often tell me how important it is that our local economy is able to provide high quality jobs. It is important because we want our kids and the students at Brock University and Niagara College to be able to stay in the area and raise families. We do not want them to leave because they have to find jobs elsewhere. By reducing the debt today, we are helping ensure that a bright future will be there for them tomorrow.

• (1710)

Hon. Larry Bagnell (Yukon, Lib.): Mr. Speaker, the member talked about spending money on priorities. I want to read for him something from a constituent and ask him if he thinks it is a priority. I thought that crime prevention, cutting back on crime, was a priority of the government. This person who wrote, quoted the Prime Minister from *Hansard*, when he said:

Mr. Speaker, I think the most effective way of dealing with that kind of exaggeration is, once again, simply with the facts. The government will be spending over \$80 million a year in the next two years. The government has announced new funding for immigration settlement which will also contribute to literacy programs.

Business of Supply

The fact of the matter is that under the previous government, for 13 years, adult illiteracy went up. We are going to ensure that we spend effectively so that it goes down.

Sierra van der Meer from the Yukon Literacy Coalition wrote in response to that:

If the crime rates rise, do we fire police? If the cancer rates rise, do we cut research funds? If adult illiteracy rates went up, don't you think that signals a need for ADDITIONAL funding, not eliminating funding?

The government says when that crime goes up it wants to hire more police and invest more in crime prevention, so why, with illiteracy rates going up, as the Prime Minister just said in his speech, would the government not increase funding for literacy, not decrease it, just like the government is doing is for crime prevention?

Mr. Rick Dykstra: Mr. Speaker, I certainly appreciate the comments of the hon. member. I spent a great deal of time meeting and speaking with the individual in his riding with whom we met a couple of weeks ago. I certainly enjoyed that opportunity and had a chance to understand the work she does.

However, there is something the member needs to think about in terms of what he said. He said that illiteracy rates are actually climbing for adults in this country while at the same time funding was increased. That speaks directly to the issue we need to deal with, that is, if we are going to deliver a program, if we are going to take responsibility for a program, it had darned well better deliver results, not only for taxpayers in this country and not only for the people in the hon. member's community, but for the people who are going to be receiving it.

What we have said is that we will make sure the core focus of literacy programs under the responsibility of the federal government delivers results and that those who need the help are going to get the help.

[*Translation*]

The Acting Speaker (Mr. Royal Galipeau): The hon. member for Victoria, for a very brief question.

Ms. Denise Savoie (Victoria, NDP): Mr. Speaker, I would like to talk about the \$55 million in budget cuts to student employment programs. The number of students forced to work full time while studying tripled over the years that the Liberals were in power. That program directly affects the debt load of students.

I am wondering if the member would agree with the students who appeared this week before the Standing Committee on Human Resources, Skills Development, Social Development and the Status of Persons with Disabilities—

• (1715)

The Acting Speaker (Mr. Royal Galipeau): The hon. member for St. Catharines, for a very brief response.

[*English*]

Mr. Rick Dykstra: Mr. Speaker, this has been something that from a finance committee perspective we have been talking about for a number of weeks and it has been presented. One of the interesting results is that since 1999 in this country numbers of those who attend university have increased from 19% to 25%, so they are attending school and they are getting the education to become better Canadians.

Private Members' Business

The Acting Speaker (Mr. Royal Galipeau): It being 5:15 p.m., it is my duty to interrupt the proceedings. Pursuant to order made earlier today all questions necessary to dispose of the opposition motion are deemed put and a recorded division deemed requested and deferred until Tuesday, October 24, at 5:30 p.m.

The hon. member for Selkirk—Interlake on a point of order.

Mr. James Bezan: Mr. Speaker, now that we have wrapped up our debate on the opposition motion, I would ask that you see the clock at 5:30 and that we proceed with private members' business.

[*Translation*]

The Acting Speaker (Mr. Royal Galipeau): Does the hon. member have the unanimous consent of the House?

Some hon. members: Agreed.

The Acting Speaker (Mr. Royal Galipeau): It being 5:30 p.m., the House will now proceed to the consideration of private members' business as listed on today's order paper.

PRIVATE MEMBERS' BUSINESS

[*English*]

EMPLOYMENT INSURANCE ACT

Hon. Mark Eyking (Sydney—Victoria, Lib.) moved that Bill C-278, An Act to amend the Employment Insurance Act (benefits for illness, injury or quarantine), be read the second time and referred to a committee.

The Acting Speaker (Mr. Royal Galipeau): I recognize the parliamentary secretary to the government House leader on a point of order.

Mr. Tom Lukiwski (Parliamentary Secretary to the Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Mr. Speaker, on May 31, 2006, you invited members to comment on whether Bill C-278 would require a royal recommendation.

Without commenting on the merits of this private member's bill, I would appreciate your consideration of whether this bill requires a royal recommendation since the bill provides a significant increase in the expenditure of funds.

Currently the employment insurance program includes a 15-week sickness benefit period to provide temporary income support to individuals who are injured or too sick to work. Bill C-278 would extend the maximum period for which benefits for illness, injury or quarantine may be paid from the current 15 weeks to 50 weeks.

On December 8, 2004, Mr. Speaker, you found that a similar private member's bill required a royal recommendation since it would have increased EI benefits by extending the benefit period. You said:

The improvements to the employment insurance program envisioned by this bill include the required minimum number of hours worked in order to qualify, lengthening the period that one can receive benefits, and, as well, increasing those benefits.

