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(HANSARD)

Tuesday, November 1, 2016

Speaker: The Honourable Geoff Regan

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HOUSE OF COMMONS

Tuesday, November 1, 2016

The House met at 10 a.m.

Prayer

ROUTINE PROCEEDINGS

•(1000)

[*Translation*]

COMMITTEES OF THE HOUSE

CITIZENSHIP AND IMMIGRATION

Mr. Borys Wrzesnewskyj (Etobicoke Centre, Lib.): Mr. Speaker, I have the honour to present, in both official languages, the seventh report of the Standing Committee on Citizenship and Immigration entitled “After the Warm Welcome: Ensuring that Syrian Refugees Succeed”.

[*English*]

Pursuant to Standing Order 109, the committee requests that the government table a comprehensive response to this report.

Mr. Bob Saroya (Markham—Unionville, CPC): Mr. Speaker, the Conservative members of the Standing Committee on Citizenship and Immigration find that the report tabled by this committee is insufficient in adequately critiquing the effectiveness of the Syrian refugee initiative. The recommendations in the report neglected to respond to many of the concerns revealed in committee testimony. Therefore, we offer supplementary recommendations to the committee's report and ask the immigration minister to take action now.

* * *

PETITIONS

150TH ANNIVERSARY OF CONFEDERATION

Hon. Peter Van Loan (York—Simcoe, CPC): Mr. Speaker, historical societies across Canada are disappointed by the government's ongoing war on history. The Liberal government is ignoring history and excluding Confederation as a permitted theme as we celebrate Canada's 150th anniversary of Confederation.

The petition I present today comes from concerned members of the Pontiac Historical Society, located in Shawville, Quebec. Its museum is located in a historic Canadian Pacific Railway station. That railway, of course, was both a condition of Confederation as

well as the spine of steel that bound the Canada at Confederation into a single country from coast to coast.

The petition also comes from the Kipling & District Historical Society in Saskatchewan. Kipling is named after the writer Rudyard Kipling, who travelled Canada on the CPR and who famously said, “If history were taught in the form of stories, it would never be forgotten”.

The petitioners urge the government to heed Kipling's advice, help Canadians know the stories of their history, and make Confederation a theme of the 150th anniversary of Confederation.

PALLIATIVE CARE

Ms. Marilyn Gladu (Sarnia—Lambton, CPC): Mr. Speaker, it is my pleasure to present this petition that calls on the Minister of Health to help ensure that all Canadians have access to quality palliative care as an end of life choice by endorsing palliative care options, such as those contained within Bill C-277, an act providing for the development of a framework on palliative care in Canada.

•(1005)

RAIL TRANSPORTATION

Mrs. Carol Hughes (Algoma—Manitoulin—Kapusksing, NDP): Mr. Speaker, I am pleased to rise to table petitions on behalf of my constituents in Algoma—Manitoulin—Kapusksing from Echo Bay, Bruce Mines, Hearst, Wawa, Richards Landing and some from Sault Ste. Marie, Caledon, London, and Woodstock. It is with respect to the Algoma passenger train, which has not been operating for over a year. It has resulted in substantial hardship for residents, businesses, and other passengers. Seventy-five per cent of the people are not able to access their property, and first nations indicate that they have not been consulted.

Petitioners are asking the Minister of Transport to put the Algoma passenger train back in service and to reinstate the money promised under the Conservative government.

MISSING PERSONS INDEX

Ms. Elizabeth May (Saanich—Gulf Islands, GP): Mr. Speaker, I rise to present two petitions. The first relates to a missing persons index. The petitioners want to see legislation to create a missing persons index. This is more of a follow up at this point, because the legislation has gone forward, but full funding and implementation of the missing persons index is still to be achieved.

Government Orders

THE ENVIRONMENT

Ms. Elizabeth May (Saanich—Gulf Islands, GP): Mr. Speaker, the second petition calls for a ban, for the entire west coast, on tankers carrying crude oil, particularly bitumen mixed with diluent. These petitioners are from throughout Vancouver Island but primarily from my riding.

