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OFFICIAL REPORT
(HANSARD)

Wednesday, October 5, 2011

Speaker: The Honourable Andrew Scheer

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HOUSE OF COMMONS

Wednesday, October 5, 2011

The House met at 2 p.m.

Prayers

• (1405)

[*English*]

The Speaker: It being Wednesday, we will now have the singing of the national anthem led by the hon. member for Sackville—Eastern Shore.

[*Members sang the national anthem*]

STATEMENTS BY MEMBERS

[*English*]

NURSING

Mr. Greg Rickford (Kenora, CPC): Mr. Speaker, I rise in the House today to honour one of my constituents, Judy Carroll, for 40 years of nursing service in Sioux Lookout.

Over the past 15 years, Judy focused her career on cancer care and treatment.

Starting out in Sioux Lookout's small satellite chemotherapy unit, she played a pivotal role in the direction, administration and coordination of expanded cancer care and treatment in the Sioux Lookout zone. Nurses like myself, working in the many remote communities that the Sioux Lookout zone serves, appreciated that patients sent to Sioux Lookout for cancer care and treatment would be well cared for by special nurses like Judy.

She was active in Canadian Cancer Society events and this year was thoughtfully recognized for her years of dedication to oncology services. Judy retired this past summer and she is greatly admired and respected by her patients, their families, her colleagues and communities across the Sioux Lookout zone.

I ask my colleagues to join me in celebrating her nursing career. We extend best wishes to Judy on her retirement. She is another example of what is so great about the great riding of Kenora.

[*Translation*]

COMMUNITY ORGANIZATIONS IN PIERREFONDS— DOLLARD

Ms. Lysane Blanchette-Lamothe (Pierrefonds—Dollard, NDP): Mr. Speaker, I am proud to represent a riding in which there is such a variety of community organizations. They provide services for seniors, educational services and recreational activities in low-income neighbourhoods. They fight poverty, work with homeless youth and protect the environment.

Congratulations to all those who give their time and energy and who help enrich community life in Pierrefonds—Dollard. I am thinking, for example, of the dedicated employees of Projet communautaire de Pierrefonds, who have not had a wage increase in 20 years. One employee even took a pay cut so that the organization could carry on with its mission.

I would also like to acknowledge the work of West Island Community Shares, which is organizing a walk on October 6 to launch its fundraising campaign. This year's goal is to raise \$1 million for west island community organizations. Thank you in advance to all those who will donate or who will volunteer this year. I thank the activists who believe in the importance of the essential services provided by too-often underfunded organizations, such as those in my riding.

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[*English*]

MENTAL ILLNESS AWARENESS WEEK

Mr. Brad Trost (Saskatoon—Humboldt, CPC): Mr. Speaker, this is Mental Illness Awareness Week in Canada, a week to raise awareness about the challenges of mental illness and to celebrate the fact that recovery is possible.

Mental illness directly affects millions of Canadians. Indirectly it touches us all. Though many of us know someone with mental illness, the stigma associated with the words “mental illness” is strong and deep.

Perhaps some people are wary of those with mental illness because it is an illness that they do not understand. Breaking the stigma and ignorance is one of the purposes of Mental Illness Awareness Week for as we break the fear we diminish the stigma.

Statements by Members

This is also a week to support friends and family who deal with the burden of mental illness every day. We must understand that, just as with cancer and diabetes, recovery is possible.

This is also a week to remember those who did not win their struggle with mental illness. We remember them for who they were and not for the illness that consumed them. In their memory, we must challenge the stigma and open our hearts to our fellow Canadians impacted by mental illness.

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CANADIAN BROADCASTING CORPORATION

**Mr. Scott Simms (Bonavista—Gander—Grand Falls—Wind-
sor, Lib.):** Mr. Speaker, in 1936 the Canadian Broadcasting Act replaced the Canadian Radio Broadcasting Commission with a crown corporation known as CBC/Radio-Canada.

For three-quarters of a century, the CBC has contributed to the nation's history by broadcasting the great stories and events of this country, both regionally and nationally. Whether it is news, sports, entertainment or content for children and youth, the CBC delivers stellar programming that reflects our national identity.

From *This Hour has Seven Days* to *This Hour Has 22 Minutes*, from coast to coast we are proud of the CBC. On our eastern shore we watch *The Republic of Doyle* from beautiful St. John's. On our western shore we fondly remember *The Beachcombers*. In the north there is *North of 60*.

The CBC has been a great reflection of who we are and who we will continue to be.

On behalf of the Liberal Party of Canada, we congratulate the CBC on its 75th anniversary and thank it for the important role it plays today. We wish the CBC all the best in the next—

The Speaker: Order. The hon. member for Prince Edward—Hastings.

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AGRICULTURE AND AGRI-FOOD

Mr. Daryl Kramp (Prince Edward—Hastings, CPC): Mr. Speaker, autumn in Prince Edward—Hastings is a wonderful time of year. The scenery is nothing short of spectacular. I welcome one and all to our rolling farmland, pristine lakes and colourful hardwoods.

However, autumn is also a time of magnificent agricultural bounty thanks to the tremendous efforts of our farmers and their work and skill over the years. We can take a stroll through any of our farmers' markets and see many of the locally grown products of this fall harvest available, whether they be tomatoes, plump peaches, juicy apples, peppers or grapes.

William Pitt, first Earl of Chatham, once said:

Trade increases the wealth and glory of a country; but its real strength and stamina are to be looked for among the cultivators of the land.

On that note, I would like to thank all our farmers and producers for all they do and all they contribute. It is because of their tireless efforts that we are able to partake of such delicious and nutritious food.

Anyone who ate today should thank a farmer.

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ABORIGINAL AFFAIRS

**Mr. Romeo Saganash (Abitibi—Baie-James—Nunavik—
Eeyou, NDP):** Mr. Speaker, yesterday Sisters in Spirit held vigils all across Canada including here on Parliament Hill. Thousands of people of all backgrounds gathered to honour the lives of missing and murdered aboriginal women and girls.

We in the aboriginal community have seen hundreds upon hundreds of our mothers, sisters, cousins, daughters and grand-daughters fall victim to violence and disrespect. We must remember that these victims are not only ours, they are also the friends, neighbours, partners and co-workers of all Canadians.

As the duly elected legislators of this country, we must come together to end this scourge. We owe it to the 600 victims we remembered yesterday and their grieving families. We owe it to all the women and girls who have yet to fall victim. We owe it to people like our daughters.

As October is Women's History Month, we have a rare chance before us to act. We have a chance to change the course of history of Canada's aboriginal women. In that spirit, I call upon the government to call a full national inquiry to—

● (1410)

The Speaker: Order please. The hon. member for Chilliwack—Fraser Canyon.

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ROYAL CANADIAN NAVY

Mr. Mark Strahl (Chilliwack—Fraser Canyon, CPC): Mr. Speaker, I rise today to salute commanding officer Jamie Tennant and the entire ship's company of the HMCS *Montreal*, the Halifax class frigate that has just returned from its Great Lakes deployment.

This annual event provides Canadians an opportunity to tour a navy vessel and discover career opportunities available with the Canadian Forces. I was pleased to sail with the *Montreal* at the beginning of the deployment as part of the Canadian Forces parliamentary program. I saw first-hand the skills and dedication necessary to keep a Canadian warship running. From the engine room, to the kitchen, to the bridge, each woman and man has a vitally important role and each does his or her job well.

My grandfather, Keith Bateman, served in the Royal Canadian Navy in the 1950s. I am pleased to be part of a Conservative government that has restored the "Royal" designation to Canada's navy.

From Halifax and Esquimalt to wherever we ask it to go, today's Royal Canadian Navy continues to do Canada proud.

*Statements by Members***ENERGY RESOURCES**

Mr. Bob Zimmer (Prince George—Peace River, CPC): Mr. Speaker, it is with a great sense of gratitude that I rise today to thank the people of Prince George—Peace River, including my wife, kids and parents who are with us today, for entrusting me with the responsibility of representing their interests here in Ottawa.

To that end, local community and business leaders in my riding have made it clear that we must continue to promote oil and gas as a stable, secure and ethical source of energy.

Canada is fortunate to have an abundance of natural energy resources. In fact, energy represents roughly 7% of our gross domestic product and creates hundreds of thousands of direct and indirect jobs across this country.

In resource-rich regions like northeastern B.C., our government continues to support an industry that is creating jobs and economic opportunity.

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[Translation]

WORLD TEACHERS' DAY

Mr. François Choquette (Drummond, NDP): Mr. Speaker, World Teachers' Day is held annually on October 5 to celebrate the essential role of teachers in providing quality education at all levels. In Canada, this year's theme for World Teachers' Day is "Teachers: Inspiring students, awakening potential".

There is more to teaching than simply transferring knowledge. You have to inspire the children, unleash their potential and give them a new way of looking at things. Teaching means helping students turn their dreams of a better world into reality.

I would like to encourage all the members of the House to demonstrate their appreciation for the wonderful work done by Canada's teachers.

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[English]

PUBLIC SAFETY

Mr. Brent Rathgeber (Edmonton—St. Albert, CPC): Mr. Speaker, Canadians gave our government a strong mandate to keep our streets and communities safe. That is why our government urged the public safety committee to undertake a study of drugs in the prison system.

As we know, developing drug-free prisons was a key commitment that our government made to Canadians in the recent election.

However, not all seem to agree with this common-sense approach. In fact, at the invitation of the NDP member for Surrey North, the Canadian Association of Elizabeth Fry Societies appeared at the committee yesterday to push its soft-on-criminals agenda. Among other outrageous comments, this group stated that strip-searching inmates to ensure that they are not smuggling illicit drugs or other contraband is a systematic "sexual assault by the state".

Not only is this a slap in the face to our correctional officers and legally dubious, it is absolutely insulting to those who have actually been victimized by a sexual predator.

I call on the NDP to finally stop putting the rights of criminals ahead of the rights of law-abiding Canadians.

* * *

● (1415)

[Translation]

WOMEN'S HISTORY MONTH

Ms. Françoise Boivin (Gatineau, NDP): Mr. Speaker, this year's Women's History Month recognizes the invaluable contributions made by women within our armed forces. Their sense of duty and tremendous courage are a true source of inspiration. Our country's social progress is linked to the battles and victories won by women over the past 144 years—women like Nancy Riche from Newfoundland and Labrador.

Even so, much remains to be done. Over the past two weeks, I have met with members of two aboriginal groups, Walk 4 Justice and Families of Sisters in Spirit, people who have been through the unthinkable. These people all have a daughter, mother, sister or cousin who was murdered. In their grief, they have joined forces in order to have their needs heard and to seek justice.

I encourage the government to meet with them, to listen to them and to support them, so that we can make history together by putting an end to violence against aboriginal women.

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[English]

THE ECONOMY

Ms. Eve Adams (Mississauga—Brampton South, CPC): Mr. Speaker, Canada is number one. We are the best country for job-creating investment. *Forbes*, the influential business magazine, just said so this week. Canada is leading the way as the best country to do business. Our Conservative government is focused on what matters to Canadians: creating jobs and promoting economic growth.

Forbes' ranking of Canada as the best place in the world for business to grow and create jobs is yet another example of our global economic leadership. It declared that Canada's economy has held up better than most, praising our low-tax plan for Canadian businesses.

However, Canada is not immune to the economic turbulence facing the global economy. That is why the Conservative government is working hard to implement the next phase of Canada's economic action plan and its job creating measures, like the hiring credit for small businesses.

The last thing Canada's families need now is the NDP's massive job-killing tax hikes that would cost jobs and hurt our economy.

*Oral Questions***NOVA SCOTIA ABORIGINAL MALE ATHLETE OF THE YEAR AWARD**

Hon. Mark Eyking (Sydney—Victoria, Lib.): Mr. Speaker, I stand in the House today to recognize Aaron Floyd Prosper, a 15-year-old Mi'kmaq student from the community of Eskasoni First Nation and a recent recipient of the 2011 Nova Scotia Aboriginal Male Athlete of the Year Award.

Aaron is a grade 10 honours student at Chief Allison M. Bernard Memorial High School and is the son of Floyd and Dawna Prosper. He began playing hockey when he was just four years old with Eskasoni Minor Hockey Association and then he moved on to Cape Breton minor hockey.

Aaron has a passion for drumming and is asked to perform at many events. His presentation of "Making of the Mi'kmaw Drum" won awards here in Ottawa. In addition, Aaron has been competing in golf and kick-boxing tournaments and he plays the piano. He has also developed his own workshop called "Talent is Never Enough".

Aaron has brought great honour to his family, his friends and community. He is a true testament of hard work and focus, and he is an inspiration to us all.

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[Translation]

CHAMPLAIN BRIDGE

Mr. Jacques Gourde (Lotbinière—Chutes-de-la-Chaudière, CPC): Mr. Speaker, just a few hours ago, the Minister of Transport, Infrastructure and Communities announced that our Conservative government is committed to building a new bridge over the St. Lawrence, thereby launching the replacement process.

This new bridge over the St. Lawrence is vital to the greater Montreal area and will benefit Canada as a whole. This is excellent news for the many workers from Montreal's south shore who cross the existing bridge every day and currently have to deal with considerable traffic. This is also excellent news for the regional economy: every year more than \$20 billion in trade crosses that bridge.

The minister said that we will work with our partners and the private sector to ensure that the construction of the bridge is done at no additional cost to taxpayers. Again, as with so many other matters in Quebec, our Conservative government is getting things done.

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[English]

MANITOBA ELECTION

Mr. Pat Martin (Winnipeg Centre, NDP): Mr. Speaker, last night, the people of Manitoba made history. Not only did the NDP win its fourth consecutive majority government, we won more seats than any party in the province's history. The people of my province voted for leadership they can trust.

After 12 years of NDP, we boast the most affordable hydro rates in the country, the lowest unemployment rates in the country, the cheapest public car insurance in the country, and we have reduced the small business tax from 11% under the Conservatives to zero today. It is no wonder the good people of Manitoba voted to elect a

strong, stable, majority social democratic government in the province of Manitoba.

* * *

● (1420)

THE ENVIRONMENT

Mr. Brian Storseth (Westlock—St. Paul, CPC): Mr. Speaker, I was pleased to hear that Scott Vaughan, the Commissioner of the Environment and Sustainable Development, recognized our Conservative government's world-class oil sands monitoring plan yesterday.

Before committee yesterday, Mr. Vaughan confirmed that our government had already acted on the concerns highlighted in his report.

Given the report covered a period ending in mid-2010, it preceded the government taking action with the oil sands advisory panel report, which Mr. Vaughan praised for its ambitious 90-day timetable, while noting that the government has already met that timetable.

This past July, we took the next step by announcing the integrated plan for oil sands monitoring, a real plan that focuses on air quality, biodiversity and water.

Our government is working to ensure Canadians have clean water to drink and clean air to breathe for generations to come. Unlike the NDP, which is willing to sacrifice Canadian jobs, our government will balance the need to protect Canada's environment with the need to protect Canadian jobs.

ORAL QUESTIONS

[English]

TAXATION

Ms. Libby Davies (Vancouver East, NDP): Mr. Speaker, the Conservatives' reckless policy of corporate tax cuts has helped gut our country's manufacturing sector. The Conservatives do not mind helping profitable oil companies and the big banks just love the handouts, but there has been no benefit for the manufacturing sector, and now we have lost hundreds of thousands of good jobs. Nowhere is this more evident than in Ontario, with even Mr. Hudak saying as much.

Will the Prime Minister wake up, see the evidence and cancel his next round of pointless corporate tax giveaways?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, the government has been lowering taxes of all kinds for businesses, families and individuals. It is one of the reasons that Canada has a far better job creation record than most countries.

Oral Questions

There are measures right now before the House of Commons to give specific tax allowances and specific tax breaks to the manufacturing sector. I would call on the NDP to support those and stop opposing good things for Canada's manufacturers.

Ms. Libby Davies (Vancouver East, NDP): Mr. Speaker, those tax breaks to the big corporations are not working. The economic plan of the government is a failure. Jobs are not being created, pensions are not being protected and the stock markets are falling. This is a recipe for another Conservative recession and yet the Prime Minister is stubbornly ignoring the evidence and will not change his ways.

The fact is that two million Canadians are looking for jobs. Why are they not the priority instead of the big banks?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, we are concerned about Canadians out of work, which is why job creation is our priority and why we have the results to show for it.

What I do not understand is that when we put job creation measures before the House, such as the new tax credit for new hires and incentives for manufacturers, why the NDP, which apparently has no economic ideas at all to propose, just simply stands in the way and votes against these things for Canadian families.

[*Translation*]

Mr. Thomas Mulcair (Outremont, NDP): Mr. Speaker, the Conservatives' industrial and fiscal policies have benefited the big oil companies and hurt manufacturing industries, especially in Ontario, where hundreds of thousands of jobs have been eliminated in this sector. The way in which they are developing the oil sands, without including the environmental costs, has thrown our economy out of balance by artificially inflating the value of our dollar and hurting our exports. Workers in the manufacturing sector have been hit hard by the bad decisions of the Conservatives.

When will they restore the balance and put people back to work? That is a concrete suggestion.

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, unemployment clearly remains a difficult problem, but this country's job creation record is better than that of many other countries because of this government's economic action plan. The House of Commons has before it proposals that would create jobs: a tax credit for new hires and tax reductions for businesses and manufacturers.

I do not understand why the NDP opposes these proposals, which will greatly assist our businesses and our families.

* * *

CHAMPLAIN BRIDGE

Mr. Thomas Mulcair (Outremont, NDP): Mr. Speaker, today, the Minister of Transport, Infrastructure and Communities made a false comparison. The Autoroute 25 Bridge was completely new infrastructure in a location where there had never been a bridge before. The Champlain Bridge, on the other hand, is an existing vital artery for a city of four million people, the second-largest city in Canada and the gateway to the Maritimes.

From now on, hundreds of thousands of workers will have to pay to cross when crossing is currently free. Why?

• (1425)

Hon. Christian Paradis (Minister of Industry and Minister of State (Agriculture), CPC): Mr. Speaker, this bridge is a major asset for the country, and the commitment that the Minister of Transport, Infrastructure and Communities made today to build a new bridge is excellent news. The manner in which we will proceed with our partners and the private sector will ensure that the construction does not result in additional costs to taxpayers. That is what he is seeking.

The government's preferred option to ensure viable infrastructure for future generations currently involves tolls and a public-private partnership.

Mr. Thomas Mulcair (Outremont, NDP): Mr. Speaker, it is funny. Every time I hear the Conservatives talking about a public-private partnership, I get the impression that they really mean a partnership that will line the pockets of the private sector or one that will make the public pay.

Hundreds of thousands of people will pay out of their own pockets for a toll bridge when it costs nothing to cross the existing bridge. The government needs to tell the public why.

Hon. Christian Paradis (Minister of Industry and Minister of State (Agriculture), CPC): Mr. Speaker, the mayor of Montreal said:

In 2011, the development of any road infrastructure must provide sustainable and effective solutions in terms of mass transit. I also argued in favour of implementing a toll system in order to fund the bridge and speed up its construction.

I could also quote Michel Leblanc, Françoise Bertrand, the Conseil du patronat du Québec and others. We understand that the NDP does not do business with the private sector; perhaps it hates doing so. But we want to keep our promises and ensure that sustainable infrastructure is built for Canada's future generations.

Hon. Bob Rae (Toronto Centre, Lib.): Mr. Speaker, there is no bridge and no plan. All we have is an announcement. There is a difference. The problem we see is that the Government of Quebec was not there for the announcement, and if there is a public transit aspect, it is absolutely essential to have the full co-operation of the Province of Quebec.

How does the Prime Minister explain this off-the-cuff announcement, which has nothing to do with a real plan or a real bridge?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, the Minister of Transport, Infrastructure and Communities made a very important announcement for the greater Montreal area. This is crucial to this region's economy. I have seen very positive reactions from the mayor of Montreal, the president of the Conseil du patronat du Québec and the president of the Manufacturiers et exportateurs du Québec.

We will work with our partners in the public and private sectors to get the new bridge built.

*Oral Questions**[English]***CANADA-U.S. RELATIONS**

Hon. Bob Rae (Toronto Centre, Lib.): Mr. Speaker, given the Prime Minister's notorious commitment to consulting this House, to transparency, and to openness, I wonder if the Prime Minister could give us his assurance today that, before any agreement with the United States on perimeter security is signed, the agreement will be tabled in this House and open to parliamentary scrutiny and debate.

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, the actions of the government are always open to scrutiny and debate. Because the opposition loses the debate does not mean we did not have a debate.

The government is still in discussions with the United States. However, unlike the other parties, we think it is critical to the Canadian economy that we have trade with the U.S., we secure access to our market, and we ensure our mutual security.

I know the NDP is against that and the Liberal Party has no position on it, but these are critical things for Canadians.

Hon. Bob Rae (Toronto Centre, Lib.): Mr. Speaker, I did not hear an answer to the second question. Perhaps I could hear an answer to this one.

Could the Prime Minister explain why he would be signing this deal when the Obama administration is actively promoting buy America, which is in effect anti-Canada; when we are about to be hit with a ports tax in the United States, which again discriminates directly against Canadian economic interests; and when we still have not resolved the food labelling issue?

Why would the Prime Minister be signing this deal when all these issues are still very much on the table?

• (1430)

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, first of all, some of the things the leader said in his preamble are not correct. In terms of the specific negotiations with the United States, we do not have an agreement yet, but we continue to work on it.

Only a former leader of the NDP would say that when we face American protectionism, the solution to that is to cut our own access off to the American market.

* * *

PRESIDENT OF THE TREASURY BOARD

Mr. Charlie Angus (Timmins—James Bay, NDP): Mr. Speaker, it is now 118 days since the President of the Treasury Board vanished in plain sight, and little wonder. He ran a homemade paper trail through his constituency office, conveniently beyond the reach of the Auditor General.

The Information Commissioner says that she is worried about the use of private emails to cover the tracks of ministers. The government is a black hole of accountability and the President of the Treasury Board is at the centre of this hole.

Will he stand up in the House today and explain why the Auditor General was misled?

Hon. John Baird (Minister of Foreign Affairs, CPC): Mr. Speaker, the Auditor General had full access to all of the information pertaining to 32 public infrastructure projects that all benefited municipalities, provincial and community infrastructure. She came forward and made some observations on how we could do a better job to be even more transparent to Parliament, and we have completely accepted her good advice.

Mr. Charlie Angus (Timmins—James Bay, NDP): Mr. Speaker, if it were that simple the President of the Treasury Board would not need his big brother to stand up for him in the schoolyard every day.

This is about accountability. Accountable ministers do not try to pull a fast one on the Auditor General. Accountable ministers do not tell mayors to keep their mouths shut until they get their stories straight. Accountable ministers stand up in the House of Commons and explain themselves.