It is clear that such changes to the employment insurance program would have the effect of authorizing increased expenditures of public revenue. Inasmuch as section

54 of the Constitution Act, 1867, and Standing Order 79 prohibit the adoption of any bill appropriating public revenues without a royal recommendation, the same must apply to bills authorizing increased spending of public revenues. Bills mandating new or additional public spending must be seen as the equivalent of bills effecting an appropriation.

Mr. Speaker, the principles in the above ruling should apply to Bill C-278, which would increase benefits by extending the benefit period, thereby requiring increased spending of public revenues. Therefore, Mr. Speaker, I submit that Bill C-278 should be accompanied by a royal recommendation.

[*Translation*]

Mr. Yvon Godin (Acadie—Bathurst, NDP): Mr. Speaker, regarding this point of order, I completely disagree with my Conservative colleague.

We have already debated this in the House and we are awaiting the Speaker's ruling.

The member refers to public money, but in this case, these funds are not what is generally referred to as public money. Usually, when we speak of public money, we mean taxpayers' money, received through income tax, the GST, etc. In this case, only workers and employers contribute to the employment insurance fund. This money belongs to the workers.

In my opinion, a royal recommendation is not necessary in this case, because the employment insurance program belongs to workers. For this reason, I would like to stress that a royal recommendation is not necessary and we should allow Parliament to decide what will be done with the employment insurance money.

● (1720)

[*English*]

Hon. Mark Eyking (Sydney—Victoria, Lib.): Mr. Speaker, I simply would like to agree with my colleague, the member for Acadie—Bathurst, on his statement.

The Acting Speaker (Mr. Royal Galipeau): I would like to thank the hon. parliamentary secretary for his submission, as well as the hon. members for Acadie—Bathurst and Sydney—Victoria. We will take all these submissions under advisement and get back to the House in due course.

[*Translation*]

[*English*]

Hon. Mark Eyking (Sydney—Victoria, Lib.): Mr. Speaker, I rise today to begin the second reading debate on Bill C-278, An Act to amend the Employment Insurance Act (benefits for illness, injury or quarantine).

I would like to begin by expressing my appreciation to all my colleagues in this House who have already expressed to me their support for this piece of legislation and who, like me, know constituents, friends or family members who have experienced financial hardship as they recovered from debilitating diseases such as cancer, respiratory disease, heart disease, arthritis, or one of the many other ailments that afflict people in our society.

I must also extend a special thanks to the MP for Cape Breton—Canso who seconded the bill at first reading.

Private Members' Business

As I stated, Bill C-278 deals with the Employment Insurance Act and specifically paragraph 12(3)(c) pertaining to sickness benefits.

When the EI Act was passed in the late 1990s, sickness benefits were provided in the spirit of compassion and support for someone who had to leave the job market temporarily to battle a disease. This financial support allowed an individual to focus on his or her treatment and to get well so he or she could return to the workforce as soon as possible.

To qualify under the sickness benefits provision, a claimant must have worked for a period of 600 or more hours of insurable employment during the qualifying period and must not be receiving similar benefits from another level of government or a private company. In order to determine the length of time a person would receive benefits, a claimant must provide a medical certificate from a medical professional attesting to the person's inability to work and stating the duration of the illness, injury or quarantine. Said another way, the number of weeks is set by the doctor who provides officials at the Department of Human Resources and Skills Development with a medical certificate which tells them how long a person should receive benefits.

Under the regulations, there is an appeal mechanism for HRSD officials in the event the time recommended seems inappropriate, but that is seldom used. A person's physician after all is almost always the best person to determine how long it will take his or her patient to recover and be able to return to the workforce. The act, however, does have a restriction on how long a doctor can recommend extending EI benefits which is a maximum of 15 weeks. Bill C-278 addresses this length of time.

My constituency office in Cape Breton, like many of the constituency offices of my colleagues, deals with many different types of federal government programs. In my riding of Sydney—Victoria, we deal with everything from immigration cases, to economic development funding, and of course employment insurance benefits, to name just a few.

One recurring issue that my staff have had to deal with is people who have applied for EI sickness benefits and have received the full 15 weeks available under the act but have found themselves incapable of returning to work. Quite simply, some claimants find that 15 weeks is just not long enough to either receive their full treatment or to have ample time to recover from a surgery or procedure. They are unable to go back to work and are in considerable financial difficulty. The resulting stress on them and their family is unwelcome, especially when they are already dealing with pain and the stress of battling a disease.

● (1725)

It is unfortunate that at the very time when 100% of a person's energy should be focused on getting better, his or her EI sickness benefits suddenly come to an end. The person is forced to deal not only with the stress of trying to get well but of finding money to pay rent, buy groceries, heat the home, you name it. All those bills start adding up. This is simply counterproductive.

We have seen, over the years, medical study after medical study pointing to the fact that stress has a negative effect on our bodies.

Certainly it would have a negative impact on a person's effort to recover from a prolonged or serious ailment.

I do not profess to be the first to raise this issue. As many members know, the Standing Committee on Human Resources and Skills Development struck a subcommittee in the previous Parliament to look at the Employment Insurance Act and ways that the act could be improved or modified. In fact the subcommittee was chaired by my colleague, the member for Cape Breton—Canso. One of the 28 recommendations coming out of the research conducted and the testimony taken at the subcommittee addressed the issue of sickness benefits and recommended that the number of weeks must be increased.