* * *

QUESTIONS ON THE ORDER PAPER

Mr. Kevin Lamoureux (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I would ask that all questions be allowed to stand at this time.

The Speaker: Is it agreed?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*Translation*]

BUDGET IMPLEMENTATION ACT, 2016, NO. 2

The House resumed from October 31 consideration of the motion that Bill C-29, A second Act to implement certain provisions of the budget tabled in Parliament on March 22, 2016 and other measures, be read the second time and referred to a committee, and of the amendment.

The Speaker: The hon. member for Montmagny—L'Islet—Kamouraska—Rivière-du-Loup has seven minutes to finish his speech.

Mr. Bernard Généreux (Montmagny—L'Islet—Kamouraska—Rivière-du-Loup, CPC): Mr. Speaker, I will continue the speech I started late yesterday evening.

I feel it is important for me to rise in the House today to speak to Bill C-29, which implements the measures announced in the budget presented back in March.

This budget was supposed to have a deficit of about \$10 billion, but that figure is not even close to reality. The Liberal government is therefore not keeping the promises it made during the election, because it said that it would run deficits of about \$10 billion a year for three years. In just the first year, it will run a deficit of \$30 billion or more. The amount will probably be announced this afternoon in the government's economic statement. Not only is the government adding to the Canadian debt and placing the burden on future generations, but it is also failing to meet its commitments. More importantly, the desired results are not being achieved. Economic growth is weak at this time. Job creation targets are not being met. We have heard that the shortfall in terms of the job creation target and the actual number of jobs created is 50,000.

The economy has ground to a halt, despite the government's budgetary measures. The government spent and then spent some more. The Bank of Canada, economists at the IMF, and the OECD have all downgraded their economic forecasts for Canada for the next two years.

The current unemployment rate is 7% and has remained unchanged since the Liberals came to power. The parliamentary budget officer's report entitled "Labour Market Assessment 2016" indicates that 6,000 net jobs were lost over the past year. The government projected that 43,000 jobs would be created during that same period. That is a shortfall of 50,000 jobs, which is just terrible because we are here to create jobs. The government is spending money with no job creation to show for it.

The government should have immediately realized and admitted that it was and is going down the wrong path and changed tack. There is nothing wrong with recognizing one's mistakes and correcting them. There has been no indication so far that the government is going to fix its mistakes.

The government thought it could authorize the deficit with the stroke of a pen, but it has to answer to the opposition. The economic situation speaks for itself. It seems like the government cannot balance the budget. What I said yesterday during my three-minute speech is that the government thinks that budgets balance themselves. Anyone who manages a budget, whether it is a family budget or a business budget, knows full well that budgets do not balance themselves. There needs to be a plan to return to balanced budgets. Yesterday, not a single member was able to project a balanced budget in any way. The government seems to think that wishful thinking will balance the budget, but that is just not so.

I am still an entrepreneur. I am the co-owner of a business that employs 25 people. One thing I know for sure is that the government plans to impose new taxes. It has said as much. It also broke its promise to lower the small business tax rate from 11% to 9%. This would have helped businesses innovate and invest in new equipment to improve productivity.

I understand very well what that means because in the last few years that the Conservative government was in power, there were many tax cuts. This made it possible for us to continue to invest more and to create jobs. That is the complete opposite of what the government said it would do and, unfortunately, it did not follow through. In fact, it made an election promise to lower the small business tax rate from 11% to 9%, which it has broken.

That is making things difficult for businesses and it is really detrimental to job creation. The government increases taxes and does not lower the business tax. In a sense, that is tantamount to double taxation.

Then there is the carbon tax. This tax will be devastating for job creation not just for me, as an entrepreneur, but for all Canadians. On top of that, we have the mandatory increase in CPP contributions to look forward to.

Government Orders

•(1010)

This will have a negative impact on SME start-ups like mine. Actually, my business is not all that new. It is 25 years old. That being said, all of Canada's SMEs will have to pay higher CPP premiums for all of their workers and they will feel the effects. For me, this measure will mean that I will have to pay \$1,000 a year per employee, for a total of about \$25,000 a year. That represents most of one of my employee's salary. It is perhaps a little less but it is around there. That means that I might have to cut jobs. Given that SMEs are the backbone of the Canadian economy, imagine what will happen if they are all in the same situation as me.