The Prime Minister knew the ethical lapses of the Muskoka minister. Why did he put the minister in charge of billions of dollars of taxpayers' money?

Hon. John Baird (Minister of Foreign Affairs, CPC): Mr. Speaker, here are the facts: 32 projects were supported by Infrastructure Canada; 32 projects were built; 32 projects came in on time and on budget; 32 projects all in the public sector are now at the disposal and benefit of the province, the community and municipalities in that region.

[Translation]

Mr. Alexandre Boulerice (Rosemont—La Petite-Patrie, NDP): Mr. Speaker, if only the member for Parry Sound—Muskoka were capable of defending himself.

We have learned that the mayor of Huntsville is clearly embarrassed by the email exchange between him and the President of the Treasury Board.

Can the minister stand and explain to us how these emails prove that the Prime Minister's Office was involved? How they prove that the minister wanted to block a spending review? Does the President of the Treasury Board agree with the mayor of Huntsville that Bell Canada stocks will go up when politicians like him learn to use the telephone to hide their unsavoury activities?

[English]

Hon. John Baird (Minister of Foreign Affairs, CPC): Mr. Speaker, I cannot speak to the issue involving the mayor of Huntsville.

This government expanded the access to information laws. We tried to bring more light and more accountability to public corporations like the Canadian Broadcasting Corporation and the Canadian Wheat Board. The first time in Canadian history a party stood up and voted to bring the cloak of darkness back on a public corporation and it was the NDP that did that with the Canadian Wheat Board.

[Translation]

Mr. Alexandre Boulerice (Rosemont—La Petite-Patrie, NDP): Mr. Speaker, the Minister of Foreign Affairs must be starting to get really tired of standing and answering questions about his neighbour's emails.

Oral Questions

The mayor of Huntsville learned his lesson: if you are planning some funny business, make sure you cover your tracks. The Information Commissioner is justifiably worried about that statement and the fact that the minister is determined to cover his tracks.

Does the President of the Treasury Board believe that he, too, needs to learn how to better hide the truth?

[English]

Hon. John Baird (Minister of Foreign Affairs, CPC): Mr. Speaker, I never get tired of answering questions from the New Democratic Party in the House. It is always a great privilege to serve Canadians.

It was this government that expanded the access to information laws. There are access to information laws at the provincial and municipal levels. The fact that all of these email exchanges were released shows just how open and transparent things are.

* * *

[Translation]

INTERNATIONAL TRADE

Mr. Mathieu Ravignat (Pontiac, NDP): Mr. Speaker, once again, the United States is planning to impose a special tariff on Canadian businesses. This time, an extra \$140 will be charged on each container carrying goods from British Columbia when cargo ships dock in the United States. This news came to light on the eve of the announcement of a co-operation agreement between the two countries.

Will the government stand up to our American neighbour and refuse this latest attack on our trade interests?

•(1435)

[English]

Hon. Ed Fast (Minister of International Trade and Minister for the Asia-Pacific Gateway, CPC): Mr. Speaker, any new tax is a bad idea as it raises costs on consumers.

Canada's ports and railways are competing fairly. The Asia-Pacific gateway initiative that the member refers to is working as intended.

We will defend Canada's competitive advantage wherever it is threatened. I have made this clear to FMC Commissioner Lidinsky as well as to my USTR counterpart Ambassador Kirk.

Mr. Mathieu Ravignat (Pontiac, NDP): Mr. Speaker, first the U.S. slapped protectionist buy American provisions into the American jobs act. Now the Conservatives claim to be "monitoring the situation" while the U.S. moves forward with a punitive \$140 tariff on goods coming through B.C. ports. Seventy-five billion dollars worth of annual trade and 130,000 jobs are at stake.

Why is the Minister of International Trade letting the Americans run roughshod over Canadian trade interests? When will the minister start doing his job?

Hon. Ed Fast (Minister of International Trade and Minister for the Asia-Pacific Gateway, CPC): Mr. Speaker, I would encourage that member to visit my part of the country to see what is actually going on there.

While the member opposite engages in unhelpful rhetoric, both my parliamentary secretary as well as the chairman of the international trade committee are on the ground in Washington, D.C. today raising this very issue with their counterparts.

Unlike the member opposite, we will continue to promote Canada's competitive advantage and aggressively pursue the elimination of trade barriers.

Mr. Brian Masse (Windsor West, NDP): Mr. Speaker, the Conservatives are cutting border services to sign a \$1 billion perimeter security deal with the U.S.

From softwood lumber to the buy American act, every time the Conservatives negotiate a deal across the border, Canadians lose out, on jobs, the environment, natural resources and privacy.

The government has a proven track record of being very bad negotiators. How can Canadians trust the government? What is on the table this time?

Hon. Ed Fast (Minister of International Trade and Minister for the Asia-Pacific Gateway, CPC): Mr. Speaker, on May 2 Canadians gave the government a very strong mandate to focus on economic growth and the creation of jobs. Our focus is on removing trade barriers, not erecting new ones. I wish the member would join us as we stand up for Canadians.

* * *

CANADA-U.S. RELATIONS

Mr. Brian Masse (Windsor West, NDP): Mr. Speaker, the government did not get a mandate to give away our sovereignty. Canadians do not agree with that.

According to reports, Canadian officials are heading to Washington this weekend to beg for the U.S. government to hold a public signing ceremony for the deal. The Conservatives cannot even negotiate a signing ceremony, but claim they can negotiate a good deal for Canadians.

Concerns have been raised repeatedly about protecting the privacy of Canadians and also the thickening of our border, yet the government is more worried about a photo op with Barack Obama. Why will the government not come clean on its secret security deal?

Hon. John Baird (Minister of Foreign Affairs, CPC): Mr. Speaker, the government is committed to working for jobs.

It is committed to working with our American partners, with the Obama administration, to make it easier for jobs and employment growth. Reports that are in the media about a deal being accomplished are inaccurate.

Work on this important action plan is ongoing. When a final deal is reached, we will be sure to let the member for Toronto Centre know.

Oral Questions

[Translation]

Mr. Sylvain Chicoine (Châteauguay—Saint-Constant, NDP): Mr. Speaker, the Prime Minister works harder for the interests of his American friends than for those of Canadian families. We learned today that the perimeter security deal between Canada and the U.S. will cost \$1 billion. Once again, this deal is not in the interest of Canadians. The government plans to use money cut from other programs to finance this deal.

Why does the Prime Minister want to pay for a deal that will benefit only the U.S. while cutting services offered here in Canada?

Hon. John Baird (Minister of Foreign Affairs, CPC): Mr. Speaker, no such deal has been signed with the Obama administration. The negotiations for the agreement are still ongoing. The NDP member has not seen the agreement, yet he is already against it.

[English]

We are pleased that the New Democratic Party has a renewed sense of keen interest in trade with the United States. We think that is great progress. We want to encourage the NDP to support even more free trade, not just with the United States but with countries right around the world.

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THE ENVIRONMENT

Ms. Kirsty Duncan (Etobicoke North, Lib.): Mr. Speaker, based on the report of the Commissioner of the Environment and Sustainable Development, it is clear that the government is failing on climate change.

The government has lowered expected climate change reductions by 90% since 2007. If the minister believes that we are seeing the impacts of climate change, then why is the government failing so miserably on combating climate change?

● (1440)

Hon. Peter Kent (Minister of the Environment, CPC): Mr. Speaker, the commissioner knows, as my colleague should, that the Kyoto protocol, which was one of the greatest blunders of the previous Liberal government, was in Canada's rear view mirror.

The commissioner recognized yesterday that Canada has new international commitments to the Cancun agreements and the Copenhagen accord. We do have a climate change plan. I am delighted that the commissioner recognizes it.

Ms. Kirsty Duncan (Etobicoke North, Lib.): Mr. Speaker, what is in the rear view mirror is Canada's credibility.

The government is making cuts to areas such as climate impacts and adaptation, environmental assessment, and ozone monitoring. We do not expect these to be the last. The government is also cutting air quality measurements necessary for monitoring the oil sands.

How can the government deliver a comprehensive oil sands monitoring system when there will be fewer scientists to monitor it?

Hon. Peter Kent (Minister of the Environment, CPC): Mr. Speaker, I am delighted to compare, any day, our government's record on the environment with that of the previous Liberal government, which did nothing but pay lip service to its professed commitment to the environment.

I would remind the member again, and I am disappointed that my colleague fails to recognize, the commissioner's positive words when he says, with regard to oil sands monitoring:

—the federal government has taken an important step forward by both acknowledging the deficiencies of the current system and setting out a detailed plan to fix them.

* * *

G8 SUMMIT

Ms. Judy Foote (Random—Burin—St. George's, Lib.): Mr. Speaker, today we learned that the mayor of Huntsville is embarrassed about the emails that he sent on the G8 legacy fund. Unfortunately, he is mostly embarrassed they left a paper trail leading right to the current President of the Treasury Board, documenting his abuse of power.

The President of the Treasury Board is too embarrassed to answer questions in the House, so will the Minister of Foreign Affairs confirm if he or any of his former staff have spoken with the RCMP about the legality of authorizing the use of border infrastructure funds for these projects?

Hon. John Baird (Minister of Foreign Affairs, CPC): Mr. Speaker, I believe a defeated Liberal member of Parliament had a public election exercise in that regard.

I cannot speak for the mayor of Huntsville, but what I can say is that 32 pieces of public infrastructure were supported. All 32 came in on time and all 32 came in on budget.

We appreciate the work of the Auditor General and the good advice that she provided on how we can be even more open and more transparent to Parliament.

* * *

CANADIAN WHEAT BOARD

Mr. Pat Martin (Winnipeg Centre, NDP): Mr. Speaker, I am concerned that the Minister of Agriculture and Agri-Food is deluded. He seems to think that he can dismantle a \$6 billion a year corporation like the Canadian Wheat Board without significant closing costs, even though KPMG predicts \$500 million in shutdown fees. He also thinks he can turn the complete grain marketing regime of the whole prairie economy on its head by August 1 and not disrupt the Prairies and the agrifood industry in the prairie region.

How could he be so deluded? I am seriously concerned that he might be taking a lead from the ostriches that he raises and he has his head in the sand about the reality—

The Speaker: Order. The hon. Minister of Agriculture.

Hon. Gerry Ritz (Minister of Agriculture and Agri-Food and Minister for the Canadian Wheat Board, CPC): Mr. Speaker, there is a growing body of evidence that what is lacking on the Prairies is value-added industries.

Oral Questions

The member should probably join with the rest of the producers and processors in western Canada looking for ways to promote the farm gate and actually add value to it, instead of the political stunts that he prefers. They are just not performing well at all.

Ms. Niki Ashton (Churchill, NDP): Mr. Speaker, the port of Churchill and northern Manitobans will also feel the hit from the attack on the Wheat Board.

Farmers, workers and Canada's only deep water Arctic seaport are being sacrificed for the government's ideological agenda against the Wheat Board.

When will the government admit its move will hurt Canadians? Will it listen to Manitobans who yesterday overwhelmingly voted for a fourth-term majority NDP government which ran on saving the Canadian Wheat Board?

Hon. Gerry Ritz (Minister of Agriculture and Agri-Food and Minister for the Canadian Wheat Board, CPC): Mr. Speaker, we recognize there are a number of issues that need to be worked out.

The Wheat Board is claiming credit for certain things it has never really had its finger on the pulse of.

Having said that, we are buoyed by the fact that the major farm group in Manitoba, Keystone Agricultural Producers, is working with us on building a strong future.

I prefer to work with the farmers of Manitoba than an NDP government that has gone past its best before date.

* * *

•(1445)

ABORIGINAL AFFAIRS

Ms. Linda Duncan (Edmonton—Strathcona, NDP): Mr. Speaker, the environment commissioner has again reported on the abject—

Some hon. members: Oh, oh!

The Speaker: Order. The hon. member for Edmonton—Strathcona has the floor. Order.

Ms. Linda Duncan: Mr. Speaker, the environment commissioner has again reported on the abject failure of the government to require industry to assess the cumulative impacts of the oil sands on air, water, fish and wildlife.

Contrary to the recent outrageous comment by the Minister of Natural Resources that northern Alberta is uninhabitable, this area has long sustained first nations and Métis peoples.

Is anyone in the government willing to step up to the plate, restore the honour of the Crown and ensure aboriginal and treaty rights are not further abrogated?

Hon. John Duncan (Minister of Aboriginal Affairs and Northern Development, CPC): Mr. Speaker, my department officials have been working closely with the communities that are near the Athabasca oil sands to make sure the aboriginal interests are accommodated. Along with industry we have entered into many co-operative and collaborative arrangements. We continue to do that and we think that this is a good working arrangement.

Ms. Linda Duncan (Edmonton—Strathcona, NDP): Mr. Speaker, the commissioner also criticized the government for basing decisions about the oil sands on incomplete, poor, or non-existent environmental information.

The Alberta government has finally agreed to help finance a long overdue health study for at least two of the impacted aboriginal communities. Last I checked, this is a clear federal responsibility.

How does the government justify more tax breaks for the polluters while turning its back on aboriginal communities?

Hon. John Duncan (Minister of Aboriginal Affairs and Northern Development, CPC): Mr. Speaker, we are well aware of the work that the Alberta government has entered into. We think this is a good thing. This is a shared responsibility in many respects. We continue to work on a trilateral basis with the province and aboriginal groups. We think this is a good move forward.

* * *

INTERNATIONAL CO-OPERATION

Mr. John Carmichael (Don Valley West, CPC): Mr. Speaker, on July 22 our government pledged \$50 million in additional support to those suffering from famine in the Horn of Africa, bringing Canada's total commitment to \$72 million. At that time, the minister also announced that our government would match eligible donations from Canadians until September 16.

Would the minister give the House an update on what our government is doing to help those affected by the humanitarian crisis in East Africa?

Hon. Bev Oda (Minister of International Cooperation, CPC): Mr. Speaker, the member is quite right. Canada is doing its part to help the 13 million affected in East Africa.

Canadians again have shown their compassion and generosity. Individual Canadians have donated over \$70 million to Canadian organizations. As promised, the government will match their generosity through the African drought relief fund. This brings our government support to \$142 million to provide needed food, medicine, nutrition and clean water.

* * *

[*Translation*]

THE ENVIRONMENT

Ms. Megan Leslie (Halifax, NDP): Mr. Speaker, as of last month, the Arctic Ocean's layer of ice had never been so thin. In his report, the environment commissioner said that the government's so-called action plan is not working. Programs are being cut and critical information is lacking. Climate change is a reality, but the government is in denial.

In three years there have been three reports and three ministers, but no action. Why?

*Oral Questions**[English]*

Hon. Peter Kent (Minister of the Environment, CPC): Mr. Speaker, our government complies fully with the reporting requirements of the Kyoto Protocol Implementation Act, but there is no obligation in this act for financial reporting.

The Government of Canada reports to Parliament on all expenditures related to climate change, for example, through individual departmental performance reports.

We will not file redundant reports. We will protect the environment and Canadians' hard-earned tax dollars. That is what we were elected to do.

• (1450)

Ms. Megan Leslie (Halifax, NDP): Mr. Speaker, we have seen the plan, and the plan is failing. Maybe the minister would prefer to talk about streamlining Environment Canada, or optimizing Arctic sea ice, or perhaps redistributing the hole in the ozone layer. However, the reality is that the government's out-of-touch environmental policies are putting Canadians at risk.

Will the minister get beyond his rhetoric and agree to all of the environment commissioner's recommendations for improvement?

Hon. Peter Kent (Minister of the Environment, CPC): Mr. Speaker, the environment commissioner conceded before the House committee yesterday that his report was fully a year out of date. Unfortunately, my colleague had left the committee room at that point.

Again, I lament the fact that she fails to recognize the positive words the environment commissioner offered, both on our monitoring plans for the water, the air and the biodiversity of the Lower Athabasca and our commitment to the Copenhagen and Cancun accords.

We have a plan. He recognizes it.

* * *

FISHERIES AND OCEANS

Mr. Fin Donnelly (New Westminster—Coquitlam, NDP): Mr. Speaker, Canada is falling way behind on its international commitment to establish marine-protected areas by 2012. The Pacific north coast integrated management area process brought together first nations, fishermen, environmentalists and industry to make a joint plan for stewardship of our ocean resources. The government invested in this process and then suddenly pulled the plug.

Why has the government walked away from a plan to protect the economic, social and environmental health of our oceans?

Hon. Keith Ashfield (Minister of Fisheries and Oceans and Minister for the Atlantic Gateway, CPC): Mr. Speaker, this government remains fully committed to developing an integrated management plan for the Pacific north coast by December 2012. Our goal is to develop a plan that is relevant and effective for the specific area, using an approach that is consistent with similar large oceans management areas. It is our intention to continue to work closely with first nations and the province of British Columbia, which have been valuable partners in the planning process.

Mr. Fin Donnelly (New Westminster—Coquitlam, NDP): Mr. Speaker, why does the government have such a hard time co-operating with others? The funding agreement was supported by all levels of government and first nations, but after lobbying from its oil patch buddies, the government suddenly announced it is walking away.

Everyone else wants a strong plan to protect our oceans. When will the government come back to the table and get serious about ocean management?

Hon. Keith Ashfield (Minister of Fisheries and Oceans and Minister for the Atlantic Gateway, CPC): Mr. Speaker, there is no question that we are responsible about ocean management. We have committed to the plan for the Pacific north coast by December 2012. We will make that commitment and work with our partners in the process.

* * *

NATIONAL DEFENCE

Hon. John McKay (Scarborough—Guildwood, Lib.): Mr. Speaker, this week we witnessed the sorry spectacle of a Lockheed Martin representative on national television saying that the F-35 is only going to cost \$65 million, engine included. Lockheed and the minister seem to be the only ones on earth who believe this. The congressional budget office and our own PBO have priced the figure at twice what the Lockheed Martin representative said.

The U.K., Australia, Italy, Holland and Turkey are all considering getting out of this program. Why is the government the only true believer left?

Hon. Julian Fantino (Associate Minister of National Defence, CPC): Mr. Speaker, all reasonable people agree that Canada needs aircraft in order to defend Canadian sovereignty. The current CF-18s must be replaced and our budget for the purchase of F-35s remains on track.

Let me be clear—

Some hon. members: Oh, oh!

The Speaker: Order. The Associate Minister of National Defence has the floor.

Hon. Julian Fantino: Let me be clear, Mr. Speaker. We will ensure that our men and women in uniform have the best equipment to do the job they are required to do safely. As responsible citizens, responsible politicians and responsible government, we owe them no less.

[Translation]

Mr. Marc Garneau (Westmount—Ville-Marie, Lib.): Mr. Speaker, we know that Lockheed Martin is not allowed to sell F-35s in Canada at a lower price than in the United States. That is why the \$9 billion price tag bothers me so much. I do not see how we are going to buy these planes and all the support equipment. I can see only two possible outcomes: we are going to spend far more than \$9 billion or we will have to buy less than 65 planes.

Which option will this government choose?

Oral Questions

•(1455)

[English]

Hon. Julian Fantino (Associate Minister of National Defence, CPC): Mr. Speaker, there has been a lot of noise made around this particular issue. This is an initiative that goes back to the days of the Liberal government.

We have maintained a constant effort to provide our men and women in uniform the best equipment they need to do the job we have asked them to do and get home safe and sound to their families at the end of their missions.

Some hon. members: Oh, oh!

The Speaker: Order. The member asked a question and I think the least all other members could do is allow the minister to answer the question.

Some hon. members: Oh, oh!

The Speaker: Order. If we are using up time on this type of disruption, we might not get to the full list of questions. I will give the minister a few seconds to conclude his remarks.

Some hon. members: Oh, oh!

The Speaker: He had sat down when I stood up, so I am just going to allow him to finish his remarks.

Order. We will have a little bit of order.

The hon. associate minister.

Hon. Julian Fantino: Mr. Speaker, I find it incredible that on an item as important as this to our Canadian sovereignty, the need to provide our men and women in uniform the tools they need as they are now engaged in such places as Libya, we hear this rhetoric about something that is so vital.

Ms. Christine Moore (Abitibi—Témiscamingue, NDP): Mr. Speaker, the Conservatives' stand on the F-35 purchase continues to take a nosedive. Last night the Associate Minister of National Defence contradicted his own minister and said the more honest and ethical approach would be to admit that the government does not know how much each plane will cost. They are just guessing.

We are talking about contracts worth billions. We know the Prime Minister does not talk to the Minister of National Defence. Is the Prime Minister also ignoring the associate minister?

Hon. Julian Fantino (Associate Minister of National Defence, CPC): Mr. Speaker, we have been consistent in our efforts. Our budget for the F-35s remains on track. This includes not only the aircraft but also infrastructure, parts, training, simulators, and so forth. It is the only machine that is going to provide us the kind of safety, security and sovereignty in our country that Canada requires at this time and in the future.

[Translation]

Ms. Christine Moore (Abitibi—Témiscamingue, NDP): Mr. Speaker, the F-35s will cost far more than predicted, but this government refused to admit it.

Six months ago, the government was talking about a \$16 billion contract. This week, the government came up with a figure of \$9 billion. Last night, the assistant minister for defence contradicted

his minister by finally admitting that the Conservatives have no idea what the grand total for the F-35s will be.

Why does the government not tell the public that \$9 billion for the F-35s is smoke and mirrors to hide the worst fiasco in military industry history?

[English]

Hon. Julian Fantino (Associate Minister of National Defence, CPC): Mr. Speaker, the F-35 aircraft is the one item that is absolutely critical and helps to ensure that we will maintain our sovereignty well into the future. It includes not only the aircraft; it includes other components for years to come in the future, enabling Canada to be competitive and coordinated with our partners in NATO and the UN missions.

* * *

[Translation]

CHAMPLAIN BRIDGE

Mr. Bernard Trottier (Etobicoke—Lakeshore, CPC): Mr. Speaker, today the Minister of Transport, Infrastructure and Communities made an important announcement for the greater Montreal area, Quebec and the entire country. This morning's announcement is further proof that the Conservatives are delivering the goods throughout the country.

Can the Parliamentary Secretary to the Minister of Transport, Infrastructure and Communities share the announcement with us?

•(1500)

Hon. Maxime Bernier (Minister of State (Small Business and Tourism), CPC): Mr. Speaker, I am pleased—

Some hon. members: Oh,oh!

The Speaker: Order, please. The hon. Minister of State for Small Business and Tourism has the floor.

Hon. Maxime Bernier: Mr. Speaker, I am very pleased today with the announcement by my colleague, the Minister of Transport, Infrastructure and Communities, respecting a bridge in Montreal because the people of Montreal and the surrounding area wanted a bridge. We have done it; we have responded to the people's expectations. In 10 years, people in the region of Montreal will have a safe bridge.