A similar refrain appears to come from the very department that manages the employment insurance program. Each year the Department of Human Resources and Skills Development issues what is called the employment insurance monitoring and assessment report. In the most recent report, the issue of the length of time a person is eligible for sickness benefits has been noted. I am going to quote the 2005 report:

About 32% of sickness beneficiaries in 2004/05 used the entire 15 weeks of benefits to which they were entitled. This proportion has been relatively stable in recent years, suggesting that for some types of claimants or illnesses, 15 weeks of benefits may not be sufficient.

This HRSD report points to the very issue that Bill C-278 seeks to address.

We have all witnessed legislation which has gone through the House and which appears to have dealt with an issue effectively, but after the actual program has been put into practice, we have realized that adjustments have been needed to refine it and make it fit into real life circumstances. This is one such case.

I want to be clear here. The bill would increase the total number of weeks someone could receive sickness benefits to up to 50 weeks. This does not mean that all claimants require that amount of time to seek treatment, to recover or to re-enter the workforce. In fact, the same 2005 employment insurance monitoring and assessment report that I referenced points out that the average length of time that people draw benefits is nine and a half weeks. The average length is not 15 weeks; it is nine and a half weeks.

Again, a doctor should determine the length of time that a person should receive benefits. In some cases, the doctor may determine that it is in the best interests of the person to return to the workforce sooner, but there are cases when people need more time to recover, when they should not have to return to work early and risk prolonging their illness and possibly having a relapse.

● (1730)

The most glaring instance of this is with respect to the treatment of cancer. All of us know someone with cancer, whether it is someone in our ridings or in our families. A 2004 survey of women fighting breast cancer revealed that a full 76% of respondents reported being off work for more than 15 weeks. They need more than 15 weeks to treat breast cancer. In fact, most oncologists will say that it takes up to a year for a person to go through chemotherapy, sometimes surgery, and to recover from these procedures. It is imperative in my mind that we find a way to help people through such a very difficult time.

Private Members' Business

I would put to the House that the spirit and intent back when the Employment Insurance Act sickness benefits provisions were first enacted was to help people through such hard times. Times have changed. There seem to be more people with cancer, but it is more easily cured, so we have to change the act accordingly.

I am very happy to report to the House that Bill C-278 has been well received by many stakeholders close to the issue, people who know and are involved with this issue. I am in receipt of letters of support from national organizations such as the Canadian Cancer Society and provincial organizations such as the Lung Association of Nova Scotia.

I am also hearing from front line workers such as social workers at the Princess Margaret Hospital in Toronto. As many of my colleagues are well aware, the Princess Margaret Hospital is one of the leading cancer treatment, research and education facilities in this country. They would know how important this is.

In a letter, the social workers at the hospital endorsed the bill and noted that patients with breast cancer need up to 12 months for treatment, and for leukemia the length of time ranges from 9 to 12 months. They also noted that the intent of the cancer treatment is curative with patient participation providing the foundation for patients to return to work following the completion of their treatments.

I have also received support from many leading labour organizations, including the Canadian Labour Congress, as well as the Canadian Auto Workers. In a letter, Mr. Buzz Hargrove, the national president of the Canadian Auto Workers, noted that the Supreme Court confirmed that the federal government has a responsibility for EI benefits when workers are temporarily separated from their work due to sickness, parental leave or compassionate care.

I am bolstered by the support of all these organizations. So many people have called me from across the country to say that they see the benefit of this. Some did not have the benefits when they went through their treatments, but they see the benefit for people with illnesses and ailments down the road. They see how it makes us a more productive society. They see how it helps people through life's hard times so that they do not fall through the cracks, do not lose their vehicles and fall by the wayside under tremendous stress. It helps people to get back into society and be productive.

This points to a need for this legislation. It speaks to the fact that people are dealing with this issue daily. The job of health professionals, associations and organizations is to make people better. Our job is to help people financially while they are getting treatment. These organizations represent workers that are afflicted by prolonged and serious diseases. These people are all behind this bill.

I would ask the House to recognize the importance of extending these EI benefits to 50 weeks. I ask the House to support the bill and to pass it at second reading.

• (1735)

Mrs. Lynne Yelich (Parliamentary Secretary to the Minister of Human Resources and Social Development, CPC): Mr. Speaker, the hon. member for Sydney—Victoria quoted some of the

recommendations in a report and he talked about some of the subcommittee recommendations.

He was a former Liberal government member whose party, a little over a year ago, declared that the current EI sickness benefit was adequate. I too want to quote as he did. In a parliamentary committee response from May 2005, the then Liberal government stated:

...the majority of workers who turn to EI when they are unable to work due to illness or injury, 15 weeks is meeting the objective of providing temporary income support.

The Liberal government also declared:

In the event a worker's illness or injury extends beyond that period of time, long term income protection may be available through the Canada pension plan and other employment related benefits.

Clearly, the position is seemingly in contradiction to the crux of Bill C-278. Consequently, I wonder if the hon. member for Sydney—Victoria could inform the House as to why the arguments of his former Liberal government are no longer valid.

Hon. Mark Eyking: Mr. Speaker, the reality is that our society is changing. At one time people who got cancer died. Now they get cancer and they come back to society and they are also working.