I may be unable to absorb the cost of the CPP hike from my business profits, and I might eventually have to cut jobs. If all of Canada's SMEs have the same reaction, there are going to be job losses. Some economists already think that at least a hundred thousand jobs will be lost. What is worse is that the benefits of the CPP hike will not even be felt for 30 or 40 years.

This is a major problem for SMEs, and businesses are very concerned to see all these taxes adding up.

I would like to come back to the carbon tax. Businesses will not be the only ones affected. All Canadians will be. The cost of the carbon tax that companies have to pay will inevitably be passed on to consumers. The price of all consumer goods, including gas, will go up so that businesses can continue to offer the same products.

Many of the measures that the Liberals have put in place are contradictory, and unfortunately, Canadians will be the ones who pay the price.

Mr. Joël Lightbound (Louis-Hébert, Lib.): Madam Speaker, I would like to thank my colleague for his speech, which was very interesting.

He mentioned the International Monetary Fund in his speech. What would he say to Christine Lagarde, head of the International Monetary Fund, who said that Canada's approach, which is about investing in infrastructure when interest rates are low and the economy is in a slowdown, should go viral.

I have a second question for him. He talked about the previous government's corporate tax cuts. We now know that Canadian companies are sitting on \$630 billion in dead money that is not being reinvested.

Does the member think there should be a tax cut across the board or more targeted tax credits for things like innovation and hiring?

I would like to hear what the member has to say about that.

•(1015)

Mr. Bernard Généreux: Madam Speaker, I thank my colleague for those good questions.

Ms. Lagarde does not live in Canada, so she does not have to pay the taxes that we Canadians have to pay plus the new taxes that are on the way. I believe Canada was also held up as a model of very sound management during our nine years in power. Our very meticulous plan enabled us to balance the budget while making massive infrastructure investments.

I would like to remind my colleague that, unlike the current Liberal government, we had a plan to balance the budget. They are spending like crazy and saying yes to everyone. The fact is, sooner or later, we will need a plan to balance the budget, and I am not sure my colleague will still be in his seat when the time comes to implement that plan.

Ms. Elizabeth May (Saanich—Gulf Islands, GP): Madam Speaker, I have questions for my colleague related to the carbon tax.

Has the member conducted any studies on the real risks and threats to our economy associated with climate change and the absence of any measures to counter those risks?

British Columbia's carbon tax has not had any negative impact on its economy. In fact, the carbon tax has had no negative repercussions whatsoever on British Columbia's economy. A carbon tax has been in place there for 10 years, and its economy has performed better than that of many other Canadian provinces.

Mr. Bernard Généreux: Madam Speaker, I thank my colleague for her question.

To the best of my knowledge, carbon emissions in British Columbia have not necessarily gone down in recent years. Our government committed to reducing emissions with very clear targets. For years, environmental organizations all over the world regarded us as a laughingstock on environmental issues. The reality is, the current government adopted exactly the same targets as the ones we had set.

British Columbia supports putting additional pressure on all Canadian businesses to meet the targets that we ourselves had set.

[*English*]

Hon. Alice Wong (Richmond Centre, CPC): Madam Speaker, I would like to ask my colleague one very simple question. Entrepreneurs across the nation have already told us that this increase in the CPP premium, and everything else, including the carbon tax, will kill their jobs. They will stop hiring people and put those responsibilities onto existing staff. Would my colleague comment on that?

[*Translation*]

Mr. Bernard Généreux: Madam Speaker, I thank my colleague for her excellent question.

I have already mentioned a number of times that I am a businessman. Business people have decisions to make. Sometimes, when their business' very survival is at stake, they are forced to make extremely difficult decisions. When more and more taxes are piled on, there comes a point when they just cannot pay them anymore. The first thing they have to do, in the majority of cases, is not sell their equipment or buildings, but cut their staff. That is how they can reduce their expenses.

I would like to again thank my colleague for her question because it is very important to talk about Canada's economic development.