* * *

[English]

SCIENCE AND TECHNOLOGY

Mr. Ted Hsu (Kingston and the Islands, Lib.): Mr. Speaker, in the budget a targeted area of R and D under the eco-energy innovation initiative is advanced energy storage: batteries. The National Research Council is undergoing a big reorganization. Scientists are waiting to learn if they have a future at NRC, including lithium ion battery researchers, whose contracts are ending in a few months.

Would the government please encourage NRC to quickly clarify the future of this group to retain our scientific resources and align them with Canada's economic priorities?

Oral Questions

Hon. Gary Goodyear (Minister of State (Science and Technology) (Federal Economic Development Agency for Southern Ontario), CPC): Mr. Speaker, no government in the history of Canada has invested so much in science and technology. The reason we are doing that is that discoveries, when they move to market, create jobs. They create better jobs. They create higher-paying jobs and improve the quality of life for all Canadians, and that is exactly what this government will continue to do.

* * *

[Translation]

PENSIONS

Ms. Mylène Freeman (Argenteuil—Papineau—Mirabel, NDP): Mr. Speaker, the government must take action to protect workers' pension plans.

In 2010, Fraser Papers in Thurso declared bankruptcy and 800 workers lost 40% of their pensions. The same thing is happening elsewhere in Quebec, Ontario and New Brunswick.

The NDP's policy is clear. Pensions represent earnings saved by workers and they must be paid in full.

How many workers will have to lose their pensions before the government will change the law to protect retirees like those from Fraser Papers?

[English]

Hon. Ted Menzies (Minister of State (Finance), CPC): Mr. Speaker, we actually did put forward legislation to help protect those pensions that the hon. member is referring to. We reformed the framework for those pensions that are under federal jurisdiction. As we all know, the federal government actually only mandates regulations for 7%.

We encourage the provinces to follow our lead to help to make sure that we protect those pensions that seniors expect to retire with.

* * *

PUBLIC SAFETY

Mr. Kevin Sorenson (Crowfoot, CPC): Mr. Speaker, our Conservative government is committed to keeping our streets and our communities safe. Part of that obviously means that we have a correctional system that actually corrects offenders. Our government has taken strong actions by improving offender accountability methods through the Safe Streets and Communities Act.

However, some so-called criminal rights advocates oppose this approach. Yesterday at the public safety committee, they spoke strongly against our Conservative plan to establish drug-free prisons.

Could the minister give this House his view?

Hon. Vic Toews (Minister of Public Safety, CPC): Mr. Speaker, I appreciate the work of the member.

Canadians gave our government a strong mandate to keep our streets and communities safe. Our government has a zero tolerance policy for drugs in our institutions. We reject suggestions from those who, like the NDP and its far-left comrades, continuously put the rights of criminals ahead of the rights of law-abiding Canadians.

We will continue to take action to fulfill our campaign commitment to ensure drug-free prisons.

* * *

[Translation]

HUMAN RESOURCES

Mr. Robert Aubin (Trois-Rivières, NDP): Mr. Speaker, once again, this government is demonstrating that when it comes to youth, it prefers to adopt a repressive approach instead of encouraging them to reintegrate into society. Every year since 2002, under the supervision of artist Jean Beaulieu, the Art-Go project has allowed 35 high school dropouts from the Trois-Rivières area to regain their self-confidence by learning how to make stained glass windows. Ninety per cent of the program participants go back to school or join the workforce. But this government has decided to cut funding to Art-Go at the same time as it is buying stained glass windows for the Senate.

Why is this government refusing to continue funding a project that works?

Hon. Diane Finley (Minister of Human Resources and Skills Development, CPC): Mr. Speaker, our government has done a lot to help youth develop the skills they need to enter the workforce. There are programs to teach them how to apply for a job, how to go through an interview and how to work in an office or elsewhere.

We will continue to help youth prepare for the workforce. These programs are very popular and, unfortunately, not all programs can receive funding.

* * *

● (1505)

SHIPBUILDING INDUSTRY

Mr. Jean-François Fortin (Haute-Gaspésie—La Mitis—Matane—Matapédia, BQ): Mr. Speaker, all economic players in Quebec, employers and workers alike, agree on one thing: Quebec's shipyards must get a significant chunk of the billions of dollars worth of shipbuilding contracts that the federal government is about to grant. Unfortunately, the only ones who refuse to take a clear stand on this issue in favour of Quebec's economy are the Conservative and NDP members from Quebec.

My question is simple: can that the Minister of Public Works and Government Services assure Quebec's shipyards that they will get their fair share of the government contracts?

[English]

Hon. Rona Ambrose (Minister of Public Works and Government Services and Minister for Status of Women, CPC): Mr. Speaker, I would just remind the member that this is an arm's-length competitive process that is managed by the shipbuilding secretariat. It is the one that is evaluating the bids and it will determine the winners based on the merits of their proposals.

As the member knows, the process is under way to select the winning shipyards. Neither the federal cabinet nor any politician will be involved in this decision, and this procurement is under the careful watch of two high-level interdepartmental governance committees, a fairness monitor and an international third party benchmarking firm. I should tell the House that to date the fairness monitor says that the process is fair and transparent.

* * *

PRESENCE IN GALLERY

The Speaker: I would like to draw to the attention of hon. members the presence in the gallery of the Honourable Kenneth Marende, Speaker of the National Assembly of the Republic of Kenya.

Some hon. members: Hear, hear!

* * *

POINTS OF ORDER

ORAL QUESTIONS

Mr. Costas Menegakis (Richmond Hill, CPC): Mr. Speaker, I would like to bring to your attention Standing Order 18, which clearly stipulates that no member shall speak disrespectfully or use offensive words against another hon. member.

In my view, the member for Winnipeg Centre used words that were inappropriate in his question to the Minister of Agriculture. I would ask the hon. member for Winnipeg Centre to reconsider his words and perhaps apologize to the Minister of Agriculture.

Mr. Pat Martin (Winnipeg Centre, NDP): Mr. Speaker, if I was using words that were out of order or unparliamentary, you would have found fault with the words that I chose.

I do not believe the word “deluded”, in and of itself, is an insult. It means that someone may be misunderstanding, has a different opinion, or is missing the point. The fact that he may have had his head in the sand like an ostrich is not, in and of itself, an insult either.

I do not feel the need to withdraw these remarks unless you ask me to do so personally, Mr. Speaker. He has his opinion about what I said, and I have mine.

The Speaker: I did not hear anything unparliamentary at the time. I will look at the blues and see if there is a reason to come back on this to the House.

The hon. member for Sackville—Eastern Shore is rising on a point of order.

CANADIAN ASSOCIATION OF ELIZABETH FRY SOCIETIES

Mr. Peter Stoffer (Sackville—Eastern Shore, NDP): Mr. Speaker, as you know, this is Women's History Month. All of us in the House should be judicious in the language and use of our statements on this while in the House.

Mr. Speaker, the hon. member for Edmonton—St. Albert has every right to his statements and he can attack the NDP any way he wishes. We do not mind that. However, when he goes after the Elizabeth Fry Society when it cannot defend itself, then I would encourage the member to say his exact words outside of the House to hear what the Elizabeth Fry Society would say.

Routine Proceedings

The Elizabeth Fry Society, for many years, has been protecting the interests of women in this country. It has been protecting women who are incarcerated, many of whom are mentally ill and should not be in a prison. The Elizabeth Fry Society is known by all of us as one of the finest organizations. To be attacked in this House by any member is simply wrong. I ask the member to withdraw that statement.

The Speaker: I see the hon. member for Edmonton—St. Albert is rising. I do caution members that we do not extend question period with extra debate through points of order.

The hon. member for Edmonton—St. Albert

Mr. Brent Rathgeber (Edmonton—St. Albert, CPC): Mr. Speaker, I stand by my S.O. 31. The record from yesterday's committee will reflect that I quoted the said society accurately and correctly and I stand by those statements.

ROUTINE PROCEEDINGS

● (1510)

[English]

FOREIGN AFFAIRS

Mr. Deepak Obhrai (Parliamentary Secretary to the Minister of Foreign Affairs, CPC): Mr. Speaker, pursuant to Standing Order 32(2), I have the honour to table, in both official languages, the Agreement on Bilateral Cooperation in Industrial Research and Development Between the Government of Canada and the Government of the State of Israel. It was signed in Jerusalem on July 10, 2011.

* * *

FISHERIES AND OCEANS

Mr. Deepak Obhrai (Parliamentary Secretary to the Minister of Foreign Affairs, CPC): Mr. Speaker, pursuant to Standing Order 32(2), I have the honour to table, in both official languages, the Agreement on Port State Measures to Prevent, Deter and Eliminate Illegal, Unreported and Unregulated Fishing. This was completed in Rome on November 22, 2009.

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SEARCH AND RESCUE

Mr. Deepak Obhrai (Parliamentary Secretary to the Minister of Foreign Affairs, CPC): Mr. Speaker, pursuant to Standing Order 32(2), I have the honour to table, in both official languages, the Agreement on Cooperation on Aeronautical and Maritime Search and Rescue in the Arctic. This was completed in Nuuk on May 12, 2011.

An explanatory memorandum is included with each treaty.

*Routine Proceedings***ROYAL CANADIAN MOUNTED POLICE**

Hon. Vic Toews (Minister of Public Safety, CPC): Mr. Speaker, I have the honour to table, in both official languages, the Royal Canadian Mounted Police Services Agreement for the Provinces of Alberta and Saskatchewan, pursuant to subsection 20(5) of the Royal Canadian Mounted Police Act.

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COMMITTEES OF THE HOUSE

PROCEDURE AND HOUSE AFFAIRS

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

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

* * *

HEALTH OF ANIMALS ACT

Mr. Alex Atamanenko (British Columbia Southern Interior, NDP) moved for leave to introduce Bill C-322, An Act to amend the Health of Animals Act and the Meat Inspection Act (slaughter of horses for human consumption).

He said: Mr. Speaker, whereas horses are ordinarily kept as pets for sporting and recreational purposes, and whereas they are not raised primarily for human consumption, and whereas horse meat products for human consumption are likely to contain prohibited substances, this bill would stop the import of horses for slaughter for human consumption.

Since I first introduced the bill in the last Parliament, tens of thousands of Canadians have petitioned the government to legislate an end to this practice. It is time for the government to listen.

[*Translation*]

It is irresponsible of Canada to allow the sale of meat from horses that have not been raised according to the food safety practices required for all other animals. For example, there is the issue of phenylbutazone. Bute is a known carcinogen that is banned from use in any animal entering the food chain.

[*English*]

It is a health concern. There are substances that are not allowed by our rules to enter the food chain. By stopping the importation of horses from the United States, we would cut this down considerably.

I urge all members of the House to support my bill.

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

* * *

FEDERAL COURTS ACT

Mr. Peter Julian (Burnaby—New Westminster, NDP) moved for leave to introduce Bill C-323, An Act to amend the Federal Courts Act (international promotion and protection of human rights).

He said: Mr. Speaker, I am happy to re-table my bill on corporate responsibility. This was formerly Bill C-354 in the 40th Parliament. The bill is called the international promotion and protection of human rights act.

This is an innovative bill which mirrors the U.S. alien torts claims act. It has given rise to a very healthy and ongoing debate in civil society. It has been developed in close co-operation with Nick Milanovic, who is the adjunct professor at the Department of Law at Carleton University, and Mark Rowlinson, counsel for the United Steelworkers. The bill has been endorsed by the Canadian Association of Labour Lawyers and many other civil society groups, experts and concerned Canadians.

The bill calls for extending the authority of the Federal Court system to protect foreign citizens against a broad range of human rights violations committed by Canadian and non-Canadian corporations and persons operating outside Canada. It would allow lawsuits in Canada for a host of universal human rights violations, such as genocide and torture, as well as activities that significantly destroy the environment or violate key international labour rights.

Canada's judicial system protects Canadians from abusive conduct by corporations or individuals and should no longer permit some Canadian corporations to violate human rights abroad. These continue to be committed abroad with impunity by some bad apples, some Canadian mining companies and other companies. This has an impact and, as a result, we need to ensure that we have a court system that responds to the needs of these foreign nationals.

The bill is an important step in expanding the jurisprudence to protect citizens living abroad from human rights abuses that take place. I hope the bill will get broad support from all members of Parliament.

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

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● (1515)

EMPLOYMENT INSURANCE ACT

Mr. Scott Simms (Bonavista—Gander—Grand Falls—Windsor, Lib.) moved for leave to introduce Bill C-324, An Act to amend the Employment Insurance Act (sickness benefits).

He said: Mr. Speaker, there seems to be an injustice that just does not want to correct itself and the government does not seem to want to move on this.

Routine Proceedings

The bill deals with sickness benefits pertaining to EI benefits. Under normal circumstances, if people lose their job, through no fault of their own, they would get benefits that extend up to about 50 weeks in areas of high unemployment. With respect to sickness benefits, people need not just 420 hours to qualify, which are normally required, but they need 600 hours, which creates that discrepancy. On the other side, benefits only stretch up to about 15 weeks. My bill would extend that beyond the 15 week period.

Let us face it, if people are sick to the point where they need EI on a longer term basis, 15 weeks is severely insufficient.

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

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RADIOCOMMUNICATION ACT

**Mr. Scott Simms (Bonavista—Gander—Grand Falls—Wind-
sor, Lib.)** moved for leave to introduce Bill C-325, An Act to amend the Radiocommunication Act (voluntary organizations that provide emergency services).

He said: Mr. Speaker, I have always been quite inspired by the volunteer organizations, especially pertaining to emergency services: ambulance, search and rescue, and especially our volunteer firefighters across the region.

There are so many ways that we can help them save lives within their own communities. In my particular riding, I have 195 smaller communities. There are well over 50 brigades in the area. One of the things they want to do is to save money on certain aspects. One of the bigger fees they must pay is the radio communication licensing fee.

I again thank my colleague from Avalon who probably has as many, if not more, volunteer fire brigades in his riding, including volunteer search and rescue and ambulance services. What this particular bill would do is, “Notwithstanding paragraph 6(1), no fee may be charged for the issuance of a radio licence to a voluntary organization that provides emergency services”.

Again, I want to thank the organizations that spend their free time helping to save lives. This is a small measure but it is a great gesture to them for what they do for our smaller communities.

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

* * *

CANADA PENSION PLAN

**Mr. Scott Simms (Bonavista—Gander—Grand Falls—Wind-
sor, Lib.)** moved for leave to introduce Bill C-326, An Act to amend the Canada Pension Plan and the Old Age Security Act (biweekly payment of benefits).

He said: Mr. Speaker, as is quite evident, I could not sleep much last night so I spent a lot of time doing my bills.

This is a very popular bill. I introduced it in the last session and I received a lot of positive feedback. The bill would allow people who receive the CPP or OAS monthly benefit to have an option, and I would stress it is an option to be paid biweekly, twice a month, if they choose to do so.

It is inspired largely by a provincial group of 50-plus clubs and pensioners in Newfoundland and Labrador. Year over year, they were passing this resolution within their organization where they wanted the option to be paid twice a month instead of just once.

It would be a good budgeting measure, especially for the younger seniors. This way, because it is an option, older seniors who live in homes can maintain their payment of once a month, which is also better budgeting for that particular institution that looks after them.

I am begging the government to seriously consider this as a good positive measure for seniors and their ability to budget.

I thank my colleague from Avalon, who is a great member. There is not much else I can say about him other than the fact that he simply inspired me. The fact that I stayed up all night to do this is also his fault.

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

* * *

● (1520)

NATIONAL LITERACY POLICY ACT

Ms. Linda Duncan (Edmonton—Strathcona, NDP) moved for leave to introduce Bill C-327, An Act to establish a national literacy policy.

She said: Mr. Speaker, it is an honour to have my bill seconded by the hon. member for Louis-Saint-Laurent, a wonderful colleague.

Today is a very auspicious day to table this bill because it is International Teachers' Day.

This bill, which would establish a national literacy policy in consultation with the provinces, businesses, unions, experts, media and the public, is intended to address the serious issue of literacy in Canada. The bill would impose a leadership role on the federal government to enable action in a coordinated way among all the parties that are already working in their individual jurisdictions. It would require the government to report to Parliament once a year on action that has been taken.

I wish today to recognize the efforts of volunteers across our country who are working to improve literacy in the country, including a number of Edmonton organizations: the Edmonton literacy coalition, the Centre for Family Literacy, PALS and the John Howard Society.

Four in 10 Canadian adults fall below the literacy requirement. By 2031, more than 15 million Canadian adults will have low literacy levels. Unless some action is taken to reverse this trend, it has been stated by OECD and a number of think tanks that we will face profound challenges for Canada's social well-being and economic prosperity.

Government Orders

Right now, 60% of immigrants have low literacy and among aboriginal people, including the Yukon, 69% of the aboriginal population in the Northwest Territories have low literacy, and 88% of Inuit. Of course, this is also affiliated with the fact that they are struggling to learn their own languages.

I look forward to the support of the House for improving literacy in Canada.

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

* * *

COMMITTEES OF THE HOUSE

PROCEDURE AND HOUSE AFFAIRS

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

Hon. Ralph Goodale: Mr. Speaker, I do not mean to withhold consent, but I do not have a copy of that report in front of me. Could the member confirm that this has to do with certain committee membership changes on behalf of the New Democratic Party? Is that the item that we are talking about?

Mr. Joe Preston: Yes, Mr. Speaker, that is what the report is.

The Speaker: Does the House give its consent to the motion?

Some hon. members: Agreed.

(Motion agreed to)

* * *

HOUSE OF COMMONS

Hon. Peter Van Loan (Leader of the Government in the House of Commons, CPC): Mr. Speaker, this is on the subject of the parliamentary calendar. There have been discussions among the parties and we have arrived at a consensus. I would like to table a 2012 House of Commons calendar that is an alternative to the one that was proposed on Friday, September 30, pursuant to Standing Order 28(2). It is known as option C.

Therefore, I seek the unanimous consent of the House for the following motion. I move:

That, notwithstanding the calendar tabled by the Speaker on Friday, September 30, 2011, pursuant to Standing Order 28(2)(b), a new House of Commons Calendar for 2012 be tabled and that the said calendar be adopted.

• (1525)

The Speaker: Does the hon. government House leader have the unanimous consent of the House to move the motion?

Some hon. members: Agreed.

The Speaker: The House has heard the terms of the motion. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

(Motion agreed to)

PETITIONS

ABORIGINAL AFFAIRS

Mr. Paul Dewar (Ottawa Centre, NDP): Mr. Speaker, I actually have the signatures of thousands of constituents and citizens across this country who are petitioning the House of Commons and the government to bring attention to the issue of the “Stolen Sisters”, as the campaign is known.

The undersigned residents of Canada draw to the attention of the House of Commons that it is important that the government acknowledge the responsibility of the federal government to establish a commission of inquiry to ensure there is a fully funded process to look at the issue of murdered and missing women in Canada, that we recognize in earnest the violence faced by aboriginal women and that they are actually given the tools they need to bring justice to this issue.

I table this petition and would ask that the government follow up on this as soon as possible.

* * *

QUESTIONS ON THE ORDER PAPER

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

The Speaker: Is that agreed?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[English]

KEEPING CANADA'S ECONOMY AND JOBS GROWING ACT

Hon. Ted Menzies (for the Minister of Finance) moved that Bill C-13, An Act to implement certain provisions of the 2011 budget as updated on June 6, 2011 and other measures, be read the second time and referred to a committee.

He said: Mr. Speaker, thank you for the opportunity to begin debate on the keeping Canada's economy and jobs growing act. This act represents a key component of the next phase of Canada's economic action plan.

Today's legislation represents an ambitious, substantive, and positive response to the economic challenges of today and the opportunities of tomorrow.

Indeed, the global economic recovery is challenged, as demonstrated by ongoing events in Europe and in the United States. While the roots of these global challenges are not from within our borders, they could nevertheless impact Canada. That is why our Conservative government has remained squarely focused on helping protect and grow Canada's economy to the greatest extent possible since the onset of the global economic turbulence.

Government Orders

In our initial response, Canada's economic action plan, we delivered \$60 billion in extraordinary investments to support jobs and growth during the worst of the global recession. It was a plan that helped families and businesses deal with the short-term challenges, while also supporting Canada's long-term prosperity through, for instance, landmark infrastructure investments in roads, bridges, universities, colleges, and many more.

It was a plan that, according to countless independent observers, worked.

As BMO economist Doug Porter publicly declared, it was, "arguably one of the most successful stimulus programs in the industrialized world".

Earlier this year, our Conservative government built on that record of accomplishments with the next phase of Canada's economic action plan: a low tax plan for jobs and growth.

The next phase seeks to foster positive conditions for long-term economic prosperity, while staying on track to return to balanced budgets, while helping Canadian families.

The keeping Canada's economy and jobs growing act represents a vital component of the next phase as it implements many of its key elements. For instance, the act would promote job creation and economic growth by: providing a temporary hiring credit for small business, to encourage additional hiring; expanding tax support for clean energy generation, to encourage green investments; extending the mineral exploration tax credit for flow-through share investors by one year to support Canada's mining sector; simplifying customs tariffs in order to facilitate trade and lower the administrative burden for businesses; extending the accelerated capital cost allowance treatment for investments in productivity-improving machinery and equipment for Canada's manufacturing sector; and eliminating the mandatory retirement age for federally regulated employees in order to give older workers wishing to work the option to remain in the workforce.

The act would support communities from coast to coast to coast by: legislating a permanent annual investment of \$2 billion in the gas tax fund to provide predictable long-term infrastructure funding for municipalities; enhancing the wage earner protection program to cover more workers affected by employer bankruptcy or receivership; introducing a volunteer firefighters tax credit for volunteer firefighters; and increasing the ability of Canadians to give more confidently to legitimate charities, by helping combat fraud and other forms of abuse by illegitimate charities.

The keeping Canada's economy and jobs growing act would help families by: introducing a new family caregiver tax credit to assist caregivers of all types of infirm, dependent relatives; removing the limit on the amount of eligible expenses caregivers can claim for their financially dependent relatives under the medical expense tax credit; and introducing a new children's arts tax credit for programs associated with children's arts, cultural, recreational and developmental activities.

The act would invest in education and training by: forgiving loans for new doctors and nurses in underserved rural and remote areas; helping apprentices in the skilled trades, as well as workers in regulated professions, by making occupational trade and profes-

sional examination fees eligible for tuition tax credit; improving federal financial assistance for students; and making it easier to allocate registered education savings plan assets among siblings, without incurring tax penalties or forfeiting Canada education savings grants.

● (1530)

Finally, it would respect taxpayers by: phasing out the direct subsidy for political parties and closing numerous tax loopholes that allow a few businesses and individuals to avoid paying their fair share of tax.