What is also very important to recognize is the work of the subcommittee. My hon. colleague from Cape Breton—Canso is here and he will talk about that later.

The subcommittee did its homework and it found out that 15 weeks are not long enough. As I have stated many times, the average is nine and a half weeks. Some people only need three weeks. The subcommittee found that with certain illnesses, such as a heart attack or cancer, 15 weeks are not enough.

We have these subcommittees and these reports from EI on an ongoing basis and they tell us our society is changing, the demand on society is changing and the treatment of illnesses is changing. We need to help these workers get through these changes.

That is why I am here as a private member bringing this bill forward. That is why I am receiving support from most of my colleagues on this very important issue.

[*Translation*]

Mr. Yves Lessard (Chambly—Borduas, BQ): Mr. Speaker, certainly the Bloc Québécois and I are very happy to see this bill introduced by our Liberal colleague. I want to repeat the parliamentary secretary's question, because it is very important. I think that this question is crucial to our credibility in the eyes of the people who elected us to Parliament.

I repeat that we support this bill and that we feel it is a good thing that this bill has been introduced, but I would like to come back to the question our Conservative colleague asked, which has to do with credibility in the eyes of the public.

Private Members' Business

Our colleague says that what has changed is the impact of job loss, the resulting situation, and mentions finding out that there are victims who need these benefits. But I am not convinced. I would like to know how it is that, once on this side of the House, the member suddenly discovered that people are in need.

● (1740)

[English]

Hon. Mark Eyking: Mr. Speaker, I talked with the member for Chambly—Borduas earlier in the week. It has been brought to my attention that he did a lot of work on the bill. People cannot pay their bills. People have financial difficulties because they have no income, which is why we need to help them bridge this moment.

Mrs. Lynne Yelich (Parliamentary Secretary to the Minister of Human Resources and Social Development, CPC): Mr. Speaker, I welcome the opportunity to discuss the expansion of the employment insurance system proposed in Bill C-278, legislation seeking to extend the maximum period from 15 weeks to 50 weeks for which EI benefits for illness, injury or a quarantine may be paid.

While I share the concern for those who must be absent from work owing to illness, I believe we should carefully review the adequacy of the EI sickness benefits available at present before endorsing the changes proposed in this bill.

Currently, the EI program provides for a 15 week sickness benefit designed to provide short term income replacement to individuals who are absent from their job due to illness, injury or quarantine. Claimants qualify with a medical certificate and 600 hours of insured work in the past year, as little as 12 hours a week.

Sickness benefits thus provide a quick response to those in need and they are fully integrated with the other EI benefits for job loss, such as maternity or parental benefits and compassionate care benefits.

The Canada Employment Insurance Commission monitors and assesses the impacts of the employment insurance system on the economy, communities and individuals, reporting its finding in an annual report.

The commission's latest report noted that the average duration of sickness benefits through 2004-05 remained stable at 9.5 weeks. This is consistent with a recent Statistics Canada study stating that the average work absence owing to illness or a disability has remained constant at 10 weeks for the past 13 years.

When viewed in this context, the 15 week EI sickness benefit is meeting the program's objective of providing short term, temporary income support to workers when they are ill.

For the interest of the House, I note that such a position is similar to that of the former Liberal government, which included the hon. member for Sydney—Victoria. In its response to a report of the Standing Committee on Human Resources, Social Development and the Status of Persons of Disabilities tabled in May 2005, the former Liberal government clearly stated that EI sickness benefits, as presently constructed, were adequately meeting its intended objective. I will quote verbatim from the Liberal response:

...the majority of workers who turn to EI when they are unable to work due to illness or injury, 15 weeks is meeting the objective of providing temporary income support.

As I previously stated, I would concur with such an assessment. Furthermore, I would question the hon. member for Sydney—Victoria for a logical explanation as to why such a reasoning is no longer valid.

Moreover, when considering changes to the EI sickness benefits, we should be cognizant of the diverse range of other programs or supports available for those absent from the labour market due to illness.

At present, EI sickness benefits are designed as a short term income replacement measure that complement, and I underline the word complement, a range of other supports that are available for longer term illnesses and disability, including benefits offered through employer sponsored group insurance plans, private coverage held by individuals and long term disability benefits available under the Canada pension plan.

Before adding 35 weeks to the 15 weeks of EI sickness benefits now available, we need to fully understand the needs of clients and the impacts on other types of support benefits. An extensive examination of other possible implications would also be required.

Such an examination would have to take into account a number of issues. One is a thorough study of the effects such an extension would have on the labour market, particularly with respect to employer-employee relationships. For example, under the current EI provision, an employer can expect an employee's return to work after a limited absence for health reasons or, if the person is unable to return, the establishment of other arrangements suited to a long term disability.

EI sickness benefits are intended to replace lost income for short term absence. If they were greatly extended, how would this affect the employer's obligation? When, for instance, would this working relationship end? This relationship bears careful consideration and consultation before contemplating any steps to extend sickness benefits.

● (1745)

In addition, an option for employers under the EI program is a reduction in their premiums if they provide coverage to their employees for short term illness, injury or quarantine that is at least equivalent to EI benefits.

Currently, reduced premiums are paid on about 60% of all insurable earnings in Canada, representing reduced premiums of about half a billion dollars for 34,000 employers across the country.