Government Orders

[English]

Mr. Raj Grewal (Brampton East, Lib.): Madam Speaker, it is an honour to rise today to speak to Bill C-29, an act to amend certain provisions of the budget tabled in Parliament on March 22, 2016.

I was elected to the House just over a year ago with all of my colleagues with the purpose of speaking up and advocating for the priorities of our local constituents. For me, they happen to be the wonderful people of Brampton East. My constituents are varied, ranging from young families trying to join or stay in the middle class to students and young Canadians entering the workforce, parents whose kids are growing up and leaving home, people planning for retirement, and seniors who too often worry about their finances.

In the last year we have taken monumental steps toward real change for all of these groups. We have cut taxes for close to nine million Canadians, introduced the Canada child benefit, increased student grants for low and middle-income families, and increased monthly payments for seniors. We are ensuring that Canadians today and tomorrow will be able to live comfortably and confidently. We need to build on this momentum.

As a member of the Standing Committee on Finance, I have had the opportunity to go through two pre-budget consultations. The first was in February, which gathered 92 witnesses in Ottawa, whom we heard from for over four days. These witnesses included individuals, NGOs, first nations advocates, and other valued groups. We also received 172 submissions online from individuals and groups. The responses we received varied in topic. The committee concluded its work with a report that offered 56 recommendations, many of which were included in the budget and this second implementation act.

We were elected one year ago on an ambitious new plan for a strong middle class and promised that we would do all that we could to help every Canadian succeed. Budget 2016 is an important part of fulfilling that promise. It offers immediate help to those who need it and it lays out the groundwork for sustained and inclusive economic growth that will benefit Canada's middle class and those working hard to join it.

Over the summer I knocked on doors every Tuesday throughout August with a team of volunteers. This allowed me to check in with the wonderful residents of Brampton East about their priorities for their families, their community, and future generations. This legislation would help those very same people we meet each day at the door, at our office, and at local events.

This second budget implementation act proposes items that would complete the implementation of outstanding measures from the Government of Canada's first budget, "Growing the Middle Class". This legislation contains significant changes for seniors, improvements to protect Canadian consumers, tax fairness for Canadians, and last but not least, help for low and middle-income families with children.

The Canadian Association of Retired Persons estimates that roughly 600,000 seniors are living in poverty in Canada. This is far too many. Canadians would be shocked by that number. These seniors are our parents, our neighbours, our relatives, and our friends. For this reason, the government has made significant new investments to support seniors in their retirement years. Increased

benefits will ensure that Canadian seniors have a dignified, comfortable, and secure retirement.

In Bill C-29 we are ensuring that Canadians would be protected financially by strengthening and modernizing the financial consumer protection framework in our country. Canadian families weathered the 2008 financial crisis fairly well because of our strong financial sector. We will build on this strength by ensuring that our financial structure is able to adapt to new trends, incorporate emerging financial innovations and technologies, and challenge existing business models, and more.

The bill would also modernize the financial consumer protection framework by clarifying and enhancing consumer protection. It would do so through amendments to the Bank Act to enhance consumer protection in the areas of access to banking services, business practices, disclosures, complaints handling, as well as corporate governance and accountability.

Of great importance to me is that this legislation is about fairness, one of Canada's fundamental values.

● (1020)

The bill ensures that the government has a plan to combat international tax evasion and aggressive tax avoidance through new measures, while building on efforts that are currently being made both here in Canada and abroad. This work will help protect all Canadians and ensure that everyone pays their fair share. Canada has the lowest debt to GDP ratio of any G7 country and interest rates are at historic lows. Now is the ideal time for Canada to invest in its future.

Last but not least, the bill ensures that Canadian families will have a little more help with the high cost of raising children through the new Canada child benefit. Simpler, tax-free, and more generous than the existing federal child benefits it will replace, the Canada child benefit will give nine out of 10 Canadian families higher monthly payments and will lift hundreds of thousands of children out of poverty. This benefit will be indexed starting in 2020. We listened to the passionate advocates who said that the CCB must be indexed to inflation. As a result, supporting this budget implementation bill will help ensure that the Canada child benefit will be indexed to inflation so that families can count on the extra assistance, not just today but for years to come.