The keeping Canada's economy and jobs growing act includes so much more to help families, students, businesses, seniors, communities and obviously the economy and jobs. To keep Canada's economy on the right track, I am confident that Parliament will endorse today's legislation in a timely and overwhelming manner.

Before spotlighting a couple of the numerous and very positive measures in today's legislation, let me underline that, while indeed the global economy is in a period of turbulence and there are challenges that lie ahead, Canada has performed relatively well. Over the course of the debate on the keeping Canada's economy and jobs growing act, the opposition, NDP and Liberals, will attempt, in the starkest terms and with the greatest hyperbole, to talk down the Canadian economy with its non-stop negativity.

The NDP and Liberals will downplay the achievements of our businesses, our workers and our government that have in recent years made our economy stronger and more competitive. Carried by the weight of the heavy pessimism in their overstated rhetoric and tired talking points, the NDP and the Liberals will throw their collective hands up and claim that Canada has not been up to the challenges of the global economy.

That is where we on this side of the House must differ. As Winston Churchill once noted, "The pessimist sees difficulty in every opportunity. The optimist sees the opportunity in every difficulty". Without a doubt, our Conservative government has seen, and sought to capitalize on, the opportunities and global economic turbulence of recent years. Unlike the NDP and the Liberals, we have believed that Canada and Canadians could meet that challenge, especially with the support of our low tax pro-growth economic policies.

Let me say it once again for the opposition. The facts are indisputable. Canada is standing tall.

On economic growth, both the IMF and the OECD forecast that we will have among the strongest economic growth in the G7 in the years ahead.

Government Orders

On jobs, Canada has the strongest job creation record in the G7 with nearly 600,000 net new jobs created since July 2009, with over 80% of those being full-time jobs.

On our financial sector, the World Economic Forum has, for the fourth straight year, rated our banking system the best in the world.

On our fiscal situation, Canada has, and will continue to have, by far the lowest total government net debt to GDP ratio in the entire G7 based on IMF projections.

On fiscal and economic fundamentals, Canada's credit rating, unlike numerous other countries, has been affirmed as being the highest possible by major rating agencies. Indeed, Moody's recently renewed Canada's triple A credit rating, praising our "economic resiliency, very high government financial strength, and a low susceptibility to event risk".

On our competitiveness, *Forbes*, the influential business magazine, ranked Canada as the best country in the world for business to grow and create jobs, largely due to our low tax plan for Canadian businesses.

The list goes on.

There is little wonder that *The Economist* and global leaders have singled out Canada's economy and our Conservative government's economic leadership for repeated praise. BMO economist, Doug Porter, testifying before the finance committee this last week, declared, "—compared to policy making in the rest of the world, Canada's economic policy-making has been exemplary. I don't think there has been a significant misstep in recent years".

• (1535)

We recall the words of U.K. Prime Minister David Cameron before this chamber:

In the last few years, Canada has got every major decision right. Look at the facts...Your economic leadership has helped the Canadian economy to weather the global storms far better than many of your international competitors.

As encouraging and positive as those facts and quotes may be, they should not serve as an invitation to rest on our laurels, especially in the light of the ongoing global economic turmoil in the EU and United States.

We all know resting on our laurels is no way to stay ahead. That is why, as I mentioned previously, our Conservative government remains focused on what matters to Canadians: creating jobs and promoting economic growth through the implementation of the next phase of Canada's economic action plan outlaid in today's legislation.

As I mentioned, the keeping Canada's economy and jobs growing act is a very substantive piece of legislation at over 640 pages. While there is no way I can spotlight each and every great measure in the bill, I would like to spotlight a couple of them, one of which garnered strong attention to date, and another that some have overlooked.

First, I would like to talk about a measure that has garnered pretty strong attention, that being the new volunteer firefighters tax credit and what it means for communities across Canada. Every day,

without hesitation, volunteer men and women across Canada put their lives on the line to protect our families from harm.

Canada is incredibly fortunate to have volunteer firefighters across this country who are willing to put themselves at risk to protect the lives and the property of their fellow Canadians.

Our Conservative government is proud of these brave men and women who volunteer their time in the service of their and our communities.

While there is no way we can every truly repay them, we can show them we value all of the nearly 85,000 volunteer firefighters who keep our communities safe. That is why I am proud that we have proposed the volunteer firefighters tax credit in this legislation. It will help volunteer firefighters by providing them with a 15% non-refundable tax credit of \$3,000.

Day after day, volunteer firefighters play a vital role in serving our communities. By helping these brave men and women, our government is working to make Canadian cities and towns safer.

I should note that this new tax credit has been received extremely positively. In fact, the Canadian Association of Fire Chiefs declared:

This measure will help with the recruitment and retention of volunteer firefighters across the country, which will in turn help protect Canadians and our communities.

The *Charlottetown Guardian* editorial remarked:

For all the time they devote to training and responding to fires in communities across the country, our volunteer firefighters deserve that much...it's a gesture of appreciation for the work our firefighters do for Canadians.

Second, and lastly, I would like to briefly talk about a measure that has not received a lot of attention: tax relief to help apprentices in the skilled trades and workers in regulated professions with the cost of occupational trade and professional examination fees.

As we all know, apprentices in the skilled trades must complete certification exams at the end of their apprenticeship to practice their trade. Likewise, students in fields like nursing, medicine, law and accounting are also required to complete examinations to practice their occupations.

Until now, the cost of these certification examinations were generally not eligible for tax relief. The keeping Canada's economy and jobs growing act will now make all occupational trade and professional examination fees eligible for the tuition tax credit where the examination is required to obtain a professional status, certification or licence in a trade recognized by federal or provincial law that allows the individual to practice that profession or trade within Canada.

Examples of eligible occupations, trades and professions include: architects, machinists, bakers, bricklayers, carpenters, chartered accountants, dental technicians, hair stylists, motor vehicle body repairers, welders and much more. In fact, it is estimated that more than 30,000 individuals would benefit just this year.

Government Orders

• (1540)

The new tax relief for certification examinations builds on other measures the government has introduced since 2006 for students and those helping to improve their own skills. This includes the apprenticeship incentive grant and the apprenticeship completion grant under which eligible apprentices could receive up to \$4,000 which can be used to pay for tuition, travel, tools or other expenses.

I should also note that this new measure was also very well-received. Engineers Canada has applauded it and has stated:

“Making professional examination fees eligible for the Tuition Tax Credit... demonstrates a real commitment to fostering the highly-skilled, and qualified talent the country needs to compete...It will help in the pursuit of a strong, diverse, and modern economy.”

The Canadian Home Builders' Association stated that the measure would “target a very important issue—the shortage of skilled people in our industry”.

Those are two of the countless measures in the Keeping Canada's Economy and Jobs Growing Act that are positive and should be supported unanimously by Parliament. The NDP and Liberal members have opposed the many positive measures that we have put forward in this legislation. Their constituents and I would be interested in hearing their explanations why.

[*Translation*]

Mr. Pierre Dionne Labelle (Rivière-du-Nord, NDP): Mr. Speaker, I listened carefully to the speech by my Conservative colleague.

At no point did he mention the debt levels of Canadian families, which are among the highest in the OECD. I would like to hear what my colleague has to say about this.

Are there any measures planned to help families increase their purchasing power? I know that there is talk of a toll bridge, but these measures will not really help people increase their purchasing power.

[*English*]

Hon. Ted Menzies: Mr. Speaker, I appreciate that the hon. member was not here for budgets 2010, 2009, 2008 and many budgets cumulatively since 2006, every one of which his party opposed, but we actually reduced taxes for a Canadian family of four by over \$3,000. That means every family of four has \$3,000 more to spend on what it wants. Whether families spend it on their children or their children's education is their choice. We have taken away the prerogative of their having to send it to Ottawa because we think it is better taken care of in the pockets of Canadian families.

• (1545)

Hon. John McCallum (Markham—Unionville, Lib.): Mr. Speaker, the tax credits that are contained in the budget are non-refundable. That means that the benefit of the tax credit is subtracted from the income tax a person pays. However, a person with a low income who pays little or no income tax would get absolutely no benefit. This means the government has deliberately excluded low income Canadians from any benefit contained within those tax credits. Therefore, in the case of the children's arts tax credit, children of low income households need not apply. They will not get anything. As well, low income volunteer firefighters would get nothing at all.

Regarding the family caregiver tax credit, people who have low incomes or who quit their jobs to stay home to look after someone who is sick and therefore no longer have an income would again receive nothing.

It is unconscionable that Canadians with the lowest income are deliberately excluded from these benefits. I know the minister is a decent fellow, coming from the Progressive Conservative wing of his party. I cannot understand how he could possibly support these tax credits which benefit all Canadians except those with the lowest incomes and the most vulnerable.

Hon. Ted Menzies: Mr. Speaker, I appreciate the accolades from the member opposite. He and I sat on the finance committee and discussed many important issues, including many of the most recent budgets.

In fact, since 2006 when we formed the government we have taken nearly a million Canadians off the tax roll. We have reduced taxes for that many Canadians. We want to help and want to support every Canadian. We have done that. We have reduced their cost of living.

We know that the NDP wants to raise taxes by \$10 billion. I am not sure what the hon. member's party is suggesting we should do.

We believe it is very important to leave hard-earned money in the pockets of Canadians. We have reduced taxes for all Canadians so that they will have an opportunity to participate in these programs we are supporting.

Ms. Peggy Nash (Parkdale—High Park, NDP): Mr. Speaker, the hon. member opposite made one statement that is a little perplexing.

He talked about the New Democratic Party wanting to raise taxes by \$10 billion. Given that we have absolutely no proposals to raise taxes by \$10 billion, can the hon. member explain where this figure comes from?

Hon. Ted Menzies: Mr. Speaker, the number comes from a cumulative effect. In the last Parliament the NDP was supporting raising taxes on businesses for EI. I think the term that was used was “a 45-day work year”, which would cost a lot of money. That would hurt businesses. It would be a tax on Canadians.

The NDP wants to tax the oil sands in my province. I take it personally when the NDP attacks the producer of clean energy in my province of Alberta that generates incredible wealth that is spread across this country. The NDP wanted to put a tax on that. The NDP wanted an iPod tax.

I do not think it is \$10 billion. It is probably higher. I stopped at \$10 billion, but I can go further.

• (1550)

Mr. Mark Warawa (Langley, CPC): Mr. Speaker, it is good to be reminded of good things as well as the low tax programs of the government.

Has the member ever seen a time when the NDP or the Liberal Party have not wanted to have tax increases?

Government Orders

If we look at the GST, when a Liberal member said that we should do something for the people who are struggling with their finances our government promised to lower the GST from 7% to 6% to 5%.

I would ask the member about the history of the NDP. Did the NDP support it? Did the Liberals support it? Has there ever been a tax they did not want to increase?

Hon. Ted Menzies: Mr. Speaker, the short answer is that I do not think the NDP has ever met a tax it would not like to raise. We have some contradictory taxes. The NDP voted not once but twice in the House against lowering the GST for Canadians, which was a very popular measure.

Then in Nova Scotia the NDP increased the GST by 2%. In B.C. the NDP was opposed to the GST. Then it applauded our settling the negotiation with Quebec on the HST.

I rest my case. The NDP loves every tax it can raise.

Hon. John McCallum: Mr. Speaker, as the minister said, it is true that BMO economist Douglas Porter said nice things about the government.

However, he neglected to say that Douglas Porter's boss, Sherry Cooper, the chief economist at BMO, blasted the government, likening it to Herbert Hoover who put contractionary measures in place during the Depression and made the Depression worse. Sherry Cooper says that the government should not make cuts and should not increase EI premiums at this time.

The government is planning a 5.6% increase in employment insurance premiums starting in January of next year. This is a job destroying tax coming in at a time when we are concerned about the risk of a recession and when the global economy is in great turmoil.

How does the minister justify raising employment insurance premiums by 5.6% at this time?

Hon. Ted Menzies: Mr. Speaker, I can quite easily justify a marginal increase in the cost of EI because we decided not to pick the pockets of labour as was done under the previous Liberal government, of which my colleague was a member.

The old adage "When we got there the cupboard was bare" is appropriate for the EI fund. The Liberals managed to take \$60 billion out of the contributions of businesses and employees and squander it on their own political nest egg. That is why we have to get a handle on EI premiums.

Ms. Peggy Nash (Parkdale—High Park, NDP): Mr. Speaker, I would like to add a bit of reality to this debate following on the hon. member opposite.

Let me begin with a recent report published in Toronto, Canada's largest city. It is a report called "Vital Signs". It documents the transformation that is taking place in many Canadian cities but especially in Canada's largest city.

The report talks about a dramatic reduction in quality of life which could affect almost half the population of the city over the next 10 to 15 years. It does offer some good news. It claims that the quality of life for Torontonians is improving when it comes to the environment. Toronto is a healthier city. Its crime rates are lower than ever before,

which is significant. However, it indicates that there are huge challenges which range from affordable housing to public transit.

I want to share a significant point with the members opposite: the gap between the rich and the poor in Toronto and in many other cities is growing. As well, skilled immigrants are twice as likely to face unemployment than workers born in Canada and when skilled immigrants are hired they usually receive about half the annual salary of other workers. During the period of growth from 1998 to 2007, one-third of the income growth across Canada went to 1% of the wealthiest Canadians, those averaging incomes of more than \$400,000 a year. The country is becoming increasingly divided and that is what is playing out in our largest city.

Child poverty rates have increased by more than 40% in one year. As a result of the lack of investment in urban transit and transit infrastructure, lower income residents in Toronto live in what is being called transit deserts. They spend an hour a day on average trying to get from one part of the city to another and spend a greater portion of their income trying to get there.

Canadians need governments for affordable housing, transit, social connections, to get to jobs and for opportunities. Journalist Royson James reported that just when they need it most, our civic institutions and governments are looking to withdraw from the field. In other words, governments are withdrawing money. I use that as an introduction to my remarks.

In spite of the member opposite's glowing report on Bill C-13, this legislation represents what I assume are the government's best efforts to cope with Canada's current economic dilemma, but it is a disturbingly inadequate effort. I want to enter a few facts into this argument.

The government likes to pretend that we are in a recovery, but as this report indicates, two million Canadians would work if there were jobs available for them. The report makes it clear that talk of recovery not only is misleading but is dishonest when it comes to these Canadians who are unemployed or underemployed.

We have a continuing recession in the jobs market. Unemployment is far above what it was in the last recession. Job creation is well below what is needed just to maintain a steady employment. The government claims to have created 600,000 net new jobs, and it keeps repeating that number, but the facts clearly indicate otherwise.

Government Orders

• (1555)

We have seen the addition of barely 200,000 new jobs since before the recession in May 2008, but the labour force has grown by 450,000 since then. Therefore, we are short a quarter of a million jobs just to keep employment steady. This is nothing to brag about, but the government, instead, misleads Canadians rather than have an honest, open debate about where we need to go and how we put plans in place to get people back to work.

[*Translation*]

It is a fact that the job market is currently more fragile than it was before the October 2008 crisis. The unemployment rate has risen to 7.3%, while the number of part-time workers and the number of workers looking for full-time employment have increased very rapidly.

Quality, full-time jobs that allow families to make a living are very hard to find in many regions of the country.

Moreover, the actual unemployment rate, which includes discouraged workers who have left the labour force and part-time workers who would like to be working full-time, was 11.1% in July 2011, a very significant increase over the July 2009 rate of 9.4%.

• (1600)

[*English*]

Youth employment really is a disaster in this country. It really is quite shocking. The fact is that at the high point in May 2008 before the recession, 2.6 million Canadians between the ages of 15 and 24 had jobs, the participation rate was about 67.6% and the official unemployment rate about 11.9%. However, in August 2011, there were only 2.4 million 15 to 24-year-olds employed, the participation rate had fallen three percentage points and unemployment was at 14%.

This means there are almost 127,000 fewer jobs for 15 to 24-year-olds, 127,000 fewer jobs than before the recession. If we take the lower participation rate into account, in other words, a lot of people have just stopped looking, we would recognize that there are about 134,000 fewer jobs at the same participation rate.

Another fact is that the true measure of the jobs deficit for young people compared to May 2008 is about 260,000 jobs that were missing. Of course, another 85,000 young people have joined the labour force since May 2008, so there are even more young people looking for work. There are no net new jobs here, contrary to what the government says, just a gaping hole for young people to fall into and an enormous short and long-term loss to the economy.

[*Translation*]

The IMF recently predicted that Canada's unemployment rate will rise this year and in 2012 because our economy is growing far more slowly than anticipated.

In reality, real GDP growth of 2.5% annually is needed just to maintain the status quo, and growth has been much weaker since the start of the great recession.

It is a fact that economists everywhere have lowered their forecasts with regard to Canada's economic growth. Scotiabank

economists have stated that we are facing a very real possibility that the Canadian economy could be the first to fall into a recession.

The BMO deputy chief economist has noted that even if Canada and the U.S. are able to avoid another recession, Ottawa will not achieve the rate of economic growth projected in the budget.

The budget was based on growth projections that are no longer realistic.

[*English*]

Another claim that the Minister of Finance and the Prime Minister tend to make is that the economic fundamentals of the Canadian economy are great. Let us examine that.

An economy depends on four key economic drivers for growth: private business spending and investment, consumer spending, exports, and the public sector.

The government has pinned all of its hopes on the private sector, spending billions of public revenues on rolling back corporate taxes. The result: very little investment, very little job creation. In fact, Canadian corporations are sitting on \$500 billion in cash rather than spend or invest it. Of that, \$120 billion has come from the government's no strings attached corporate tax cuts. That is \$120 billion.

It is a fact that the combined federal and Ontario corporate tax rates were slashed from 45% in 1999 to 30% in 2010. That is a drop of 15%. Over the same period, investment in machinery and equipment fell from just over 8% to just over 5% of the province's gross domestic product. Therefore, a measure designed to increase investment and productivity in machinery failed. In fact, investment fell even though taxes were cut and we were shovelling over \$100 billion back into corporate profits.

So much for the claim that corporate income tax giveaways boost business investment and job creation. Worse still, the government's response, illogical as it seems, is to just stay the course and waste more money on further tax cuts. Brilliant.

Instead of patting itself on the back because we are doing relatively better than some very sick economies, the government must put in place policies that encourage private sector investment in our economy here at home over the long-term. This budget is full of temporary half measures when long-term strategic action is needed.

We all know what happened to the second economic driver, consumer spending. There is a growing inequality in the distribution of income in this country, and I just cited one study. This is an inequality the government does not seem to worry or care about, but it means that Canadians have had to borrow to spend on essentials, and borrow they have. Canadians have never been more indebted; an average household owes 150% of its income.

Government Orders

We cannot count on overstrapped consumers to get us out of this mess. Consumer spending is tapped out. That is not the solution.

This summer the IMF published a study on inequality. It found that the more equitably incomes are distributed, the longer and more stable are periods of economic growth. The more equality, the longer the periods of economic growth. Even so, this budget does nothing to address inequality in Canada.

As for exports, the third driver, the IMF projects that Canada's balance of payments, deficit, as a percentage of GDP is on its way to becoming one of the worst among advanced economies; worse than that of the U.S. and soon to be worse than Italy or Spain.

The IMF predicts that our current account deficit will reach almost 4% of GDP in 2012. That is a major negative on our economy. However, we would never hear the government mention this piece of bad news.

With business, consumers and exports on the sidelines as drivers of economic growth, that leaves only the public sector. Once again, the government is doing the illogical thing in pursuing austerity, cutting back public services and missing the opportunity of a lifetime to invest in Canada and Canadians.

●(1605)

[*Translation*]

The Minister of Finance is accusing my party of recommending spending—according to him, that is why the European economies are bordering on ruin—without taking into account the role that private sector financial institutions, which are overenthusiastic, played in the impoverishment of our larger trading partners.

However, although the Minister of Finance must be aware of it, he does not seem to understand the difference between investments and expenditures. The NDP is not talking about expenditures; it is talking about investments in targeted sectors to promote job creation and in infrastructure, including roads, bridges, public transit and high-speed Internet. We are talking about investing to train our workers so that they are productive in the new economy, investing in housing, and investing in our children's education.

[*English*]

I attended a meeting recently where a former deputy minister of finance called for a division on the government's books to help overcome the failure to distinguish between investments, investments that create assets and lead to significant returns in the economy, productivity, employment, competitiveness and the public purse, the difference between these investments and spending on things like the government's beloved gazebos and fake lakes that are of little economic value.

The fact is that the Toronto Board of Trade emphasizes that a strong infrastructure foundation is a top priority in ensuring economic competitiveness now and in the future.

In fact, the OECD has concluded that Toronto's lack of transportation infrastructure is the leading drag on the region's global competitiveness. Yet, the bill contains no new investments in infrastructure. It is really shocking.

●(1610)

[*Translation*]

The Conservatives often like to compare the government to a business, as though that were a good thing. However, rare is the business that would cast aside the opportunities available to the government, such as the availability of a qualified workforce, a desperate need for infrastructure across the country, infrastructure that would earn a generous return on investment, and capital available at a rate that is at an almost record low. In similar circumstances, any self-respecting business person would invest extensively, but not this government. The Conservatives do not know how to recognize a good deal.

[*English*]

What we get are missed opportunities to build a world competitive economy with infrastructure second to none to attract new capital investment and to give our homegrown industries a permanent advantage over our competitors, and public policies that would only make the recession and the labour market more severe.

The Conservatives call themselves economic managers. It is a cruel joke.

Here is a bill that they claim would address the problems our economy faces. It would fall so far short of what is needed, it is really embarrassing.

Mr. Flaherty admitted yesterday the Conservatives would maintain their do-nothing approach to the economy. The New—

The Acting Speaker (Mr. Bruce Stanton): Order, please. In fact, there are still two minutes remaining for the hon. member. I just remind her that the mention of other hon. members by name is not permitted in the House.

The hon. member for Parkdale—High Park.

Ms. Peggy Nash: Thank you, Mr. Speaker. Let me correct what I said.

The minister admitted yesterday that the Conservatives will maintain their do-nothing approach to the economy. I am happy to repeat that line, but I am sad that is the approach of the government.

The New Democrat motion calling for immediate action on jobs passed unanimously. Even the government recognized the need for action. That is leadership on the economy, what we have proposed.

The minister's continued inaction shows the opposite: a lack of leadership. Sadly, the Conservatives are out of touch with the needs of so many Canadians, a growing number of Canadians who are falling further behind. Canadian families want action on job creation now, decent jobs that will help them pay their bills, not tax cuts, not tax giveaways that a lot of Canadians cannot even get access to.

Sadly, the budget just does not cut it.

We have a better proposal. We are happy to work with the government to really create jobs and investment for all Canadians.

Government Orders

Mr. Malcolm Allen (Welland, NDP): Mr. Speaker, let me thank the hon. member for Parkdale—High Park for her impassioned speech and laying out for this House what really needs to get done when it comes time to help those who are really vulnerable in our communities.