Private Members' Business

Clearly, a change of the magnitude proposed under Bill C-278 would considerably affect employers and the premium reduction program would require thorough examination to determine the full impact on businesses.

Another consideration is that the coverage employers provide to their employees is sometimes underwritten by private companies and an extended EI fund and sickness benefit could be in direct competition with the private sector in many instances.

An analysis of the effects on private insurers would be essential. The administration of EI itself would also be greatly affected by such a change.

At the present time, EI sickness benefits are simply and quickly processed based on a medical certificate from the claimant's doctor. If the duration of these benefits were increased substantially, it could require a reassessment of current EI sickness, design and delivery, including expanding medical assessment requirements, such as requiring a third party or a government doctor to issue the medical certificate. The relatively quick response now available might suffer or require the introduction of multi-step approvals on longer claims.

There is also the consideration of mixed claims. Often, claimants need a variety of EI benefits to combine, for example, maternity and sickness. The bill does not reflect its possible impact on other parts of the EI Act that would also need to be changed, such as dealing with combined special benefit claims.

Finally, the cost factor is certainly another important consideration. Considerable research would be required to determine an accurate cost estimate of increasing the benefit entitlement as extensively as proposed in the bill.

Nevertheless, we do share the hon. member's compassion for the people who find themselves unable to work due to illness. Indeed, our new government is committed to the monitoring and assessing of all aspects of the EI program to ensure it continues to serve Canadians in an effective and in a timely manner. This includes sickness benefits. We appreciate that some persons are absent from work for more than 15 weeks due to illness. However, at this point it is not clear as to whether EI is the appropriate mechanism for responding to these longer term absences from the labour market.

Nevertheless, further examination of the implications of extending EI sickness benefits, both within and outside of the parameters of Bill C-278, may be warranted.

[Translation]

Mr. Yves Lessard (Chambly—Borduas, BQ): Mr. Speaker, the bill before us, I will recall for the benefit of the people watching us today, increases from 15 to 50 the maximum number of weeks during which benefits may be paid for illness, injury or quarantine. Actually part of the title of this employment insurance bill is "benefits for illness, injury or quarantine."

I indicated a while ago that we are delighted that a Liberal member of Parliament has tabled this bill. This shows some progress concerning the understanding of the issue and probably the degree of compassion we may feel for people who are victims of illness, a work accident or quarantine for contamination or some other reason.

The Bloc has worked constantly with a view to improving the employment insurance program, as our colleague indicated awhile ago. Since 2005, many measures have been proposed in the House, most of which have been rejected, particularly by the government then in place. We were hoping for progress of course with this new government in order to improve the situation of people who have the misfortune of being away from work because of illness, accident or quarantine.

One of the proposed measures appears in the recommendations of the Standing Committee on Human Resources, Social Development and the Status of Persons with Disabilities, namely recommendation 27. It reads as follows:

The Committee recommends that the government study the possibility of extending sickness benefits by 35 weeks for those who suffer from a prolonged and serious illness.

In other words, with an extension of 35 weeks beyond the 15, we get the 50 weeks proposed by our colleague in his bill.

It is interesting to note, however, that the Liberals are suddenly becoming concerned about unemployment. I do not particularly wish to attack the member, because he took this initiative, but my earlier question was to this effect: how is it that once a party in government is defeated it suddenly becomes sensitive to such situations? Actually the context, that is, the workers' situation, was the same barely a year ago, when we submitted this recommendation to the Standing Committee on Human Resources, Social Development and the Status of Persons with Disabilities.

The Bloc Québécois has always been in favour of a substantial improvement to the entire employment insurance program, which of course includes amendments to the number of weeks of sick leave for absences caused by illness, accidents and quarantine.

The following is a history of the last two years. I want to remind the House briefly to provide some context.

On November 15, 2004, our colleague, the hon. member for Trois-Rivières, introduced Bill C-278 proposing those improvements to the system. The party in power at the time, the Liberals, opposed royal assent.

On December 13, 2004, Senator Pierrette Ringuette, a member of the Task Force on Seasonal Work appointed by the Prime Minister of the time, issued her dissenting report entitled "Dissent and Distress", a very meaningful title in view of the situation facing the unemployed.

On December 16, 2004, the Standing Committee on Human Resources, Social Development and the Status of Persons with Disabilities issued the first part of its report with the recommendations I just mentioned. This report was completed on February 15, 2005 and contained 28 recommendations.

On February 23 of the same year, the then Minister of Human Resources announced three minimal new measures to try to mitigate the problems facing regions that suffer from what is commonly called the seasonal gap or black hole.

●(1750)

Finally, on April 15, 2005, the Bloc Québécois introduced Bill C-280, An Act to amend the Employment Insurance Act (Employment Insurance Account and premium rate setting) and another Act in consequence, which my colleague from the Basse-Côte-Nord sponsored. The purpose of this bill was to create an independent employment insurance fund.

I remember the Conservatives promising during the last election campaign to create this independent fund, but they still have not done it.

In May of this year, the Bloc introduced Bill C-269, An Act to amend the Employment Insurance Act (improvement of the employment insurance system), to change employment insurance. I hope that our colleagues will vote in favour of this bill, and I hope that the Conservatives will not invoke royal assent this time.

More recently in October, this week in fact, we introduced Bill C-344, An Act to amend the Employment Insurance Act (Employment Insurance Account and premium rate setting) and another Act in consequence to create and establish an independent fund.