To conclude, the bill continues to deliver on this government's plan to ensure that Canadians are well served and that more Canadians will be able to join the middle class. With these investments and inspired by a sense of fairness, we are ensuring that Canada's best days lie ahead. I look forward to supporting the bill and I urge all my hon. colleagues to do the same.

Government Orders

•(1025)

Mr. Harold Albrecht (Kitchener—Conestoga, CPC): Madam Speaker, one of the things my colleague mentioned near the end of his speech was indexing of the Canada child benefit, but what Canadians probably did not hear is that it will not happen until 2020. That is four years from now. If indexing is important, and we believe it is, why did the Liberals not include it in their spring budget? Why is it not happening now instead of waiting four more years, until well after the next election?

Mr. Raj Grewal: Madam Speaker, we campaigned heavily on the Canada child benefit because it would provide more money for families that needed it the most. The members opposite kept on campaigning on the fact that the universal child benefit had two problems: one, it went to millionaires across the country who did not need the benefit; and second, it was taxable. The Canada child benefit gives more money to those who need it the most. It is after-tax, and now it is indexed to inflation. It is a great benefit that helps middle-class families and the people who need it the most. I encourage the members opposite to support this benefit.

Ms. Cheryl Hardcastle (Windsor—Tecumseh, NDP): Madam Speaker, I would like to further explore the hon. member's comment that Bill C-29 would ensure that Canadians are protected financially, and that this is an ideal time for Canada to invest in its future.

Is the member concerned at all that Bill C-29 speaks to the Liberals' infrastructure bank as a scheme that would use private and public financing? The issue of privatization inherent to terminology like "asset recycling" is of great concern. Could the member speak to that issue and how it conflicts with the financial security of Canadians?

Mr. Raj Grewal: Madam Speaker, we campaigned on revitalizing our economy and economic growth. There are studies across the board by economists suggesting that the best way a government can instill economic growth is to do two things. One is through innovation, which we are doing, and the other is through infrastructure. We think the infrastructure bank is a great idea, and Canadians recognize that as well.

Our partners at the provincial and municipal levels recognize there is a huge infrastructure deficit across our country from coast to coast. This is going to make it easier to address those concerns. We are going to get people back to work. We are going to build Canada. We are going to ensure that middle-income families have more resources to get them back home on time, because we are going to invest in transit, we are going to build roads, and we are going to build bridges.

•(1030)

Mr. Marco Mendicino (Eglinton—Lawrence, Lib.): Madam Speaker, I want to thank my colleague from Brampton East for all his remarks this morning and all his hard work in his riding.

He spoke at length this morning about the budget implementation act. I wonder if he might take a moment to elaborate on the positive impacts of the middle-class tax cut that was implemented as part of budget 2016, as well as the Canada child benefit plan.

Mr. Raj Grewal: Madam Speaker, I want to thank my hon. colleague from Eglinton—Lawrence for the question. This young

man is doing a great job in his riding. He is being a very accessible member of Parliament. We could all learn a thing or two from him.

His question is a very important one, especially on the tax cut. Nine million Canadians have more money in their pockets today because of our government. The Canada child benefit is helping nine out of 10 families. When I went door-knocking in August in my riding of Brampton East, the first thing people did was thank me very much for the extra help. They said they were very happy about the Canada child benefit because it really made a difference with back-to-school shopping and buying the necessary supplies for their children—new clothes, new backpacks—and putting an extra apple in their lunches.

This is about helping families become better, join the middle class, and stay in the middle class and investing in Canada across the board.

[*Translation*]

Mr. Pierre-Luc Dusseault (Sherbrooke, NDP): Madam Speaker, I am pleased to rise in the House to debate Bill C-29, budget implementation act, 2016, No. 2, the Liberal government's first budget, which was much criticized and the source of much disappointment.

This budget implementation bill addresses many issues. Given that it is more than 250 pages long, I will focus on just a few of its elements, such as the OECD country-by-country reporting implementation announced in budget 2016. A number of other countries are participating in this project, which will fight tax evasion, a crucial issue.