I remind this House that Henniges Automotive, which used to be General Tire & Rubber Company, then became GDX, just closed in my riding of Welland on Saturday and threw the last 300 workers out of work. There were over 1,500 workers there at one point, not that long ago. Now they are all gone.

However, one of the things that has happened in our region that is of a positive note is the introduction of inter-regional transit; in other words, municipalities in the Niagara region will now have transit for the first time in a very long time. In fact, we would have to go back to my mother-in-law's day, rest her soul, which was many years ago, when they actually had a train system that went between communities.

I would ask my hon. colleague what she thinks the government should be doing when it comes to transit in this country, which seems to be always at the tail end of things, whether it be downtown Toronto and now my region of Niagara, where we are finally going to have an inter-regional transit, where people in Port Colborne, who are seeking employment need to get to my good friend the Minister of Justice's Niagara Falls riding to get a job, but who do not have a way to get there because they cannot afford a car now. Finally, they might have regional transit.

I would ask my hon. colleague to comment on what we need to do for transit.

Ms. Peggy Nash: Mr. Speaker, in my earlier remarks, I spoke about transit deserts in the city of Toronto, huge regions where mainly people of very modest and increasingly low incomes are living, many of whom are newcomers to Canada.

However, even the rest of our transit system is falling decades behind and there are many smaller communities that have no public transit whatsoever for people to get to and from work. What the government needs to do is invest in our economy and in people by investing in public transit. That is not an expenditure. It is not a spending measure. It is an investment that helps grow our economy and helps Canadians from coast to coast.

• (1615)

[*Translation*]

Mr. Pierre Dionne Labelle (Rivière-du-Nord, NDP): Mr. Speaker, I would like to commend the hon. member for the memorable presentation she made about Canada's situation. I know that the other side of the House has the impression that everything is going well. I would like to ask the hon. member a question. Reports by the OECD and the International Monetary Fund say that everything is going well. So, how do we explain the fact that the number of people going to food banks has not stopped increasing since the Conservatives took office? I do not understand.

Ms. Peggy Nash: Mr. Speaker, I would like to thank the hon. member for his question. It is truly unfortunate to see the increasing number of people who are relying on food banks, particularly

children. It is truly terrible. This problem is not one that is unique to big cities; it is a nationwide problem. I have the impression that the government is turning a blind eye to this problem. The Conservatives do not see that most people really do not have enough money to put food on the table and that children, in particular, are going hungry. That is the economic reality of our country. We must take action. We must have an action plan to put people to work.

[*English*]

Mrs. Stella Ambler (Mississauga South, CPC): Mr. Speaker, I heard the member opposite talk about jobs for young Canadians. What does she think about the almost 600,000 jobs that have been created in Canada by the efforts of this government and our concentration on economic growth and creating jobs, and the importance we place on that?

Does the member opposite not understand that some of those 600,000 jobs, in fact probably many of them, 80% of which are full-time, are going to young people and that when jobs are created for all Canadians through economic strength, jobs are created for young people as well?

Ms. Peggy Nash: Mr. Speaker, perhaps my colleague opposite did not hear my entire presentation. In my presentation, I challenged the figures that the government has been publicizing because, clearly, those figures do not reflect the real story.

We have a loss of more than 250,000 jobs just to keep up with the proportion of jobs we had in this country before the recession. I am happy to explain further. I did go into it quite clearly in my remarks and I think the testament to it is that the unemployment rate for young Canadians is twice that of the rest of the population. Therefore, clearly, we need to do much more.

Ms. Linda Duncan (Edmonton—Strathcona, NDP): Mr. Speaker, I thank the member for her comments about the difference between expenditure and investment. Nowhere is this more important than when we consider the need for investment in aboriginal infrastructure.

I tabled a bill in the House today to get the federal government to have a national strategy and work with other parties, including the provinces, territories and first nations governments, to improve literacy. The OECD and a number of right-wing think tanks have been stating that the declining rate of literacy in this country is a major factor. Statistics show that the highest rate of illiteracy is among aboriginal communities and part of that factor is the lack of decent housing, the lack of safe drinking water and the lack of support to schools. In many cases, they do not even have schools.

I wonder if the member could speak to the matter of the need for investment in our first nations communities to ensure they can participate more fully in our economy.

Government Orders

•(1620)

Ms. Peggy Nash: Mr. Speaker, yesterday, we talked about suicide prevention. We heard eloquent speeches about the need for young people to have hope for the future. It is difficult to have hope if people live in extreme poverty, they cannot get proper educations, they do not have running water and they do not see any prospects for a better life. That is what hope is all about. It is up to us to invest in all communities so that young people believe that each and every one of them has a better future.

Mr. Robert Sopuck (Dauphin—Swan River—Marquette, CPC): Mr. Speaker, a couple of years ago, I had the honour to work in the oil sands in Alberta and live at an oil sands camp with many workers. I got to know many of them personally. What I learned from my time in the oil sands is what an incredible job creator the oil sands industry is for this entire country, not only providing direct jobs but many indirect jobs right across the country in manufacturing, sales, marketing and so on. The number of jobs and the value to the Canadian economy is almost incalculable. In fact, I would go as far as to say that the oil sands as an industry is almost carrying the entire country.

Given the economic track record of the oil sands, why is the hon. member's party trying to kill the oil sands?

Ms. Peggy Nash: Mr. Speaker, one of the major challenges in the province of Alberta is that the industry now wants to ship out raw bitumen unprocessed across the entire continent and create refining jobs in the Gulf of Mexico. I would ask why the government would want to ship all these jobs out.

Even more important, why would we not invest money, with the same kind of support, funding and investment, in renewable energy, energy that would create a sustainable economy, grow our economy and help us compete with the rest of the world in a low carbon society?

[Translation]

The Acting Speaker (Mr. Bruce Stanton): Before resuming debate, it is my duty, pursuant to Standing Order 38, to inform the House that the question to be raised tonight at the time of adjournment is as follows: the hon. member for Vancouver Quadra, Employment.

Resuming debate. The hon. member for Markham—Unionville.

Hon. John McCallum (Markham—Unionville, Lib.): Mr. Speaker, I would like to split my speech into two parts.

First, there are certain elements of this bill that we do not agree with, but I would also like to say that this budget is no longer adequate, it is no longer sufficient. What was perhaps sufficient 10 months ago is no longer sufficient because of the global economic crisis. As John Maynard Keynes said, "When the facts change, I change my mind. What do you do, sir?" What he said makes sense. When the facts change, a rational response would be to change the action plan. And the facts have changed dramatically, as I will explain in a few minutes.

[English]

On the first aspect of things, there are five elements of the bill that we take some exception to. The first is the same issue that I mentioned in my question to the minister, that is to say that the tax

credits are all non-refundable. What that means is that the benefits from these tax credits are specifically not given to lower income Canadians. Therefore, we have a tax credit for art, but if people are low income Canadians they cannot get any money for that.

We have a tax credit for home caregivers. If they have low incomes or they quit their jobs and do not have an income to look after an aging parent, they do not get any money. The same applies to low income volunteer firefighters.

We on this side of the House feel that it is unconscionable to have benefits where that explicitly and deliberately excluded those who need it the most, those with the lowest income, those who are most vulnerable. For that reason alone, the Liberal Party will vote against the bill. There are other things we do not like, but that is so unconscionable and so unacceptable that that alone is sufficient reason to oppose the bill.

The second point has to do with softwood lumber. The budget bill would increase export duties on softwood lumber in both Ontario and in Quebec. It would damage this industry. The government, in negotiating an agreement with the United States, actually gave a billion dollars to our forestry competitors, perhaps thinking that that would solve the problem. However, it did not solve the problem. The U.S. has come back and has won a legal decision. Therefore, it seems that this is yet another example of the Conservatives making Canadian forestry producers pay for their mismanagement of the softwood lumber file.

The third point is the hiring credit for small businesses. The government has grossly exaggerated the importance of this. First, it gives with one hand and takes back with another. The thousand dollars is taxable. It never told us that. Also, the size of the business has to be so small that 600,000 small businesses will not qualify. This is a trivial little thing. It is not a bad thing, it is just tiny, and it is dwarfed by the increase of 5.6% in employment insurance premiums, which the government will be imposing as of January 1 of next year.

A fourth point, and the second to last one, is the gas tax transfer. As was previously stated, it would be made permanent at \$2 billion but it is not indexed. I spoke with many mayors on this subject and if it is not indexed, with population growth and inflation, the real value of the money will go down steadily over time. I think it would have been much better if the government had indexed the fund to inflation or to GDP growth, or something of that nature.

Government Orders

Finally, there is the phasing out of the voting subsidies. We do acknowledge that the Conservatives ran the election with this as a part of their platform and they won, so we are not making a fight about them introducing it. However, I do think it is important to remember the history of this. The former prime minister, Jean Chrétien, removed the ability of large corporations to give money and, in return, he instituted this public subsidy. This is a system that I think is practised in much of the western world, so I do not think there is anything wrong with it. All I would suggest is that, in light of the removal of the subsidy, the government might give some consideration to increasing the maximum amount that individuals are allowed to contribute.

Those are five reasons.

• (1625)

[*Translation*]

Those are five reasons why we take some exception to this bill. But there is also the fact that the world has changed.

[*English*]

I ask members to think back 10 months to when this budget was presented. What was the state of the Canadian and the world economy? The stock market was going up nicely. It has now slumped to a bear market. Nobody was thinking about a European banking crisis. Nobody was thinking about Greece defaulting on its debt. Things seemed to be going quite fine in Europe.

Now we have this huge crisis in Europe, a crisis involving the risk of default in a number of countries as well as risk to major European banks.

The U.S. was recovering nicely, as I recall, 10 months ago, and now the U.S. economy has clearly stalled. Now we have seen the dysfunctional politics in the U.S. Congress over the debt ceiling issue. We may have a half-decent plan from President Obama, but the chances of the politicians south of the border agreeing to do anything seem remote. Our Canadian economy actually had negative growth in the second quarter, and, with all of these events around the world, it is at risk of stalling as well.

For these reasons, it makes eminently good sense to change policy when the circumstances change. That is what Keynes said, as I quoted earlier.

Let me quote from three people or institutions that are normally fiscally conservative but that agree with what I just said.

First of all, let us hear the new head of the IMF. Her central proposal to countries was to focus on balancing the books and reducing debt in the medium run, but in the short run to take measures to support jobs and the economy. That is the IMF talking—the IMF, which traditionally has a slash-and-burn attitude to countries in fiscal difficulties.

The second example is from Sherry Cooper, chief economist of the Bank of Montreal. Chief economists are normally fairly fiscally conservative. She blasted the government for taking action to cut the economy at a time of global crisis and economic weakness. She likened the government to Herbert Hoover, who in the 1930s made

the Depression even more depressed by taking fiscally austere measures.

The third example is *The Economist* magazine, a bastion of the free market and fiscal prudence. It said something similar to the IMF, that countries should take actions in the short term to support the economy and jobs while dealing with the balanced budget with a credible medium-term plan.

• (1630)

[*Translation*]

These three—the IMF, the chief economist of the Bank of Montreal and *The Economist*—are normally fiscally conservative. But they all agree that now is not the right time for budget cuts and increases in employment insurance premiums. I think this government should be listening.

[*English*]

What I am saying is that now is not the time to go forward with these increases in employment insurance that the government is proposing to take. A 5.6% increase in employment insurance is not an appropriate policy at a time like this. These are job-killing tax hikes. Yes, at some moment in the future we may have to increase employment insurance premiums, but now is not the time.

Similarly, the government is proposing \$4 billion of cuts through its strategic review.

We are not opposed in principle to finding savings in government. We did that. I was the chair of something we called the expenditure review committee in 2005. We found \$11 billion of savings in government, but those were good economic times. We did not find savings of \$11 billion at a time when the economy was very weak and at a time when the world was in economic crisis.

Timing is everything. I am saying that now is not the time to increase employment insurance premiums. Now is not the time to proceed with this \$4 billion per year of cuts.

I might say, while on the subject of the strategic review and the cuts, that I think the government is making a fundamental mistake because it is not applying what I would call a regional lens. Canada has one of the most centralized bureaucracies in the western world, with a huge concentration in the national capital region. I know from experience that cuts of jobs in the regions are sometimes even more damaging, both in terms of the jobs and in terms of the services provided, than cuts in the national capital region.

Government Orders

I know as well that if the system here in Ottawa has to do cuts, it prefers to cut in the regions and not in Ottawa. I will give one example. I was recently in Prince Edward Island, which was about to lose 60 jobs in an employment insurance processing operation run by Services Canada. This was devastating not only to the small community, which would lose 60 jobs, but also to those applying for employment insurance, because no longer would they have real people nearby to whom they could speak. They would have to call some 1-800 number, and I was told many would have to wait for literally hours on the phone before anyone answered.

It is okay to do expenditure review to improve the efficiency of government. It is a good thing to do, but only under certain conditions.

First, we do not do it when the economy is super weak and already at risk of going into recession, as is the case today.

Second, when we do it, we do it sensitively. We apply a regional lens and we do not make cuts that hurt the most vulnerable in our society, which is what the Conservatives have tended to do.

• (1635)

[*Translation*]

To conclude, there are a number of reasons why we take exception to this bill. The Liberals will be voting against it.

The world has changed dramatically since the budget was introduced, and what was appropriate six months ago is no longer appropriate because of the economic crisis.

[*English*]

Mr. Ed Komarnicki (Souris—Moose Mountain, CPC): Mr. Speaker, I wonder how the member will explain to those who would actually benefit from this budget implementation bill that he will vote against it, more particularly when he says that he does not like the fact that the EI premiums are limited.

We froze the EI premiums during the difficult economic times, but his party's way is different. His party voted for and asked for a 45-day work year that would have added billions of dollars of costs to the EI program, increasing the premiums. As well, when the Liberal Party was in government, it took \$50 billion, give or take, from the EI fund.

Would the member answer this: if the Liberals had not taken those moneys from the EI fund, is it not true that there would never have been any need for an increase in EI premiums?

Hon. John McCallum: Mr. Speaker, I am not sure the hon. member was listening to my speech and I am not sure he knows much about EI premiums, because I do not think his statements make much sense.

The problem is with the government's policy on EI. I agree that in the long run we must balance the EI books. However, the Conservatives' system of balancing it very quickly, over two or three years, carries the consequence that they will be raising EI premiums during a recession, which is absolutely the wrong thing to do.

The Conservatives held off for a year or two by freezing premiums, by overriding their system, but now they are going

sharply up in EI premiums just when the Canadian economy is at greatest risk.

I have spoken to many experts on the EI system. All of them, the actuaries and all the others, agreed that it makes no sense to rebalance the EI books so quickly, because it means that premiums would be raised just at the time when Canadian workers and the Canadian economy are at their most vulnerable.

Ms. Peggy Nash (Parkdale—High Park, NDP): Mr. Speaker, the member spoke about EI premiums and how sharply the government is raising the premiums. The other side of this is that fewer than 40% of unemployed Canadians can actually get access to the EI benefits that these premiums pay for.

Given that the International Monetary Fund reminds us that growth is going down and unemployment is going up, does the member not think that it is time to revisit the level of benefits and access to benefits for all Canadians so that we can restore EI a point of actually providing insurance for Canadians who lose their jobs through no fault of their own?

Hon. John McCallum: Mr. Speaker, I thank my hon. colleague for her point. However, those are two separate subjects.

I stand by what I said: now is not the time to raise employment insurance premiums. I suspect she would agree with me on that issue, but I will not put words in her mouth.

I also agree that there is an element of unfairness with regard to those who receive benefits and those who do not. Coming from Ontario, I recall statistics showing that it was particularly difficult for Ontarians to qualify, so I do think there is potential for reform in the area that she describes.

• (1640)

[*Translation*]

Hon. Stéphane Dion (Saint-Laurent—Cartierville, Lib.): Mr. Speaker, my hon. colleague and I are fortunate enough to have a former minister who has already reviewed a budget in order to create some room to stimulate the economy without creating an even bigger deficit. This government has spent more than any previous government. Even before the recession, it plunged us into a deficit and eliminated the surplus that had been accumulated.

Could my colleague tell us how we would be able to avoid increasing payroll taxes—which certainly should not be done during a recession—and avoid increasing the deficit too much, while carefully managing public finances?

Hon. John McCallum: Mr. Speaker, I thank my colleague for his question. There are certain things that the government could do, but it will probably not do them. For example, it could restore corporate taxes to their previous levels, call for tenders for the fighter jets or refrain from building so many prisons. That way, we could finance some things, but it is not likely that the government will do things that way.

Government Orders

Since a slowdown is inevitable and it is not likely that the Minister of Finance will meet his deficit objectives, if we were to return to a balanced budget a few years later than expected, it would be acceptable in light of economic situation. I think that is what the head of the IMF said.

Mr. Pierre Nantel (Longueuil—Pierre-Boucher, NDP): Mr. Speaker, I wonder if my hon. colleague, who was once a minister of revenue, has any tips or tricks he could share with the current government regarding the speed of adjustment to the new reality. When the facts change, how quickly can one change course?

Hon. John McCallum: Mr. Speaker, I thank the hon. member for his question. The speed at which we should change our course depends on the speed of the changes in the world. The world has changed dramatically. As I already said in my speech, some 10 months ago, everything was fine and people were not nervous; they had confidence. Now the opposite is true. For that reason, I think the government needs to change its course rather significantly and quickly.

Mr. Pierre Dionne Labelle (Rivière-du-Nord, NDP): Mr. Speaker, does the hon. member believe that the purchase of fighter jets without a competitive bidding process constitutes standard practice? Would the member describe it as something that is likely to reassure Canadians regarding this government's management abilities?

Hon. John McCallum: Mr. Speaker, I thank the hon. member for the question.

As a former defence minister, I know without a doubt that we need those jets. The question is not whether or not we should purchase these jets, because we need them to defend Canada, to defend our territory. Rather, the question is whether there should have been a competitive bidding process. I am very much in favour of a bidding process.

The government is not being honest when it ignores the fact that the cost of these jets has doubled and that a competitive bidding process would have saved it at least a few billion dollars. That is what the government should do.

• (1645)

[*English*]

Mr. Ed Komarnicki (Souris—Moose Mountain, CPC): Mr. Speaker, I will be sharing my time with the member for Crowfoot.

I am pleased to speak to this bill regarding keeping Canada's economy and jobs growing, which is the next phase of Canada's economic action plan. It is a plan that will support Canada's economic recovery and promote job creation. It is a plan that will support communities and invest in education and training. It is a plan that will help Canadian families and respect their hard-earned tax dollars.

This bill is a low-tax plan for jobs and economic growth. It is a continuation of the prudent fiscal policy that has been at the foundation of our Conservative government's economic agenda. Our government is focused on what matters to Canadians: creating jobs and promoting economic growth.

While many governments in the developed world are dealing with turbulent financial problems and unsustainable debt crises, as was

mentioned earlier today, Canada has become a leader on the international economic stage. We have the strongest job creation record in the G7. Nearly 600,000 net new jobs have been created since July 2009. We have a renewed AAA credit rating by Moody's. We will have, according to the International Monetary Fund, the strongest economic growth in the G7 over the next two years. *Forbes*, the influential business magazine, has ranked Canada as the best country in the world to do business.

These fundamentals will help us to create jobs and grow the economy as many Canadians want and would expect from us.

While this is indeed positive news for Canadian businesses and the Canadian economy, we must remain cognizant of the fragile economic situation in Europe and the United States. The Canadian economy is mutually connected with the economies of the world. We are not isolated from the potential economic problems that remain outside our borders. That is why we must stay the course and implement the next phase of Canada's economic action plan so that we can continue the positive economic growth and job-creating agenda our government has spearheaded thus far. This new piece of legislation will promote Canadian job creation and economic growth.

With the introduction of the temporary hiring credit for small businesses, we are providing this one-time credit of up to \$1,000 to encourage small businesses to expand their workforces and hire new skilled employees. All of the steps we have taken are to that end to ensure the economy continues to grow and ensure that the jobs are out there. This hiring credit is precisely what small businesses have been calling for and our Conservative government is delivering results. It will encourage small businesses to hire more workers, which will translate into employment insurance savings by lessening the burden on the EI system.

The Canadian Federation of Independent Business has declared this initiative as particularly important and went further to say that it will make it easier for small businesses to create jobs. Indeed, small businesses are the engine of job creation in this country. The Canadian Federation of Agriculture cheered it as well by saying that it welcomes the news for farm operations that are looking to expand.

Our Conservative government is also supporting the Canadian manufacturing sector. We are extending the accelerated capital cost allowance for two years so that companies can write off investment in manufacturing and processing machinery and equipment. This will allow them to grow their businesses and procure top-of-the-line equipment that will bring them to the forefront of international technological innovation. They will do this at a time when it is needed most.

Government Orders

This legislation is also doing more to support local communities. We are legislating a permanent annual investment of \$2 billion in the gas tax fund in order to provide predictable long-term infrastructure funding for municipalities. This is something municipalities have been calling for year after year. They want to know they have this source of funding to do the many projects that are necessary to provide the infrastructure for continued economic growth. We are ensuring that cities and towns support and invest in infrastructure priorities that are important to them.

Our Conservative government supports local input and local decision making. Making this investment permanent and annual will benefit towns and communities in my riding and, indeed, in the many ridings from coast to coast to coast.

Our Conservative government is also enhancing the wage earner protection program so that workers are covered and protected from employer bankruptcy and receivership. This is a program that has been very well received and utilized.

● (1650)

This legislation will also help families by way of the new family caregiver tax credit in the amount of \$2,000 for caregivers of loved ones with infirmities, including for the first time, spouses, common-law partners and minor children.

We all know many people who are faced with the daily struggle of taking care of ill parents, spouses or children and need some additional help. These individuals also have to go to work. They have to pay their bills and send their children to college or university. Through the family caregiver tax credit, our Conservative government is committed to assisting and supporting these caring individuals who have sacrificed incredibly for the benefit of their family.

The Canadian Cancer Society has called this new tax credit:

...a good start in providing more support for all family caregivers.

We welcome the tax credit and other measures in the budget as a step in the right direction.

Our Conservative government also recognizes the economic benefits that come with investing in education and training. We are supporting universities, colleges, skills trades and apprenticeship programs.

The legislation forgives student loans for new doctors and nurses in underserved rural and remote areas. A portion of the federal component of their Canada student loans, \$40,000 for doctors and \$20,000 for nurses, will be forgiven so that these doctors and nurses can practise and support the rural communities of our country that need them the most.

It will not only assist students who are riddled with student debt, but it will ensure that rural and remote communities, communities that form a large part of my riding, get the adequate medical services they deserve and require. This measure has been very well received in my home province of Saskatchewan. Our premier has publicly applauded it by saying:

Doctors in rural Saskatchewan is a huge issue and one that we're dealing with in terms of training seats and expanding the number of countries from where we can attract foreign trained doctors and the physician recruitment agency. But help from the feds is a welcome thing.