As can be seen, the Bloc has never stopped demanding improvements to the independent employment insurance fund. But all we have ever received are systematic refusals from each succeeding government.

I would like to return to how much we need the bill we are discussing and describe the situation in which people find themselves when they must be absent for the reasons covered by the bill.

In 2004 and 2005, the number of applications for sickness benefits increased by 0.1% to reach 294,350. Total sickness benefit payments increased by 4.5% to reach \$813 million, while average weekly sickness benefits were \$285. Hon. members talked about the costs earlier, although they have not changed very much.

People do not live very comfortably and do not go to restaurants very often on this amount of money. There was a 1.7% increase in comparison with 2003 and 2004. The average number of weeks over which sickness benefits are paid has remained relatively stable over the last few years.

During the years I mentioned, claims for sickness benefits have decreased among men. This is interesting to note because it allows us to see who ends up in certain situations and who has to stop working because of an illness or an accident. Those who are most vulnerable—either in terms of the insecurity of their employment or their working conditions—are women and older workers. During that time frame, this decreased by 1.2% in men and increased by 1.1% in women, even though the proportion of women who filed claims for sickness benefits remained relatively stable in 2004-05.

Women continued to file the majority of the claims for this type of benefit, at 59%. Claims for sickness benefits decreased by 2.8%

Private Members' Business

among young people 15 to 24 and by 2.9% among workers 25 to 44, whereas they increased by 3.5% among workers 45 to 54 and by 7.1% among workers over 55. This confirms what I just said: certain categories of workers are more vulnerable than others because they are put in more precarious situations to do their work.

In closing, since I have just two minutes remaining, I want to reiterate that the bill currently before us is important. I am calling on the Conservative Party, which is now in power and whose attitude toward workers has been consistently insensitive, to take the next step.

●(1755)

This time, at least let the House vote on this bill without demanding a royal recommendation.

Mr. Yvon Godin (Acadie—Bathurst, NDP): Mr. Speaker, I am pleased to speak to bill C-278.

Clause 1 of this bill states:

1. Paragraph 12(3)(c) of the Employment Insurance Act is replaced by the following:

(c) because of a prescribed illness, injury or quarantine is 50;

I congratulate the member for Sydney—Victoria for tabling this bill in the House of Commons.

We should also mention the integrity of certain members who made some regrettable comments. There is no way around it, I am obliged to say it.

In the Standing Committee on Human Resources, Social Development and the Status of Persons with Disabilities, recommendations were made concerning employment insurance. Some Liberals were present—when they were in power—and recommended certain motions. I remember one motion. The chair of the committee was the member for Cape Breton—Canso. Then the time came to present the motion to the House of Commons.

In June of last year, I presented a motion regarding the 12 weeks. I recall that the member for Cape Breton—Canso, who had recommended the changes to employment insurance, voted in favour of the change. However, two other Liberals, who had recommended changes to employment insurance, voted against their own recommendation when the motion was presented to the House of Commons. It is disgraceful. I am speaking of the member for Beauséjour and the member for Madawaska—Restigouche.

We could have made changes to employment insurance but we did not get them. I have to say it. I will keep saying it as long as I am a member of the House of Commons.

I heard the Parliamentary Secretary for Human Resources and Social Development say that his government does not wish to make changes to employment insurance because he is concerned that it would affect private companies and insurance companies. That is unbelievable. The government is afraid that it could affect working people and the companies, because there would no be enough workers.

Private Members' Business

With all due respect, we are talking about people with cancer who have to undergo chemotherapy. It is not their choice. Their doctor tells them they cannot work for 12 months. As if that were not bad enough, their income is cut off after 15 weeks.

I find that position inhumane. These are human beings, workers who pay into a system. That system has a \$50 billion surplus. We want the money deducted from our paycheques back. We want that money so we can buy an employment insurance system.

The Liberal member from Prince Edward Island should not be laughing. His party voted against the motion.

I also think it is important to look closely at what the government said. It said there are other avenues, such as the Canada pension fund. I am sorry, but Canadian workers who fall ill cannot benefit from the Canada pension fund unless they have already been sick for a year. One has to have been sick for nearly two years before becoming eligible for the Canada pension fund.

If we are prepared to consider the possibility of using the Canada pension fund, why not use it when the doctor says the worker cannot return to work for 12 months? At that point, the worker should automatically be eligible for Canada pension fund benefits. That might be a solution.

But that is not what we are debating right now. We do not have the right to use the Canada pension fund. People do not have the right to employment insurance. The only thing they can get is welfare, and that is certainly not good for their health.

• (1800)

[*English*]

I listened to what the government members said a few minutes ago. Why do they not look at this issue regarding employment insurance? We are talking about people who are sick and the doctors say they cannot go back to work for one year. We are not talking about individuals who just have a cold. We are not talking about people who break their legs and 16 weeks later they could be on the job.

We are not talking about someone who has broken his arm. We are talking about someone who has cancer and whose doctors say he cannot go back to work for 12 months because he must have cancer treatment. And with \$50 billion in the employment insurance account, do we not have the humanity to say yes, we will give it to him? This is a program that belongs to the working people and the businesses. Why do we not let them make the decision, not the government?