I will also speak a little about the Canada child benefit, which was changed a bit in the budget implementation bill in response to some harsh criticism. Finally, I will try to speak to the principle of asset recycling, which was announced in the budget. This term is synonymous with Canadian infrastructure privatization.

Let us talk about country-by-country reporting. As I said, the idea comes from the OECD and has to do with multinationals that do business around the world, of course, through numerous subsidiaries. Unfortunately, some unscrupulous accountants and tax experts strive to make a living from getting around tax rules and finding the best way for multinationals to avoid paying their fair share of taxes in countries where they nonetheless benefit from public services and infrastructure, such as highways and airports. They also benefit from the money of taxpayers and employees who live in those countries. They do not pay their fair share of taxes and manage to evade the tax system.

Government Orders

Country-by-country reporting ensures that the subsidiaries of a same multinational whose annual revenues are 750 million euros or more are subject to new rules. Some experts criticized this threshold saying it was too high. Seven hundred and fifty million euros annually is a substantial amount. It is estimated that between 10% and 15% of multinational companies around the world meet this criteria. In other words, 85% of businesses will not be subject to these new rules since their revenues do not reach this 750-million euro threshold.

That being said, the companies concerned will have to report information in the countries where they are located. Again, there are a number of ways to avoid that. There are companies with “non-resident” status for tax purposes. Tax experts already have the means to get around the rules. Nonetheless, this reporting will ensure that these multinationals declare their revenues and how many employees they have in every country. This will help the Canadian government and other governments find disparities in the numbers.

Take for example a company that does very little business in a given country but reports all of its profits there. I will not name a country, but let us say that it is a Caribbean country with a small population where there is not a lot of business activity. In that case, country-by-country reporting would show us how much profit that company is making.

That would allow the world governments to identify discrepancies in tax returns and determine which companies could be committing tax evasion or abusing the transfer pricing principle, that is, when many subsidiaries of the same multinational corporation exchange services or bill each other for royalties or patent rights and then report their profits in countries with much lower tax rates.

• (1035)

This measure is still a step in the right direction. Although many other measures were presented to the OECD, this one was discussed and it is relatively good, aside from the threshold of 750 million euros. That was strongly criticized.

Some people mentioned that this amount could be lowered to \$60 million. Take for example the Association of Canadian Financial Officers, which recommended lowering that threshold to \$60 million a year and requiring the multinationals in question to provide the Canada Revenue Agency with more detailed information on their activities in every country.

I would like to mention that the Canada Revenue Agency should also publish this information so that Canadians can see the fiscal arrangements of these multinationals that they do business with on a daily basis. It might be interesting for consumers to have the option of looking at the tax practices of the stores they shop in at the mall.

I said I was going to talk about the Canada child benefit in my speech. I want to criticize the fact that this benefit was not indexed. When it was announced, there was no plan to index this benefit, and that was strongly criticized by experts, obviously.

Fortunately, after hearing these criticisms, the Liberals incorporated indexing into the budget implementation bill, indexing that will not take effect until 2020, unsurprisingly. They admitted their mistake, saying that it was not a good idea, that they had forgotten

about indexing, and that they were not going to include it until 2020. What a huge oversight!

This will certainly have a major impact on families in Sherbrooke who receive this benefit. They will see a decrease in the real value of their benefits, which will remain at the same level until 2020. The cost of living is rising in Sherbrooke, as is the cost of groceries. People regularly tell me that their grocery bills are climbing, and that their incomes are unchanged. Their purchasing power is shrinking, and this mistake will not help the situation in Sherbrooke.

We hope that this will be corrected once again, and that the Liberals will listen to reason on this issue, just as they listened to reason in the case of very clear, concise arguments about the lack of indexing. So I do not see why they would not listen to reason on the idea that indexing should be introduced earlier, or even immediately.

On another note, I also wanted to talk about the issue of asset recycling, an expression used by the government in the 2016 budget document tabled in the House to announce the government’s plans for the following year. A number of people have wondered about the expression “asset recycling”. What does “asset recycling” really mean?