This legislation also includes a tax credit for volunteer firefighters. That is why I have some difficulty with those who say they are not going to support the budget, because we are giving benefits to certain segments of society that require the help. How do those members say to those people that they are not going to support them with the benefits that they need at this time?

The credit for volunteer firefighters plays a critical role in their serving of their communities. They put themselves at risk for the safety of their neighbours and the protection of their communities. The least we could do is address their concern.

This legislation recognizes the importance of this life-saving work by establishing a new volunteer firefighters tax credit. This will be a 15% non-refundable tax credit on an amount of \$3,000 for volunteer firefighters. This has been enthusiastically received. In the words of the Canadian Association of Fire Chiefs:

We were delighted with its proposal....This measure will help with the recruitment and retention of volunteer firefighters across the country, which will in turn help protect Canadians and our communities.

This is precisely the kind of thing we should be doing.

The keeping Canada's economy and jobs growing bill helps support Canada's economic recovery. We must be prudent in the way that we approach and manage the Canadian economy so that we can continue on the path of positive growth while at the same time remaining cautiously aware of the potential economic troubles in other countries of the world.

Our Conservative government, through the economic action plan, has maintained steady control of the Canadian economy. Our plan is working and we must continue to stay the course and meet the needs of Canadians as they require from us as a responsible government.

[*Translation*]

Ms. Ève Pécelet (La Pointe-de-l'Île, NDP): Mr. Speaker, earlier, one of the hon. member's colleagues asked our finance critic a question. He said that the oil sands were creating a lot of jobs and that, in fact, the oil sands were stimulating the entire Canadian economy.

I would like him to comment on a situation created by this government—the situation where all of our crude oil is sent to the United States. As a result, thousands of Quebeckers and Canadians have lost their jobs. This is particularly true in my riding where thousands of people lost their jobs because of the closure of two refineries in the past few years. I would therefore like him to comment on this issue.

● (1655)

[*English*]

Mr. Ed Komarnicki: Mr. Speaker, creating the conditions for people to invest is always important. We have lower taxes right across the board to make our country one of the best places for investment to take place.

Deloitte Canada had this to say:

...budget [2012] further cultivates Canada's position as an attractive business destination for global enterprise. By choosing to proceed with planned corporate tax rate reductions, the government sends a signal that Canada is friendly to investment — both foreign and domestic.

Government Orders

In terms of what is happening in the oil sands, the jobs that are created there are jobs for everyone right across the country. For every job that is provided, material needs to be supplied, contractors are required and goods and services need to be done. That is what propels the economy. That is what generates the kind of activity that we need across the country. We must not get in the way of it. We must support it.

Ms. Irene Mathysen (London—Fanshawe, NDP): Mr. Speaker, I noted that my colleague made reference to the temporary hiring credit for small business. I wonder why it is not a permanent hiring credit because, after all, small and medium businesses are the engine of the economy. They do create jobs, whereas the big banks and the big oil companies that have had permanent tax breaks have not created the kind of jobs that the government suggests. Why not make it permanent?

Mr. Ed Komarnicki: Mr. Speaker, this credit helps those who are affected by the current situation and we will deal with the situation as it goes forward into the future.

We not only did that but we also froze EI premiums when the economy required that. If members of the New Democratic Party had their way, they would have increased the EI account by probably \$4 billion or more dollars by some of the things they wanted to put in, like the 45 day work year.

The Liberal Party at one point took up to \$50 billion out of the EI account, which cleaned out the balance. We said that would not happen again, which is why we have decided that benefits must equal the premiums. That is the principle that we have in place. It is a good principle and we will continue with that.

Where there is a need, we will take action to ensure that employers and employees are not overly burdened.

Mr. Bob Zimmer (Prince George—Peace River, CPC): Mr. Speaker, I heard the NDP talking about shipping raw bitumen to our southern neighbours. Does the NDP support increasing our refining capacity in Canada?

I would like to ask the hon. member just how many jobs we have actually created through the economic action plan.

Mr. Ed Komarnicki: Mr. Speaker, despite what was happening in other parts of the world and despite what was happening south of the border, we were able, through our economic action plan and the steps we took, to recoup the jobs that were lost because of the economic uncertainty. In fact, over 600,000 net new jobs have been created since 2009 and many of them are full-time, meaningful jobs.

We invested billions of dollars with respect to skills upgrading and training during that difficult time so people were well positioned, not only to return to jobs but to return to better jobs to ensure they could earn a decent wage and support their families.

Mr. Kevin Sorenson (Crowfoot, CPC): Mr. Speaker, it is a real honour to again stand in this House and speak on behalf of the constituents of Crowfoot to Bill C-13, Keeping Canada's Economy and Jobs Growing Act.

The legislation that we are debating today introduces our Minister of Finance's key elements of the next phase of Canada's economic plan, a low-tax plan for jobs and growth.

My constituents of Crowfoot know that our Conservative government is focused on creating jobs and promoting economic growth. Under the leadership of our Prime Minister, Canada has the strongest economy and the strongest job growth record in the G7. We have created nearly 600,000 net new jobs since July 2009.

The International Monetary Fund, IMF, projects that Canada will continue to be among the nations with the strongest economy and the strongest economic growth in the G7 over the next two years.

However, Canada is not immune to the global economic turbulence. Bill C-13 provides our government with the means to stay the course and implement the next phase of Canada's economic action plan.

One of the features of Bill C-13 is a temporary hiring tax credit for small business. It would make it easier for small businesses to hire workers or enhance wages. This is precisely the kind of measure that Canadian workers need at this time. This would create new jobs and help save the jobs presently had by the workers across this country.

Hard-working, tax-paying Canadians raising their families need stable and predictable employment to see them through this difficult economic time. The keeping Canada's economy and jobs growing act would help support Canada's economic recovery.

I just want to touch on a couple of highlights of Bill C-13.

First, it would expand tax support for clean energy generation to encourage green investments. According to what opposition members have said today, they will vote against that, the opportunity to enhance green investments and clean energy generation.

Second, the bill would extend the mineral exploration tax credit for flow-through share investors by one year to support Canada's mining sector.

I had the privilege in the past Parliament to chair the Standing Committee on Foreign Affairs and International Development. At that committee, we studied a number of bills, such as Bill C-300 and others. I know that the Canadian mining sector contributes over \$300 billion to Canada's GDP each year and over 300,000 Canadians are employed in the mining industry.

The mining industry stimulates and supports economic growth, both in large urban centres and in remote rural communities, including numerous first nation communities across the country. However, again, the opposition members say that they will not support that.

Government Orders

Mining accounts for 19% of Canadian goods exports and \$5.5 billion in taxes and royalties paid to the federal, provincial and territorial governments. The industry also generates considerable economic spin-off activity. There are more than 3,200 companies that provide the industry with services ranging from engineering consulting to drilling equipment. In addition, over half of the freight revenues of Canada's railroads are generated by mining.

Many Canadians are not aware of the large role that Canada's mining sector plays in our economy. However, it is important to nurture Canada's mining industry.

Bill C-13 also would simplify custom tariffs in order to facilitate trade and lower the administrative burden for all businesses.

Most Canadians do not know that Canada is a nation built by trade. We do more than \$1 billion a day in trade flowing over the Canada-U.S. border. While many Canadians understand the important role of trade, they do not realize that trade just with the Americans amounts to \$1.8 billion a day.

Since 2006, our Conservative government has been working diligently to boost Canada's access to markets, not just across the border with the neighbours closest to us, but all around the world, and we are having success.

● (1700)

I look in the House today and I see our agriculture minister who has been working hard at his desk here all afternoon. I commend him and our trade minister for the amount of work they have done around the world to open new markets and give, whether it is our agriculture sector or our manufacturing sector, the opportunity to market their goods in many of those countries. Yes, we are having success.

The agriculture producers, the farmers, who I represent work hard every day to take advantage of the opportunities that the Minister of Agriculture and the government are providing. We could feed the world from where I come from in Alberta and from the west, so we welcome all customers, and that includes the new customers. The more the merrier. We pledge to fill all the orders that our Minister of Agriculture and our Minister of International Trade can find for our agricultural sector.

The bill would extend the accelerated capital cost allowance treatment for investments in manufacturing and processing machinery and equipment for two years to support the manufacturing and processing sector. Bill C-13 would extend this well received measure from one of our previous budgets. Our Minister of Finance has been fighting the effects in Canada of the global economic recession since 2009. Canada's manufacturing and processing base has been using this measure to create and save jobs. They still want this accelerated capital cost allowance and our Conservative government is glad to give it and to be in a position where we can allow it to continue.

We are eliminating the mandatory retirement age for federally regulated employees in order to give older workers the option of staying in the workplace. We know that Canadians are healthier and they are living longer than ever before in our history. In economically difficult times, older workers sometimes want to choose to stay working for another year or two and make some extra money for

their families or for themselves in their retirement. This contributes to economic growth. Older workers have a great deal to contribute and our government is giving them the go-ahead. However, it sounds like the opposition will be voting against it.

There is a very important initiative in Bill C-13 for the constituents in my riding. The government would provide a permanent annual investment of \$2 billion in the gas tax fund to provide predictable, long term infrastructure funding for municipalities. Unlike the Liberal governments of the past, our government has returned gas tax revenues to jurisdictions where they were raised. We deliver these revenues to local jurisdictions earlier in the year than ever before so they can plan for the building in the summer season. This allows local governments to free up other funds in their budgets and get more accomplished through the calendar year.

In my riding of Crowfoot, we have many small county municipal governments and they rely on these funds. When I attend those council meetings, they let us know how much those funds are needed and appreciated. In some cases, the amounts of revenues in small villages or communities seem small but it makes projects possible and it allows small communities to grow when it spurs on local employment.

There are a number of other initiatives in Bill C-13 for creating and saving jobs and helping Canada's economy. Over the course of the debate on this bill, other speakers from this side of the House will detail some of these initiatives.

Bill C-13,, as already mentioned by the member for Souris—Moose Mountain, introduces the volunteer firefighters tax credit for volunteer firefighters. When the opposition talks about tax credits for those who do not need it, well we are talking about the volunteer firefighters of my constituency.

The bill would increase the ability of Canadians to give more with confidence to legitimate charities by introducing a package of integrity measures designed to help combat fraud and other forms of abuse. I know that the people in my riding are very charity minded. My constituents are generous and engaged in many charitable projects. They appreciate this initiative to ensure their efforts are not in vain.

Bill C-13 has help for families. It introduces the new family caregiver tax credit to assist caregivers of all types to help with dependent relatives.

This is a good bill. I appreciate the number of opposition members who have been here to listen to the debate today.

● (1705)

When we are in opposition, it is not always about opposing. It is about standing up and supporting families in tough times in the economy. We would appreciate members' support.

Government Orders

[*Translation*]

Mrs. Sadia Groguhé (Saint-Lambert, NDP): Mr. Speaker, I would like to thank the hon. member for his remarks.

In my riding, families are becoming increasingly poor. They are making use of food banks on a regular basis. This is a phenomenon that is becoming more common everywhere in Canada. While the Conservatives are saying we have the strongest economy, I believe that we have an economy that is creating more and more difficulty for families.

Could the hon. member explain why, despite tax reductions, more and more families are struggling? Also, what does this bill do to end unemployment among young people?

• (1710)

[*English*]

Mr. Kevin Sorenson: Mr. Speaker, I want to thank this new member for her question. I have watched her across the way today. She has tried to stand on a number of occasions and I am glad she had her opportunity today.

One of the things that our government is committed to doing in the new part of this budget implementation, Bill C-13, is to get rid of the taxpayers' funding of political parties, the millions of dollars that go to the NDP, the Liberal Party, the Bloc, and to all parties. We are saying it is time that political parties raise their own funds to free up all these millions of dollars to invest in families and put back into cutting taxes and creating jobs.

The member talks about many of the families in her riding who are without and do not have a job. It allows us the opportunity to create jobs for these families and to ensure there is a breadwinner in those homes and in those families.

Mr. Kevin Lamoureux (Winnipeg North, Lib.): Mr. Speaker, the member was talking about the benefits of trade with the United States. Over \$1 billion a day is cited. We have President Obama and many other American politicians now promoting and saying "buy American". At the same time we have a Canadian Prime Minister, though many would suggest a "governor" might be more appropriate, who says not to worry about buy American, we will go ahead with the perimeter security deal and it is no problem as we will affix our signature and allow that to go forward.

Given the member's speech and how he has recognized the importance of trade between our two countries and what is happening with the buy American, why would his Prime Minister not hold fast in terms of signing off on the perimeter security, so we can protect our economy and those hundreds, if not thousands, of jobs that are dependent on that trade that he talked about so much in his speech?

Mr. Kevin Sorenson: Mr. Speaker, to the contrary, the Prime Minister has been very clear and our Minister of Finance, who was elected the greatest finance minister in the world, basically, have said just the opposite. They have said that now is not the time. An economic global downturn is not the time to begin protectionist efforts. I think that message has been given to the Americans. It has been given to every country around the world. It is the time for us to enhance trade. It is not the time to circle around and look inward and say we are only going to deal within.

In fact, even as we speak, the chair of the international trade committee and the Parliamentary Secretary to the Minister of International Trade are in the United States sitting down with Congress, sitting down with key players and spreading the exact message that this member from Winnipeg talks about. I agree.

I will tell members what we will not do. We are not going to get caught up in the same thing and say we are going to negotiate this and until they do we are going to cut them off here, cut them off there, no more cattle going back and forth, no more energy going. We are not going to tie our trade. We are going to enhance our trade because that is where the answer to getting out of this economy is, especially for Canada, that is so dependent on exports.

• (1715)

[*Translation*]

Mr. Thomas Mulcair (Outremont, NDP): Mr. Speaker, I am pleased to speak to Bill C-13, An Act to implement certain provisions of the 2011 budget.

[*English*]

It is always interesting in a context to hear what the governing Conservatives have to say. The member who just spoke was quite interesting at the end. He said, "This is how we are going to get out of this economy". I think he is quite right. We once had a balanced economy in Canada and the Conservatives have been taking us out of that balanced economy.

I believe what he was trying to say is that this is how we will get ourselves out of these economic problems. But in fact, what the Conservatives are doing with the Americans is a continuation of a series of mistakes that they have made in international trade over the years.

The North American Free Trade Agreement was supposed to set a certain standard for reciprocity. Instead, when the Americans came to rough times, they established for themselves buy America programs, which is a flagrant violation of the North American Free Trade Agreement. However, the governing Conservatives have turned out to be a bunch of pushovers. They do not even stand up for what has already been signed that would have been in Canada's interests.

Last week, we had another example, with the Keystone pipeline. Instead of providing that we would apply the normal rules of sustainable developments, such as internalization of costs and polluter pay, they are going to export jobs without adding any value here. It harkens back to a day when we used to export raw logs to the United States and then import furniture. That is the same kind of economy that they want us to have today. That is their lack of vision.

Governing is about vision. Governing is about establishing choices. We have heard them have a series of consultations over the past three years about pensions. We often hear them say that it is not fair that people in trade unions should have good pensions. It is what we call in French "le nivellement vers le bas", we are going to bring everything down to the lowest common denominator instead of bringing everyone up.

Government Orders

A country as rich as Canada should not let people who have worked all their lives arrive at retirement age without a proper pension. Instead of removing the pensions, as they are now doing and fighting case by case to remove pensions as collective agreements come up for negotiation, we should, together, be fighting for a fair deal for all Canadians and a proper decent pension, because that is also part of sustainable development. Otherwise, the young generation of today is going to be stuck with that bill also.

The Conservatives, by their choices, are now leaving the largest environmental, economic and social debt in our history, and they are leaving it in the packsacks of the young people who are in university now and telling them that they do not have a choice, that they cannot do anything about it, and that is the only way things are going to be.

They have provided tens of billions of dollars in tax reductions to Canada's richest corporations, in particular, the chartered banks and the oil companies, and they have so little to show for it. They have this little piecemeal approach: they are going to announce this thing here and this thing there. Overall, their approach to the economy has been damaging.

What they have done, and it has been documented well by Statistics Canada, is the same mistake that has been done in other countries over the years. In Holland, in the 1960s, when large sources of gas were found off the coast, it was quite pleased. The Dutch said, "This is going to bring in a lot of money from other countries". They were never so right. However, at the same time, the guilder went through the roof and their exports dropped because other countries could not afford to buy their products.

That is the same thing that we are doing now. We are bringing in an artificially high number of U.S. dollars into Canada. Why artificially high? Simply because we have never internalized the environmental costs; a basic principle of sustainable development.

By doing that, we have brought the Canadian dollar to heights that it has not seen in decades, and that has killed off our manufacturing sector. Just in Ontario, over 250,000 good paying manufacturing jobs have been killed by the choices of the Conservatives. In Canada, the total number is closer to 500,000 manufacturing jobs lost.

That is why we say that they have destabilized the balanced economy that Canada had built up since the second world war, with the different sectors: the primary sector, with our forests and our mines, the manufacturing and processing secondary sector, and of course an important service sector.

However, as those good paying manufacturing jobs are being killed off, not only are we leaving, because of the errors of the Conservatives, the biggest debt in our history, in terms of the ecology and the environment, we are also leaving year by year, now, the largest economic debt.

Mr. Speaker, I am going to be splitting my time with my friend and colleague, the member for London—Fanshawe.

That is the essential error that the Conservatives have committed since they came to power nigh six years ago. They have had nothing but concern for how quickly they could exploit the tar sands.

● (1720)

Let us not make the mistake of throwing out the baby with the bathwater. No one who realizes the importance of that industry in our economy would say we should ever shut it down outright. People who are calling for that are not thinking any further than the end of their noses. We cannot say we will stop an industry that represents such an important part of our GDP.

What we can do is apply basic principles of sustainable development to that industry. It would have a salutary effect on what we just described, in other words, this artificially high Canadian dollar because of the large number of U.S. greenbacks that we have taken in. That is artificially high, as I say, because we have not included the real costs. We are leaving the costs for cleaning up the soil, the water and the air to future generations. That is the environmental debt, and the tar sands is but one example.

When we realize that Keystone is but one of several pipelines that have been rapidly approved by the Conservatives, others would be the Alberta Clipper, Southern Lights, there are several that have been approved, each of those pipelines is exporting at the same time tens of thousands of jobs. We are in such a rush to get the raw bitumen into the pipeline that we do not even realize that all the processing, manufacturing and transformation will take place south of the border. They will be making more money and getting more jobs from our raw resources than we are ourselves.

That is a fundamental economic error that the current government is making and one that shows where the its priorities are. The concrete result of that is a little bill like Bill C-13, where we have a sprinkling here and a sprinkling there. It is trying to show that there is some activity.

The real world is that an existing infrastructure, a federal obligation, a federal infrastructure like the Champlain Bridge in Montreal, we learned today, will now be a toll bridge. This is the same bridge that is used in an agglomeration of over four million people. It is not just important as part of the lifeblood of the island of Montreal and the greater Montreal area, it is extremely important for all of eastern Canada. When trucks come through from Toronto or points west going to the Maritimes, they all go through Montreal, through the island and over the Champlain Bridge. That infrastructure is a crucial economic infrastructure for all of Canada.

We found out today that because the Conservatives have given away tens of billions of dollars of taxpayers' money to the banks and the oil companies, hard-strapped families who have trouble making ends meet, who have trouble getting to the end of the month with what they have, will now have a new bill, a bill that will be slapped on them by the Conservatives because there is no money left. They will have to pay for something that was a public infrastructure that will become a private property. It will become for profit and the public will again be stuck with the bill. Again, the result of choices by the Conservatives.

Government Orders

[*Translation*]

This is a clear illustration of the errors committed by the Conservatives. They have been committing the same error for six years. The failure to apply basic principles of sustainable development has caused us to import an artificially high number of U.S. dollars. As a result, the value of the Canadian dollar has increased and it is more difficult for our manufacturing companies to export because our exports have become too expensive.

We are in the process of committing a well-documented error made in the Netherlands in the 1960s, when they discovered large gas deposits. The term “Dutch disease” is used to describe what happened.

The Conservatives preferred—it was their choice, their priority—to give tens of billions of dollars in tax cuts to corporations and the clear result of that is that families who are already unable to make ends meet are being taxed again in the form of a royalty that would be paid to the private partners who are going to build the new Champlain Bridge, when that infrastructure, which is vital to the economy in eastern Canada, is currently being used free of charge by the people who live on Montreal's south shore.

That is the Conservative approach at work. The Conservatives can stand up and pat themselves on the back and claim that their Minister of Finance—just listen to what the Conservative member who spoke before me said—was voted the greatest minister. Get real. That does not exist.

We believe that the Conservatives have made serious mistakes in the choices they have made and their choices are having an adverse effect on the Canadian economy.

Ms. Charmaine Borg (Terrebonne—Blainville, NDP): Mr. Speaker, I thank my colleague for his speech and for talking a little about university students.

I will attempt to explain for my colleagues the reality faced by my generation. We are told that we are lucky to be working. We come out of university with debt and we are told that, not only are we lucky to have a job, but that we are lucky to have a full-time job because they are becoming harder to find. Full-time, permanent jobs, with a pension and benefits, are disappearing and youth unemployment is rising. I would like my colleague to comment on that.

• (1725)

Mr. Thomas Mulcair: Mr. Speaker, my colleague has raised a very important point. In fact, these 500 well-paid jobs that allow a family to make a living and that come with a pension are disappearing. They are being replaced by precarious, lower-paying jobs that are often part-time, especially in the service sector. That is the reality.

Although we respect the people in these jobs, the pay is not enough to raise a family and there is often no pension. For that reason we are saying that another social debt is being added to the burden of today's students. Sustainable development takes into account environmental, economic and social aspects, which contribute to the social debt being left to future generations. That is a mistake.

Ms. Ève Pécelet (La Pointe-de-l'Île, NDP): Mr. Speaker, I would like to hear what my colleague has to say. The Conservative member

who spoke before him talked about investments in green energy with respect to the oil sands. I would like the member for Outremont to talk to the House about the government's new policy on the Keystone project and on its new policy for the mass export of our oil to the United States. With this policy, we will not be able to profit from our own natural resources because we will be required to buy back the refined oil from the United States, which means that it is impossible for us to invest in green energies. Furthermore, this policy for the mass export of our oil will lead to the loss of thousands of jobs for Canadians and Quebeckers in my riding and elsewhere.

Mr. Thomas Mulcair: Mr. Speaker, the member for La Pointe-de-l'Île raises a point she is very familiar with. The closure of the Shell refinery in Montreal has contributed to this massive loss of jobs. Regarding the Keystone project, the Conservatives are telling us that we do not need to do the refining here because we do not have the refining capacity, so we will send it to the United States, along with all of the associated jobs. That is utter nonsense.