If the Conservatives go with the royal recommendation, I think it is totally unfair. It is inhuman and the government should not be in power. I hope Canadians see that. I hope every worker listening to me tonight will never give a vote to the Conservative Party when the Conservatives cannot have even a little bit of compassion for a person who is sick.

As for coming into the House and saying they do not want to hurt the private business of insurance companies, I will tell members something. The fish plant workers in my riding do not have a private plan. The fish plant workers in Newfoundland and Labrador do not have any private plans. The fish plant workers from P.E.I., even if

the member from P.E.I. was laughing, do not have those plans. I say we have the responsibility as legislators here to give that plan back to the working people and to help the people who are sick.

The Liberals had the chance to do it when they were in power and they did not do it. Now they are in opposition—and I have said this before—and it seems that when members are in opposition they believe all things are good, but when they get into government they must get a needle somewhere that makes them change their minds.

I listened to what the government said tonight. To use computer language, it was a cut-and-paste. It is the same language we have heard before. I have been here for nine years. Tonight's is the same language I have heard for nine years.

However, at the end of this, we have human beings. We have people who are left with no earnings. It is bad enough that the men or the women have cancer, but at the end of that, we have the children. We have families. We have kids who need to go to school.

We have the responsibility to help them, to give them an insurance plan, one that we can afford because we have a \$50 billion surplus. Just this year, a \$2 billion surplus went to the debt, and it came from the working people. It is a shame.

Honestly, I hope that the Conservative government members have a conscience. I hope they will think about this, change their minds, and give the workers what they deserve. I hope they will give the person who is sick and needs cancer treatment a longer period of EI.

Give it to them, I say. It will be good for society if we do it. It will be good for our working people. It will not affect the company involved because the person has been removed from the job already, by the doctor. That person needs to have those chemo treatments and cannot be on the job, but one thing this EI would do is help the family. It would help the kids. It would help that family to buy groceries, feed the kids and buy the clothes they need. This way, they would not have that worry. It would help people to heal.

• (1805)

[*Translation*]

That is why it is important. I am happy to see changes to the EI program being requested just one at a time. No one will be able to come and tell us that too many changes are being requested or that the bill is too voluminous.

If we say no to this change, we will have to say no to any change. If we cannot have compassion for someone who is sick with cancer, this means that no changes can be made to the EI program and that the government will just go on taking the money of workers and companies to pay off its own debts and achieve zero deficit. That is being done not only on the backs of workers, but on the backs of the sick as well.

Private Members' Business

That would be a terrible and totally inhumane thing to do. The government still has a chance to act. This evening, the Conservatives asked that this bill require a royal recommendation. I think they should come back before the House to ask that their point of order be withdrawn. That would become the most humane thing this Parliament has done.

Let us imagine that this bill is adopted. Just think what it would do for our workers who are ill. When SARS hit Toronto, the government turned around and got rid of the two-week waiting period, because it was Toronto. It seems that the rest of Canada does not count. I remember that event and I would never have voted against eliminating the two-week waiting period in Toronto. I understood that it was a good thing and I agreed with it.

Today, we are asking for a good thing that I agree with and I ask the government to change its mind and to vote in favour of Bill C-278 to assist those individuals suffering from long-term afflictions, to give them dignity and to help their families.

•(1810)

[English]

Ms. Tina Keeper (Churchill, Lib.): Mr. Speaker, I am very pleased to rise to speak in support of the private member's bill put forward by the member for Sydney—Victoria. The bill addresses the Employment Insurance Act, in particular paragraph 12(3)(c), which deals with sickness benefits.

The 2005 report from the Standing Committee on Human Resources, Skills Development, Social Development and the Status of Persons with Disabilities, entitled "Restoring Financial Governance and Accessibility in the Employment Insurance Program", outlined a series of recommendations as a result of the extensive study. I would add that the all party committee put forward these recommendations and saw only one party issue a dissenting report. Unfortunately for Canadians, it was the Conservative Party.

Recommendation 27 of the committee's report called for the government to study the possibility of a 35 week extension to the existing 15 weeks in the program for individuals who suffer a prolonged and serious illness. This, therefore, highlighted the pressing need for this issue to be re-addressed and met with appropriate changes, changes that meet the challenges and realities of individuals battling chronic diseases or injury in Canada.

I commend the member for Sydney—Victoria for taking the initiative to push the committee's recommendation further and address the weaknesses in the EI program through this private member's bill.

Bill C-278 would extend the eligibility for individuals to obtain EI from 15 weeks to 50 weeks due to a "prescribed illness, injury or quarantine".

The EI program was initially created to provide financial support for eligible Canadian workers who were temporarily unemployed and seeking employment. However, since 1971 the support program has grown to include short term sickness benefits.

Today EI assists eligible Canadians through some of their most difficult times. For many, the 15 week time provided is sufficient, and I am sure they are grateful that Canada is a society that provides

such support. Unfortunately, however, this allotment of time does not meet the demands of all Canadians in the recovery process.

The recovery time for illnesses and injuries varies from case to case and individual to individual. According to the 2005 employment insurance report by the Department of Human Resources and Skills Development, approximately 32% of sickness beneficiaries in 2004-05 used the entire 15 weeks they were entitled to, a figure that has remained steady in recent years. This statistic suggests that, of the third of beneficiaries utilizing their maximum time, the 15 weeks of EI benefits is clearly insufficient.

A survey conducted in 2004 by the Canadian Breast Cancer Network asked whether 15 weeks of EI benefits was adequate to get women through treatment. The survey found that 75% of the 500 respondents claimed this was insufficient. In addition, the survey also found that 76% of respondents reported being off work for over 15 weeks.

Women enduring breast cancer treatment is merely one example of where this policy, in its present form, is insufficient. If an individual is pushed back into the workforce while he or she should be off work recovering, I can assure everyone that the process of recovery will certainly be prolonged.

For example, chemotherapy patients often endure treatments of anywhere from several months up to 10 months in a one time span and subsequently often must face an additional five week period of radiation treatment. To expect someone to work in order to provide for his or her family if not fit to do so is absolutely appalling.

To add to the imperfections of this section within the EI program, rural and northern residents remain at a tremendous disadvantage. This is felt particularly by the constituents in my riding of Churchill and indeed in most rural and northern areas in Canada.

The extension of 35 weeks for eligible Canadians struggling with such injuries and sickness is critical for individuals and families throughout our great country.

Bill C-278 would sufficiently address, for those Canadians suffering with chronic disease and severe injuries and who require the support, as has been indicated through the 2005 report recommendations, a critical and necessary means of supporting themselves and their families and would contribute to the well-being of this country. I encourage all members of the House to support this necessary and timely bill.

Mr. Dean Del Mastro (Peterborough, CPC): Mr. Speaker, I am pleased to have the opportunity to join in the debate on Bill C-278, a proposal to extend EI sickness benefits.

Bill C-278 speaks to a common belief that all members of the House have and, indeed, all Canadians share, a belief that Canadian workers should be treated with fairness and compassion, especially when they are ill and unable to work, and that they receive all the benefits to which they are entitled.

Private Members' Business

The bill in that spirit proposes an extension of the sickness benefits paid under EI from the current 15 weeks to a maximum of a 50 week period, a potential increase of 35 weeks.

While the duration of the EI sickness benefits is an important issue that warrants examination, the reality remains that we need to learn a lot more about the impact and labour market implications of implementing such a proposal.

As a starting point, what do we know about the situation? EI sickness benefits are designed as a short term income replacement measure intended to complement the range of other supports that are available for longer term illnesses and disability, including benefits offered through employer sponsored group insurance plans, private coverage held by individuals and long term disability benefits available under the Canada pension plan.

We know that about 300,000 individuals claimed sickness benefits under EI last year. Of those 300,000, about one-third or some 100,000 claimed the 15 week maximum benefit period. We also know that the average claim was for 9.5 weeks.

More recently, we have also learned that the 9.5 week average claim period under the existing EI compares closely with the findings of a new Statistics Canada study on workplace absenteeism due to sickness or disability. The results of that study can be found in the April 2006 issue of "Perspectives on Labour and Income", a publication that is identified as a comprehensive journal on labour and income from Statistics Canada.

This new information shows that since 1993 the average duration of long term workplace absences for personal illness or disability has remained steady at around 10 weeks, very close to the EI experience of an average claim of 9.5 weeks.

The Statistics Canada report offers some other interesting insights as well. For example, the study indicates that factors like age, health, unionization, pay and job security can all have an influence on workplace absenteeism due to illness.

Age is a significant variable. Among employees age 45 or older, 4.6% had taken long term illness leave. This made older workers significantly more likely, 1.5 times more likely, to be on illness leave as compared with those under 35, even after controlling for health and disability factors.

Demographic information like this can be very useful, especially in looking at the supports available for persons who may require more than 15 weeks away from work due to illness or injury.

What things do we need to know more about? Before endorsing the modifications proposed in Bill C-278, we need to have a more comprehensive understanding of the broader implications of

extending benefits under EI for both government and the private sector.

To begin with, the idea of extending EI sickness benefits raises a number of considerations related to cost and the potential impact on employees and employers in the labour market. For example, how would this affect coverage from private financial services companies who offer insurance against income loss because of sickness or disability, particularly those providing insurance that complements EI?

Furthermore, we need to know more about the potential cost of extending the EI benefit period. Under the existing program, the maximum benefit is \$413 per week. The average claim last year was \$2,700, for a total cost of over \$810 million for the program for one year.

Extending the benefit period could have a significant impact on that cost. Would it be double the \$810 million or triple? We do not know because we do not have sufficient research to tell us what those exact costs might be.

Consequently, it would not be a prudent course of action to give a blanket endorsement to the proposals in Bill C-278 without having the ability to adequately measure its potential cost.

Presently, as I have suggested during the course of my remarks, we lack the information and analysis needed to properly evaluate the potential effects of extending EI sickness benefits. Therefore, I believe it would be premature to declare either opposition or support for the proposals contained in Bill C-278.

However, that does not preclude support for further examination of such. Moreover, I would like to assure the member for Sydney—Victoria and all Canadians that Canada's new government is committed to ensuring that the EI program continues to serve Canadians in an effective and timely manner.

● (1815)

The Acting Speaker (Mr. Royal Galipeau): The time provided for the consideration of private members' business has now expired. The order is dropped to the bottom of the order of precedence on the order paper.

When this bill comes back for consideration in the House there will be five minutes left for the hon. member for Peterborough to complete his remarks.

● (1820)

[*Translation*]

It being 6:20 p.m., the House stands adjourned until tomorrow at 10 a.m. pursuant to Standing Order 24(1).

(The House adjourned at 6:20 p.m.)

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