In fact, we did have a refining capacity. Today they are saying that they want to invest in green energies, but where is their plan to protect the jobs at the Shell refinery in La Pointe-de-l'Île? They do not have one. They have no vision for clean and renewable energies, no vision for job creation, and certainly no vision for Canada's future energy security. Shame on the Conservatives.

[*English*]

Mr. Bob Zimmer (Prince George—Peace River, CPC): Mr. Speaker, I would ask the hon. member to clarify the NDP position on refining capacity in Canada. Is the NDP policy to increase refining capacity in Canada? If that is the case, I would like to know.

Mr. Thomas Mulcair: Mr. Speaker, the astonishing thing with the Conservatives is that they fail to realize what we have. The member for La Pointe-de-l'Île went through the shutdown of one of Canada's most productive refineries, the Shell refinery in eastern Montreal.

The argument the Conservatives put forward is that there is no refining capacity. That is a falsehood. There is refining capacity. Instead of using Canadian refining capacity that exists, we are shipping the raw bitumen to the U.S. We are shipping out the jobs by the tens of thousands per pipeline and they have approved several pipelines. We are going back to an era where Canada exported raw logs and imported furniture. This is the mentality of the Conservatives: nothing for Canada, everything for the oil companies, nothing for future generations.

Ms. Irene Mathyssen (London—Fanshawe, NDP): Mr. Speaker, this budget implementation bill we are debating is disappointing.

Government Orders

We need a budget that is creative, has foresight, and addresses not only the needs of today but the needs of the future. It is crucial that we build a sound budget that will help promote and create jobs today, and a budget that addresses the needs of our aging population and the fiscal challenges that poses.

With its continued focus on corporate tax cuts instead of job creation, this budget is not what Canadian families need right now, or ever. The Conservatives have no workable plan for fixing front-line health care, strengthening public pensions, rewarding businesses that create jobs, or introducing practical measures to take the strain off the family budget. The government's budget does not forward the initiative to lift every senior out of poverty.

I would like to remind the Minister of Finance that my motion which passed unanimously in this House in June stated:

That, in the opinion of this House, ending seniors' poverty in Canada is fiscally feasible, and, therefore, the House calls on the government to take immediate steps to increase the Guaranteed Income Supplement sufficiently to achieve that goal.

This budget implementation bill has failed to take that motion into account despite its unanimous passage. It seems that the government is only willing to pay lip service to democracy and the seniors struggling to make ends meet.

The government agenda is clear: go full steam ahead and cut \$11 billion from programs and services Canadians rely on, underfund important programs, and continue to cater to big business with corporate tax cuts.

I wish to be clear. The money was readily available. We had the money to lift seniors out of poverty in the present and the money to address additional expenses the government will face in the future as our population continues to age. Instead of investing in Canada, the Conservatives chose to saddle the treasury and Canadians with corporate tax giveaways that will not guarantee one new job.

The Conservatives will continue with their corporate tax giveaways. On January 1, 2012, they will hand over an additional \$2 billion to the most profitable corporations. Let me say that figure again, \$2 billion.

The Parliamentary Budget Officer's mandate is to provide independent analysis to Parliament on the state of the nation's finances, the government's estimates, and trends in the Canadian economy. The Parliamentary Budget Officer's analysis found that the corporate tax cuts will cost the government \$11.5 billion over three years, \$11.5 billion with no guarantee of a single new job. Imagine the help to poor seniors and the supports for job creation \$11.5 billion could achieve.

Jobs are a priority. They are a priority in my riding. London has the highest unemployment rate in Canada. It has been repeatedly hit with the downturn in the manufacturing sector, changes in the insurance industry, and of course, the collapse of the North American auto sector.

This budget does very little to help Londoners recover from all the job losses in our community. There are no specific measures to help the automotive sector, no plan to help families hit with rising costs due to the HST, and no changes to EI to help ease the burden on families struggling to find work. Over the next five years EI

premiums will exceed benefits by \$15 billion. We can afford to help unemployed workers and their families.

I know federal development Ontario has \$20 million over the next two years to renew the eastern Ontario development program, but that money is spread all over the region. I worry that Londoners in southwestern Ontario will again get the short end of the stick.

I would like to add that Londoners are not the exception. Despite the Conservatives' claims around job creation, we have 300,000 more unemployed people since before the recession. I would point out that the overwhelming proportion of jobs created were part-time.

● (1730)

The number of involuntary part-time workers is now over 500,000. A person cannot raise a family on part-time work. A person cannot save for retirement on part-time work. A person cannot stimulate the economy on part-time work.

I repeat, the budget fails to make life more affordable for London families still struggling to recover from the effects of the recession.

The tax breaks to big business are a frightening precedent. It means a serious decrease in revenue for the federal government of close to \$12 billion and will have profound ramifications in the future. This forfeited money is needed to address the decreasing tax base as more and more of our population become seniors and begin to retire. This presents a very real problem as the amount of revenue for the government decreases while demand for services continues to rise.

Those who are seniors today will not benefit as they should from the budget. The government heralds its increase to the guaranteed income supplement, yet that money is nowhere near enough. The budget provides \$300 million per year for a small increase to the GIS: \$600 for single seniors and \$840 for couples. This is less than half of what New Democrats asked for and it will not come close to pulling every Canadian senior out of poverty.

Government Orders

The government's solution to seniors' poverty and seniors' access to resources is to offer tax breaks and trumpet the new horizons program. Both fall far short of what we really need: investment in home care; investment in pharmacare; increased access to resources; appropriate and affordable housing; and investment in geriatric studies. Investments in our community and in our families are what we need, not corporate tax breaks.

Most seniors cannot afford to cash in on the promised tax breaks in the budget because they do not earn enough. I am not sure how to make this any clearer to the members sitting opposite. The people who are struggling the most—seniors, single mothers, those who have lost their jobs—are the people for whom the government should provide help. The government has an obligation to help. Tax credits are of little use to the unemployed, the working poor and those struggling on pensions. They do not have the money to spend to get the credit, or they do not pay enough in taxes to qualify.

The new horizons program is the only investment the government is making in our seniors. There is so much more and much smarter ways to invest tax dollars to ensure our seniors are lifted out of poverty, have access to resources available to them, and are able to choose where they want to live. Dignity in retirement should be a right, not a privilege.

Our actions now will have an impact on how we treat our seniors in the future. If we fail to invest and make plans for the aging population, it is our own retirement that will be in jeopardy. Future seniors will not have the choice to age in their homes, will not have access to the care that is required.

There are many low or no cost ways to address seniors' poverty and these can be found in the government's own reports. In 2005, the National Advisory Council on Aging published its report, "Aging in Poverty in Canada". It made many recommendations.

It recommended that the federal government increase the guaranteed income supplement to at least the low income cutoffs recognized by Statistics Canada.

It recommended that the federal government continue to increase its efforts to reach the number of people eligible for old age security and Canada pension plan benefits but who fail to apply for them.

It recommended that the government make public the number of eligible seniors who have not applied for the various program benefits and allow full retroactive benefits, plus interest, when someone applies late under the Canada pension plan since it is a contribution-based program.

It recommended that the federal government cease suspending guaranteed income supplement, allowance and survivor allowance benefits when tax returns are filed late or when renewal forms are not submitted. It recommended that the federal government instead increase its efforts to encourage renewal by sending reminders over a six-month period before reducing monthly benefits by 10%.

It recommended that the federal government allow seniors to earn an income of 10% of the benefits received by the old age security program before reducing the guaranteed income supplement and the allowance.

It recommended that the federal government and other levels of government increase their financial investment in social housing for seniors. It recommended that governments need to ensure that accommodation rates for residents of long-term care establishments do not exceed current market prices for similar room and board services in the local community.

It recommended that the government must also ensure automatic and compulsory sharing of pension rights under the Canada pension plan, employer pension funds, and retirement savings plans following divorce or legal separation.

In conclusion, by investing in our seniors now and by investing in job creation for all Canadians, we will be helping not only today's seniors but the people of the future.

● (1735)

[*Translation*]

Ms. Ève Pécelet (La Pointe-de-l'Île, NDP): Madam Speaker, I would like to commend the hon. member for her speech.

In fact, the mistake that the government made here is that it invested in only one sector of the economy, the private sector. Indeed, we find this very surprising. As the hon. member said, the government provided \$2 billion in tax credits to large corporations. For several years, the government has been giving large corporations more and more money. As a result, the coffers of these companies are full, but billions of dollars have been lost that could have been spent to help youth, seniors and families, particularly since the OECD has found that Canadian families have one of the highest rates of debt in all the OECD countries.

I would therefore like the hon. member to comment on the government's economic policies and the impact they will have on our families, seniors and youth.

● (1740)

[*English*]

Ms. Irene Mathysen: Madam Speaker, one of the things the present government and its predecessor seem to have forgotten is that Canada was built on a balance of public and private investment.

We see private investment in commodities, which, interestingly enough, is not benefiting us at this point. We see investment in the public sector in the health care and services that people need. That balance created a strong economy.

We are going to see a reduction in public services as a result of this budget. That reduction, as well as the cost-cutting we are going to experience over the next few months, is going to disrupt that important balance. It also means that the people who depend on those services will be lost. Seniors and young families will not be able to access the kinds of services they need.

Mr. Kevin Lamoureux (Winnipeg North, Lib.): Madam Speaker, one of the questions that it would be good to get a New Democrat response to is with regard to trade between Canada and the United States. I have posed this question before.

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The United States is talking a lot about buying American. I am trying to get an understanding of where the New Democrats are on those types of policies.

Inside the House of Commons I would hope they would recognize that the buy American policy is to the detriment of thousands of jobs here in Canada. However, the leader of the NDP in the province of Ontario is promoting a “buy Ontario” policy.

Does the member see that as a contradiction? Does the buy American hurt jobs—

The Deputy Speaker: The hon. member for London—Fanshawe.

Ms. Irene Mathysen: Madam Speaker, there has been a tradition in this country of provinces making sure that they spend their money locally. I believe absolutely in fair trade; however, the NAFTA of 1994 was certainly not helpful in that regard.

I introduced a bill in this House called the Made in Canada Act. It was meant to address the issue of the buy American policy. It was NAFTA compliant, but it said that when governments procure, they should procure locally to create jobs. The Conservatives and Liberals voted against it.

When we come to buy American in this round, I think it is fascinating that on the last round, when we were at the end of the stimulus, the Americans got access to \$30 billion of Canadian stimulus. We got access to \$3 billion. That is the Conservative government.

Mr. Bernard Trottier (Etobicoke—Lakeshore, CPC): Madam Speaker, I hear a lot of comments about squeezing private sector companies, especially banks and oil companies. Of course, all other companies would get the squeeze too if the NDP tax hikes were to be implemented.

Can the member not appreciate or admit that our plan to reduce taxes on corporations, including banks, oil companies, manufacturers and everybody else, is the way to stimulate growth, stimulate investment and create jobs in this country?

Ms. Irene Mathysen: Madam Speaker, absolutely not. Last year there were \$22 billion in profits to big banks, and \$11 billion of it went to CEO compensation.

We know that big oil gets all kinds of tax breaks from the government. The last time I went to the pumps, I did not see any need for big oil to receive the largesse of the taxpayer.

• (1745)

Mrs. Cheryl Gallant (Renfrew—Nipissing—Pembroke, CPC): Madam Speaker, I will be splitting my time with the member for Leeds—Grenville.

As this is my first speech in the new Parliament, I am pleased to thank the smart voters of Renfrew—Nipissing—Pembroke for once again allowing me the privilege of representing their interests in the Government of Canada. I pledge faithfully to represent their interests to the best of my ability.

I congratulate the Prime Minister for the leadership role he has played in the good governance of Canada, a skill that continues to be acknowledged by thoughtful Canadians and the international community.

I will also to take this moment to thank my family. My husband Jamie and daughters Chantal, Lauren, Ellyse and Amelia stood by me during the election, and I thank them for their love, support and patience.

I also thank the people who came out to campaign during the election. I owe them tremendous thanks from the bottom of my heart. I can assure them that their generosity will be remembered.

I wish also to take this opportunity to salute the women and men at CFB Petawawa, which is located in my riding of Renfrew—Nipissing—Pembroke. I gratefully acknowledge the support they have given me since I was first elected in the fall of 2000 and most recently in the last election. The message I receive from our military electors in every election in which I have been a candidate has been clear and short: “Keep fighting. We need you”. I thank them for their support and I will not let them down. I have their back.

The legislation we now have before us, keeping Canada's economy and jobs growing act, is all about the people in my riding of Renfrew—Nipissing—Pembroke. They are those who make a living off the land, be it farming or forestry. Many of the traditional sources of employment, such as the working forest, are under severe stress, and I am here for them.

I have to pay special thanks to the Minister of International Trade and the Minister of Agriculture and Agri-Food for addressing the unique problems we have in our community with the forestry industry.

Unlike when I was first elected back in 2000, when there were only two MPs in the Conservative caucus to represent all of Ontario, today there is a large, strong and vibrant Ontario caucus. I look forward to working with my many new caucus colleagues to make sure the interests of Canadians, particularly in rural Ontario, always have a voice.

As the MP for Renfrew—Nipissing—Pembroke, a sprawling rural riding in the Upper Ottawa Valley in eastern Ontario, I depend on Valley residents and their common sense approach to life to guide me in Parliament.

I am in good company when it comes to taking this approach. Valley wisdom was recognized by the most electorally successful Conservative premier of Ontario, Leslie Frost, when he would recount his favourite story about a judge in the village of Killaloe objecting to the pleas of a big city lawyer in his courtroom. He stated, “What you say may be in all them books, all right, but it ain't the Law of Killaloe”. Too often today, with the rise of more government and the myriad laws and regulations that are the result of too much government, decisions lack the element of common sense Judge Dunlop was dispensing from his rural courtroom in Killaloe.

Canada's economic action plan, a plan that was approved by an absolute majority of voters in my riding of Renfrew—Nipissing—Pembroke, is imbued with the same common sense. For example, unlike the official opposition, we recognize the simple fact that companies do not pay taxes, people do. When taxes are raised on employers, they are forced to cut costs, which means layoffs. It also means that a business must pass on extra expenses to consumers before the customers are lost.

It is this common sense approach by our government that has resulted in the creation of nearly 600,000 new jobs since 2009. That is why we see measures like the one in the legislation before us today, which provides a temporary hiring credit for small businesses to encourage additional hiring. It extends the accelerated capital cost allowance treatment for investments in manufacturing and processing machinery and equipment for two years to support the economic sector.

• (1750)

The best social program is a job.

The law of Killaloe is about making difficult decisions on behalf of the people of Canada without forgetting who we are and where and how we live. I am pleased to share this story, as the Prime Minister and his family joined Valley residents in Killaloe for that Valley tradition, the farm pig roast, for Canada Day a couple of summers ago.

The Prime Minister understands the average Canadian, who works hard, pays taxes and plays by the rules. On May 2, the majority of voters in my riding of Renfrew—Nipissing—Pembroke chose to elect a national, stable, majority Conservative government. We in the Conservative government believe that public policy should be driven by facts and evidence, not by ideology. Every step of the way, we will be introducing into this House policies supporting the facts, evidence and common sense.

The Conservative Party of Canada recognizes that in order to be an environmental world leader, we need to focus on clean air, clean water, clean land and clean energy. Nuclear is the key to any national emission reduction plan, and I have worked very hard to keep the Canadian neutron facility and the need for a new multi-purpose research reactor on the science agenda of this country.

In the 1990s, the old Liberal government cut the budget of AECL by 42%, and we saw the fallout of those cuts. AECL then made the decision that basic nuclear research should be discontinued at Chalk River Laboratories unless it supported the commercial division of AECL. The Auditor General observed AECL could not operate properly because the Liberal government refused to approve any business plan.

The 2006 federal election of the Conservative Party was a game changer for the good of Chalk River Laboratories, of AECL and of all the Upper Ottawa Valley. The restructuring of AECL has been a key component of our government's strategy for Canada to be a clean energy superpower, and the latest budget allocation of \$405 million is evidence of our commitment to the environment and to the need to provide dependable economic sources of electricity for the Canadian consumer.

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This support comes at a time when the current Ontario provincial government pursues a reckless policy of electricity rate hikes that will see the average ratepayer's electricity bill go from \$1,700 to \$4,000 a year to pay the \$200,000 annual per-job subsidy that is hidden in the fine print of the so-called Green Energy Act. Unlike the opposition parties, our Conservative government is committed to affordable energy prices that allow seniors and other Canadians who are on fixed incomes to be able to afford to live in their own homes.

Support for Canada's military that was announced in last year's budget does not change. Construction of the new Chinook helicopter hangar at CFB Petawawa is proceeding as planned, as outlined in the government's Canada First defence strategy, and jobs have come along with that needed expansion. Petawawa is experiencing record growth and it is going into roads, sewer infrastructure, housing and all sorts of things that the incoming soldiers and support personnel are going to need with the new helicopter squadron.

The Town of Petawawa, like all municipalities in Renfrew—Nipissing—Pembroke, will benefit from the budget measure to legislate the annual \$2 billion gas tax fund expenditure from the federal government to municipal infrastructure.

Our forestry sector will benefit from the \$60 million announced in the budget to assist it to innovate and to tap into new opportunities abroad. Forestry has been a mainstay in the Upper Ottawa Valley for many generations, and I am committed to working with our local foresters to keep that employment base.

• (1755)

In addition to specific budget announcements, like AECL and the \$20 million announced over two years for the eastern Ontario development program, there are a number of specific measures that are being used to help individuals. We will continue on with that after.

[*Translation*]

Ms. Ève Pécelet (La Pointe-de-l'Île, NDP): Madam Speaker, I heard the hon. member say:

[*English*]

“Unlike the official opposition, we understand that companies do not pay taxes, people do”.

[*Translation*]

I would like the hon. member to explain what she meant by this. Is she trying to tell us—

[*English*]

Hon. John Baird: We pass it on to you.

Ms. Ève Pécelet: But that is what she said.

Government Orders

[Translation]

I would like the hon. member to explain what she meant by that. Does she mean that companies should not have to pay any taxes? Who would bear the tax burden? I do not know if she is living in a fantasy world. I would like her to tell me who is going to pay the taxes. If it is not the companies that are making billions and billions of dollars in profit each year, who is going to pay them? Will it be the people of Canada?

[English]

Mrs. Cheryl Gallant: Madam Speaker, corporations pay about 14% of all tax revenue. We want to keep the tax levels steady and follow through with the reductions for small businesses along the way, because they are our job creators. Further to this, the employment tax credit that we are implementing would encourage even more hiring.

Compared to 2010 over to 2011, increases in contributions on the part of the employer to employment insurance, up to \$1,000, will be reimbursed for that purpose.

Mr. Ted Hsu (Kingston and the Islands, Lib.): Madam Speaker, will the government build a new research reactor to replace NRU? Does the government believe that nuclear energy is the answer to climate change?

Mrs. Cheryl Gallant: Madam Speaker, I will continue to keep the important planning for a new research reactor on the agenda of the government.

In terms of nuclear energy, it is a key component in the broad spectrum of energy production required to reduce the carbon levels by 20% by 2020.

Mr. Bernard Trottier (Etobicoke—Lakeshore, CPC): Madam Speaker, I heard some questions from the members opposite concerning corporate tax rates and how corporations do not pay taxes. Maybe she could explain to the House who the typical shareholders of a company are. They are perhaps pensioners regular shareholders, people saving for their retirement or people having shares in their registered education savings plans. Maybe she could explain the impact of raising corporate taxes on those companies' abilities to actually have a return on that investment.

Mrs. Cheryl Gallant: Madam Speaker, what we hear continually from across the way is about charging higher taxes to companies in the energy sector, for example. About 25% of Canadians' pension plans are invested in the energy sector. If we were to start taxing this sector instead of continuing to grow it and fund Canadians' pension plans, we would put the futures of those retired Canadians at risk.

M. Mathieu Ravnat (Pontiac, NPD): Madam Speaker, I have a question related to nuclear energy. As we know, Chalk River has very old facilities. Some of those facilities are 50 years old. I would like to ask the member whether she thinks this is a viable solution for energy needs.

Mrs. Cheryl Gallant: Madam Speaker, it is apparent that the member opposite does not understand what the experimental research reactor at Chalk River does in supporting the CANDU fleet reactors that we have across provinces in Canada and around the world. We have, after a decade of darkness in funding to AECL, provided unprecedented money so that it can upkeep and continue on re-licensing the reactor until 2016.

● (1800)

Mr. Gordon Brown (Leeds—Grenville, CPC): Madam Speaker, in her presentation, the hon. member for Renfrew—Nipissing—Pembroke talked about some of the things that the folks in Killaloe think about. I look around my riding at some of the small villages like Landsdowne, Newboro, Maynard, Roebuck and other small villages and towns, and that is very much what the people in my riding think about, and they think about what we have done in this budget and the things they wanted to see in it.

I specifically want to talk about some of those things that are in the budget and some of those measures that are important to Leeds and Grenville.

I was very pleased when the Minister of Finance introduced the budget back in June. It was what we campaigned on and what we promised we would present. We are following through on our commitments. I noted at the time that it was a good budget for Leeds and Grenville and that it reflected what I heard in my extensive prebudget consultations last winter.

The budget supports families, seniors, workers and job creators. We have weathered the economic downturn in great shape but our economy is still fragile and the budget concentrates on continuing the recovery.

As well, it is keeping the economy on track. One change in the budget is the accelerated deficit reduction plan. We would see the deficit being eliminated by 2014 instead 2015, which was another important issue to the folks in my riding. They understood the need for the deficit but they also wanted to see it eliminated as soon as possible.

Several of the measures from the budget that have already been implemented were important to my riding. These included renewed funding for the eastern Ontario development program with the expenditure of \$20 million over the next two years. This has been an important program for Leeds—Grenville. It was one of the key things that I heard during my prebudget consultations from municipal leaders and constituents. It will continue to be an important factor in further job creation in Leeds—Grenville.

I should note that the work that is undertaken by the community futures development programs in Leeds—Grenville, the organizations that distribute the ODP funding. These folks live and work in the riding and they know the communities they serve. They do an excellent job of getting value for our money while growing our economy at the same time.

Two of the other important measures that have already been implemented are the top up for low income seniors who rely on the guaranteed income supplement, and the \$400 million that are going to the restart of the home retrofit program, which will help people reduce energy costs in their homes.

My offices in Brockville and here in Ottawa received numerous calls about both of those programs as soon as they were announced.

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We are here today to talk about the implementation of more measures from the budget, so I will spend the rest of my time talking about these.

Later this month, I will be attending an announcement in the city of Brockville where officials will gather to celebrate a new energy saving green initiative undertaken by the city. This initiative will save the city money through the use of renewable resources. It was partially funded by the gas tax fund. This will be the second major announcement about the use of this particular fund in that city in the past two years.

Two years ago, we helped celebrate the new street light program that was being undertaken in Brockville. The city was replacing all of its street lights with more energy efficient models using the gas tax fund. The budget implementation bill would make the fund permanent. It will provide predictable, long-term infrastructure funding for municipalities, such as Brockville, so they can tackle projects that will help them save money and save energy for the long term.

A second measure that is being implemented under the bill is the volunteer firefighters tax credit. I heard loud and clear from our volunteer firefighters in Leeds and Grenville that this was something they wanted to see. The day the budget was tabled in June, one of our local fire chiefs, whose department is all volunteers, spoke out about the need for this tax credit. It would help volunteers cover some of their ongoing costs and it is just a token of our appreciation for the work that they do on our behalf. Many folks do not understand that these volunteers have the same professional requirements as full-time, permanent firefighters, but our government understands that and this credit would help recognize that.

In 2006, our government introduced a children's fitness tax credit that was appreciated by the families in my riding whose children were involved in sporting activities. At the same time, I heard from many individuals and organizations that this benefit should be extended to children's artistic and cultural endeavours. These, too, cost families money.

• (1805)

I was pleased to see in the spring budget that our government committed to the same treatment for families for the cost of artistic, cultural, recreational and developmental activities. With this implementation bill, these families would see a 15% credit on up to \$500 of eligible fees for these activities. Since June, I have spoken with a number of parents and organizers of children's arts activities who have expressed appreciation that we have listened to their suggestions.

Families today face greater pressures than ever before, with both parents working to make ends meet and growing families to care for, dealing with an infirm loved one is an added burden. Our introduction in this budget of a new family caregiver tax credit would help those families. This 15% non-refundable tax credit would provide tax relief for caregivers of all types of infirm, dependent relatives, including, for the first time, spouses, common-law partners and children.

As well, our government, in this bill, would be removing the limit on the amount of eligible expenses caregivers can claim under the

medical expense tax credit in respect of financially dependent relatives.

I want to talk briefly about the government subsidies to federal political parties. This has been a big issue in my riding for a long time. Since our government took office, we have taken action to take the influence of money out of politics in this country. We eliminated large personal donations to parties and we have banned donations from corporations and unions, all to ensure reasonable accountability.

As folks in my riding like to point out, we also have a duty to use their tax money wisely and for the constructive good of the entire country, especially when they themselves are struggling to make ends meet.

That is why, in the campaign last spring and in the June budget, we promised to introduce legislation to gradually reduce the \$2.04 per year per vote subsidy in 51-cent increments starting April 1, 2012 until it is completely eliminated by 2015-16. This would generate savings ramping up to \$30 million by 2015-16.

We have always opposed direct taxpayer subsidies to political parties as we believe that political parties should rely primarily on their own supporters for their financing. Political parties can issue tax receipts to their supporters and they already receive a partial reimbursement of their election expenses. By gradually phasing out this subsidy that has been paid to parties, we will all have time to increase our fundraising activities to compensate where required.

Finally, I want to talk about the measures we are taking for job creation and economic growth. As I spoke with people in my riding during my prebudget consultations last winter, this was the area of greatest concern, an area where we can have a great deal of influence. My riding, more than most, I suspect, was especially hard hit in the past 15 years as manufacturers left. In many instances, long-time plants that had been around for generations closed their doors, sometimes without saying goodbye to the workers.

Slowly but surely, we are beginning to see a bit of a turnaround in some areas. Just yesterday, for example, in the local daily newspaper in Brockville, David Beatty, the CEO of one of the city's leading manufacturers, Canarm, was talking about his company's expansion in Brockville. The headline read "Canarm head sees return of manufacturing jobs." He noted that over the next decade we will see an increase in manufacturing jobs returning to Canada. While it will take time, the pendulum will swing back, he indicated.

We have already seen some of this as high transportation costs and increased living standards in some of the economically emerging countries that have captured some of our former jobs have started to eat into the previously available profits.

Government Orders

While there is good news on the horizon, we must still provide a boost where we can to ensure that our businesses and industries are ready to take advantage of any and all opportunities.

We have taken many measures: providing a temporary hiring credit for small businesses to encourage additional hiring; expanding tax support for clean energy generation to encourage green investments; and simplifying customs and tariffs in order to facilitate trade and lower the administrative burden for businesses. Many in my riding often send their goods across the border.

Our government is focused on jobs and the economy. We have accomplished a great deal for Canadians over the past several years and we will continue. The implementation of this bill will add to our strengths.

• (1810)

[Translation]

Ms. Charmaine Borg (Terrebonne—Blainville, NDP): Madam Speaker, as we all know, October 1 was the International Day of Older Persons. To celebrate, I went to a seniors' centre, where a woman told me that she was waiting to die and that she was in a hurry to die because she has not had enough money to pay her rent for the past two years. Personally, I was very saddened to hear this comment. How is it that we are living in a country where people want to die because they do not have enough money?

I would like to ask the hon. member what the \$2 billion that is being given to huge corporations could do for this woman and for all seniors in Canada.

[English]

Mr. Gordon Brown: Madam Speaker, it is important what we do for our seniors. We have taken measures to help our seniors. I could give a whole speech on things that this government has done to help seniors and those who have been in need for many years, since we formed government back in 2006.

However, when I hear about taxing corporations, we all know that corporations do pay a lot of tax. How many times do we open up a newspaper and read that jobs are returning. I just spoke a few moments ago about jobs returning to Canada. We are seeing this, we are seeing an improvement, we are seeing advances in advanced manufacturing, and we are creating new jobs in this country. Raising taxes on job creators is not the way to bring those jobs to Canada.

Mr. Ted Hsu (Kingston and the Islands, Lib.): Madam Speaker, I would like to dispute one point made by my hon. colleague from Leeds—Grenville relating to the per vote subsidy.

Quite often, when I went door to door, I talked to people who were not going to vote for me. They wanted to vote for a candidate who did not have a chance of winning. They did not have a lot of money to spend on things like donating to political parties. However, they felt that if they voted for somebody, even if they did not win, their vote counted for something because \$2.00 would go to the political party they really wanted to support.

I do not think it is taxpayers' dollars that are going to political parties. It is the action of a voter. It is making votes count. I think that is important.

Mr. Gordon Brown: Madam Speaker, I want to thank my colleague from Kingston and the Islands, a neighbouring riding, for the question. Many of the people who work in Kingston and vice versa, in Leeds—Grenville, live in each of our ridings, so there is a lot of crossover there.

However, I can tell members that this is something that the people in my riding of Leeds—Grenville found highly offensive. They wanted to see an end to this. They wanted to ensure that political parties raise their own money. It is hard work raising money. We have to work hard. If we just expect that we are going to fund our political party solely on public subsidies and do no work to raise money on your own, then I am not sure that is what Canadians want. I know the people in my riding were very happy that we are doing this. In fact, I was speaking to someone just yesterday who said that this cannot happen fast enough.

Mr. Jeff Watson (Essex, CPC): Madam Speaker, I appreciate the intervention of my colleague from Leeds—Grenville, who is doing some tremendously good work, both with the Canada-U.S. group and here in Parliament on behalf of his constituents. In his intervention, he mentioned the eastern Ontario development program and our government's renewal of that program.

First, would he elaborate on the importance to the community? Second, I think his constituents need to know how hard he has worked, in terms of ensuring that this program is renewed. Third, would he comment as to how he feels about the opposition voting against that measure?

Mr. Gordon Brown: Madam Speaker, I want to thank the member for Essex for that question because it is a very important issue.

In my riding of Leeds—Grenville, we are served by three community development corporations. They oversee the funding that goes to the eastern Ontario development program. This is money that goes to the smaller communities in order to start up and advance. It helps businesses grow and provides training. There are many components of this fund, and I know that it makes an impact. It is creating real jobs in our communities.

However, the benefit of this is that the decision on how this money is spent is decided by the local boards. The boards know our communities. They reflect our community priorities. It is money well spent. In fact, I would venture to say that it may even be the best investment in job creation in this country.

• (1815)

[Translation]

BILL C-13—NOTICE OF TIME ALLOCATION MOTION

Hon. Peter Van Loan (Leader of the Government in the House of Commons, CPC): Madam Speaker, I would like to advise that an agreement could not be reached under the provisions of Standing Order 78(1) or 78(2) with respect to the second reading stage of Bill C-13, An Act to implement certain provisions of the 2011 budget as updated on June 6, 2011 and other measures.

Under the provisions of Standing Order 78(3), I give notice that a minister of the Crown will propose at the next sitting a motion to allot a specific number of days or hours for the consideration and disposal of proceedings at the said stage.

Government Orders

[English]

I would like to give the House the courtesy of knowing that I intend to propose that three further days of debate be allotted, including today. I understand that this is more than the average time for a budget bill at second reading for at least the past two decades. In fact, it would be more hours of debate than any Liberal majority government's budget bill got during this time.

My aim is to provide the House with sufficient debate on these important economic measures, including a hiring tax credit for small businesses. At the same time, it would bring certainty to the process and aid members of the House on the finance committee in managing their busy work schedules.

The Deputy Speaker: On a point of order, the hon. member for Winnipeg North.

Mr. Kevin Lamoureux: Madam Speaker, I believe the government House leader was rising on a point of order. I would like to provide comment on the point of order that he raised.

The Deputy Speaker: It is a minister's prerogative to give notice of this. This is not a question of debate. The minister gave us notice and we will move on.

Mr. Kevin Lamoureux: Madam Speaker, on a point of order.

We do govern based on traditions and so forth inside the chamber. I think that we should be concerned when government brings forward legislation and has this natural instinct to bring in some form of closure or limit on debate inside the chamber. First of all, the government should try to come up with consensus before it takes quick action—

The Deputy Speaker: Order, please. When this motion comes before the House, there will be 30 minutes allotted for questions to the minister. At that time, the hon. member can raise his concerns.

Resuming debate, the hon. member for Rivière-du-Nord

[Translation]

Mr. Pierre Dionne Labelle (Rivière-du-Nord, NDP): Madam Speaker, before addressing some aspects of this bill, I would like to congratulate my NDP colleagues for their clear and pertinent suggestions in response to the government's empty proposals.

In my presentation, I will be using some words that the Conservative government hates, such as “tax”, “poverty” and “social programs”. Canada is not far behind the U.S. when it comes to the dubious distinction of having the largest gap between rich and poor, and the provisions of this bill will make no difference. This trend is the result of changes in both markets and government policy. It is worrisome not only in terms of intergenerational equity and equality among people, but also because of the quality of life and economic development issues.

Income disparity between rich and poor has increased more quickly in Canada than in the United States over the past 15 years and, with the arrival of this Conservative government, became even more noticeable. Among developed nations, the American society is the most unequal, more so than the United Kingdom, Italy, Australia and Japan. Canada comes next, in fifth position, where the richest get 40% of revenues and the poorest 20% of the population only gets 7% of the income.

This growth in income disparity is not unique to Canada. It is prevalent among countries that have adopted neo-conservative policies over the past few years. Experts say that this phenomenon is related to the set of factors at play in market forces and to the institutional framework. Some of the market forces involved are globalization of the economy, which leads to low-skilled workers in rich countries competing against those in poor countries. The initial result is that, in the case of the former, there are job losses and salary reductions. I will come back to salary reductions and the loss of purchasing power by Canada's middle class. Technological change also contributes to this trend. However, I would like to focus on the nature of neo-conservative policies.

One of the most frequently cited factors related to the institutional framework is the weakening of unions. The balance of power between workers and employers has been eroded in recent years. We need better unions to ensure better social justice in Canada. Mechanisms for the redistribution of wealth—such as taxation—that ensure that all wealth does not flow into the same pockets, have been weakened. Social programs are another means of redistributing wealth.

I will speak about unemployment and give a few statistics. I know that our friends across the way like to pat themselves on the back. I know that they live in a bubble and see everything through rose-coloured glasses. There is a crisis all around us in western economies. The United States has an astounding amount of debt and is almost unable to pay it back. Every day, Europe is on the brink of a crisis and here in Canada, they are boasting, saying that everything is going well, saying that the economy is humming. But their bubble could burst at any moment. The Conservatives' illusions are very fragile.

I want to come back to the issue of unemployment. If we were to ask the Conservative members how many people in Canada are unemployed, I am not sure that many of them would be able to give the exact number. But here it is: 1.5 million people in Canada are unemployed. There was a significant increase in July. If we count all the people who are looking for work and those who are receiving employment insurance benefits, the unemployment rate is 11.1%. In July, that rate was 9.4%. But they are saying that everything is fine, so nothing is being done about it.

● (1820)

They say that cutting corporate taxes will create jobs. That is not true. It is entirely untrue. The facts completely disprove such claims.

Just look at the example of Ontario, where the combined federal-provincial corporate tax rate was cut by 45% between 1999 and 2010. During this same period, investments in equipment and machinery dropped from 8% to 5%. The money these companies saved in taxes was not reinvested in the economy, did not create jobs, and was not used to buy machinery. Where did this money go? It went into hedge funds. It went into speculative bubbles. And what happens to bubbles? Sooner or later, they burst.

Adjournment Proceedings

I want to come back to the issue of unemployment. The Conservative government keeps repeating that we have recovered from the recession. The official employment rate in 2011 was 61.9% and 63.4% in 2007. We have not yet reached the pre-recession employment rate. It is clear that the Conservative strategy of doing nothing is not exactly helping kick-start the economy.

“Inequality, poverty and the middle class”—that is the title of this part of my speech which, I am sure, our friends across the way are extremely interested in. I see one who seems quite interested.

Inequality has increased in Canada because the income of the wealthy—and, even more so, of the very wealthy—has increased faster than all other groups. The gap between the average of the richest 20% and the poorest 20% in Canada also grew from \$92,300 in 1976 to \$117,500 in 2009.

The gap between the rich and poor does not speak to the situation of middle-income Canadians. It appears that this group did not fare much better over that time, according to the Conference Board of Canada [an organization that is generally well respected by the government]. The median income of Canadian households increased from \$45,800 in 1976 to \$48,300 in 2009, which represents a very modest increase of only 5.5% over 33 years.

The middle class is what drives our economy. Middle-class Canadians from Montreal's south shore were told today that, not only would their purchasing power not increase, but they would have to pay a toll every day when they cross the bridge to go to work. What an excellent way to encourage the middle class and to help Canadians get out of debt. I have not mentioned it yet, but household debt is skyrocketing; we have one of the highest rates of the OECD. Instead of coming up with solutions to increase the purchasing power of middle-class households, the government is putting tolls on bridges.

If I were in their shoes, I would be very discouraged by today's announcement. It will cost them \$50, \$60 or \$100 a week just to go to work. That is unbelievable. Why were things simpler in the past? We built a bridge and people crossed it. Now the government is coming up with all kinds of stories. It is trying to convince Montrealers that it is paying for a bridge for them. The federal government will not be paying for this bridge. It is the people of Montreal and of the south shore who will end up paying for it.

This brings me to the end of my speech, as I am sharing my time with the hon. member for Hamilton Mountain.

• (1825)

[English]

Mr. Malcolm Allen (Welland, NDP): Madam Speaker, I want to thank my colleague for his enlightenment about the bridge and its application.

I would like to do a little arithmetic because it seems that our friends on the other side need help with that. They do not like statistics but sometimes they help enlighten the debate, so I am going to quote some statistics.

In July 2007 approximately 16,848,300 Canadians had jobs. In 2011 that number is 17,344,200—

The Deputy Speaker: Order. Because I will have to interrupt the House at 6:30 p.m., I would like to give the hon. member an opportunity to respond very briefly.

[Translation]

Mr. Pierre Dionne Labelle: Madam Speaker, I love my colleague's question.

I am not so sure about the exact argument. We would like to see this government use the budget to show some concern for economic recovery, naturally, and some concern as well for social justice and for improving social programs and social housing. This budget should ensure that Canadians who lose their jobs or become ill do not end up in extreme poverty. We would like to see measures in this budget to make Canada a more generous country where there is more solidarity. That is not the case.

• (1830)

The Deputy Speaker: When we resume this debate, the hon. member will have three minutes for questions and comments.

ADJOURNMENT PROCEEDINGS

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

[English]

EMPLOYMENT

Ms. Joyce Murray (Vancouver Quadra, Lib.): Madam Speaker, on June 21 I asked a question in the House as follows:

—the Conservatives are now making cuts they knew about well before the recent election but chose to hide. On the chopping block are thousands of jobs, including the entire Audit Services Canada department, the auditors that serve all the other departments of government.

As I commented at the time, that is a very self-serving move for a government that was found to be in contempt due to secrecy and dishonesty before the last election. I received an inadequate response to my question. I want to make a few more comments.

One should not be surprised by the government's decision to cut jobs from the public service given that the key to its deficit reduction plan seems to be to cut federal jobs and essential public services while putting a whopping big hole in the treasury with its ill-timed next round of corporate tax giveaways to large companies. I remind members opposite that these tax levels without that additional tax break are already 25% below the comparable tax levels in the United States. These are companies that are already competitive from a tax perspective.

The current Conservative government is presiding over \$11 billion in cuts and has decided essentially to transfer billions of dollars from services for Canadians through civil servants into the corporate bank accounts of large companies which, on average, do not create jobs or have not been net job creators over the last two decades. The thing that is particularly egregious is that the government knew about these cuts and had planned for them before the election but chose to hide that information from the Canadian public during the election.

During the campaign, the Prime Minister said, “Anybody who says you can’t find money in Ottawa without cutting vital services to people is simply living in a fantasy world”. I think we have a Prime Minister who may be living in a fantasy world if he believes that one can make major cuts to departments like the Department of Fisheries and Oceans and Environment Canada, and to scientists and ozone and climate change expertise without harming the long-term well-being of our country and Canadians.

It is particularly disturbing that on the chopping block was Audit Services Canada, an organization with “a 50-year track record of helping to improve public sector accountability and operations”. That is something that is badly needed in the Conservative government: accountability. This organization's sole purpose is to audit government expenditures to ensure that the Canadian public is getting value for its money and the best bang for the buck. That is an important function.

I would like to point out that the former Treasury Board president said that attrition will account for virtually all public service job reductions, but that simply is not so. I have a list of the positions that are being cut in various organizations like the Department of Fisheries and Oceans, Environment Canada, the Bank of Canada, the Department of National Defence, 687 positions at Public Works and Government Services, and even positions at Treasury Board.

The government's approach to managing its deficit is wrong-headed.

•(1835)

[*Translation*]

Mr. Jacques Gourde (Parliamentary Secretary to the Minister of Public Works and Government Services, for Official Languages and for the Economic Development Agency for the Regions of Quebec, CPC): Madam Speaker, I am pleased to answer the question of the hon. member for Vancouver Quadra. I am glad she asked for an adjournment debate on this subject. Allow me to provide some context for the House.

In 2010, Public Works and Government Services Canada was one of 13 departments that underwent a strategic review, the results of which are reflected in budget 2011.

In accordance with the requirements of the strategic review, all departmental activities were reviewed against established criteria. Included in these criteria were assessments of the federal role, relevance and efficiency of activities. The conclusions and recommendations of PWGSC's strategic review were subject to independent review and validation.

Over a period of several months, the department collected and analyzed information related to all of PWGSC's activities. This information was used to develop proposals based on the government's priorities and to meet the savings targets identified for PWGSC under three main themes: eliminating duplication and overlap across programs and services; enhancing efficiency of our operations through innovation and continuous improvement; focusing on our core mandate and leveraging the expertise of the private sector.

Adjournment Proceedings

To this end, PWGSC put forward proposals on the basis of these criteria and themes, with a view to achieving savings of \$98.6 million by 2013-14, as well as further savings in future years.

These were approved by the minister and the Treasury Board and were included in budget 2011.

I also want to inform the member opposite that throughout this entire process, PWGSC fully considered the impact of its proposals on businesses and regional operations, and will also follow a phased approach in implementing these proposals.

Furthermore, PWGSC's strategic review proposals also fully considered the impact on human resources.

Across PWGSC, 687 positions will be eliminated, including 556 in the national capital region and 131 in the regions over the next three years. We are a department of over 14,000 employees.

Given our rate of attrition and the departure of approximately 1,000 employees each year, we anticipate minimal loss of employment.

The department has a comprehensive human resources management strategy in place to care for all affected employees, including all employees of Audit Services Canada.

I would like to respond to the hon. member for Vancouver Quadra's concern about Audit Services Canada.

After significant analysis and due consideration, the decision was made to wind down the operations of Audit Services Canada, which provides optional audit services to other government departments and agencies on a cost-for-fee basis.

The wind-down of Audit Services Canada will not detract from the core capability of the government to conduct internal audits, including PWGSC's internal audit capacity.

PWGSC's internal audit and evaluation group is completely separate from Audit Services Canada, and over the last five years, the number of employees within this group has increased significantly.

PWGSC will continue to provide strong oversight on all of its programs and activities. PWGSC, along with all government organizations, has augmented its internal audit and evaluation capacity in recent years.

Indeed, PWGSC's internal audit and evaluation function has received the highest possible assessment for the last two years by the Treasury Board Secretariat.

[*English*]

Ms. Joyce Murray: Madam Speaker, first, the government member talks about relevance and efficiencies in spending decisions. That is completely laughable when \$50 million of money authorized for border infrastructure was syphoned off by the President of the Treasury Board to spend on irrelevant and inefficient vanity projects in his own riding.

Adjournment Proceedings

Second, the decision to eliminate auditing jobs at Public Works is very interesting considering that department's close connection to a political contracting scandal that tied the former minister of public works under the Conservative government with the contractors that received massive contracts to restore the West Block, and were implicated in fundraising for that minister.

The government's track record on wasting money is pathetic and then to fire the very auditors that could shed light on—

• (1840)

The Deputy Speaker: The hon. parliamentary secretary.

[*Translation*]

Mr. Jacques Gourde: Madam Speaker, I would like to reiterate the following points.

Audit Services Canada is provided as an optional service for government departments that wish to acquire private sector audit expertise.

The services that Audit Services Canada provide are completely optional and provided on a fee-for-service basis, which is similar to

the private sector. Many departments already acquire supplemental audit services directly from the private sector instead of using Audit Services Canada. PWGSC's internal audit group is completely separate from Audit Services Canada. The winding-down of Audit Services Canada will not affect PWGSC's internal audit and evaluation capability.

PWGSC received the highest possible rating of its internal audit and evaluation capability through an independent assessment in 2010-11 conducted by the Treasury Board Secretariat. PWGSC also received the highest possible rating—generally by professional standards—by a third party external validation in 2009 for its internal audit function.

The Deputy Speaker: The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24(1).

(The House adjourned at 6:42 p.m.)

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