We have also heard rumours about the Canada Infrastructure Bank, which the Liberals talked about during the election campaign. They had previously alluded to this project to establish a Canada Infrastructure Bank. Perhaps we will hear more about this in today’s economic statement.

However, the government is considering the idea of privatizing existing infrastructure, which is known as asset recycling. Privatizing government assets or putting them back in private hands generates revenue for the government. How do you generate revenue from infrastructure? By introducing a fee system. That is how you can successfully bring in revenue.

The same principle would be applied to the Canada Infrastructure Bank, so that it could continue to grow and we could continue to invest. Obviously, private investors will demand a good return on their investment. To get a return on infrastructure, you put in pay stations so that users have to pay to use the infrastructure, which should be public and accessible to everyone.

As I mentioned at the beginning of my speech, every person should pay his or her fair share of tax. If we pay income taxes, it is for the purpose of getting services from the government, and we should not have to pay a second time when the government provides services to us.

• (1040)

I hope the government will listen to reason on this issue as well.

[English]

Mr. Kevin Lamoureux (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.): Madam Speaker, I will pick up on the member’s last point. I know a number of New Democrats have mentioned the whole idea of infrastructure and how it is ultimately paid for.

Government Orders

Four or five years ago, the NDP government in Manitoba dealt with it by bringing forward legislation supporting P3s, which included private sector and government-sponsored infrastructure projects. My question for the member is this. Obviously at the provincial level it is a different thing, but do the New Democrats at the national level believe that the private sector plays no role whatsoever in infrastructure?

[Translation]

Mr. Pierre-Luc Dusseault: Madam Speaker, I thank my colleague for his question.

First of all, I would like to say that a public-private partnership is not the same thing as the idea of having an investment bank that collects money from the private and public sectors to carry out projects that need to show a return. It is quite obvious that a bank does not work if there is no return. That is quite different from a public-private partnership. It is important to have good infrastructure, of course, but I do not think, as I said in my speech, that users should have to pay for infrastructure that has been paid for by the public. Who is the public? It is the users. Why would we ask users to pay for the same thing twice?

So I would tell my colleague to take money from taxpayers who pay taxes every year to provide infrastructure that they will use. However, I do not understand the idea of asking them to pay twice.

[English]

Ms. Marilyn Gladu (Sarnia—Lambton, CPC): Madam Speaker, my colleague had lots of good math facts in his speech. When it comes to the math facts about this budget, we hear a lot of rhetoric about the middle class, but it seems to me that if they give people a \$900 tax cut and then take away \$1,100 when they do the CPP and then they add a carbon tax and an Internet tax on that, they are really not helping them out. With seniors, I would say that giving them an extra \$60 a month in GIS is nice, but then Kathleen Wynne comes along and takes away \$130 a month, and then there is the carbon tax and the Internet tax, and they are not better off.

I wonder if the member could comment on whether he thinks this budget would make the people of Sherbrooke better off.

[Translation]

Mr. Pierre-Luc Dusseault: Madam Speaker, I thank my colleague for her question.

It is true that taxpayers, and my fellow citizens in Sherbrooke, are being squeezed tighter and tighter. Their incomes keep shrinking, and the cost of living keeps rising. Clearly, the proliferation of measures that force them to pay more and more is not a positive thing. What we want as a government is to have fellow citizens who can participate fully in the economy because they have money in their pockets that they can reinvest in the economy. Citizens who have more money in their pockets are citizens who will go shopping more often and reinvest in the economy. The money does not vanish.

It is also important to have good salaries. To that end, I suggest that the government study the proposal to increase the minimum wage at the federal level. That would be a first step. Increasing the minimum wage creates a domino effect that makes the economy stronger and allows consumers to play a bigger role and spend more.

• (1045)

[English]

Mr. Scott Duvall (Hamilton Mountain, NDP): Madam Speaker, we have heard for the last couple of days about how this budget would help middle-class people, especially at the level of about \$180,000, where they would get a \$900 tax credit. We have also heard in the last couple of days how this would help low-income families with children by giving them the child tax benefit.

Could my friend answer this question? How does this help the low-income middle-class people who are earning around \$44,000? How would they benefit from this budget?

[Translation]

Mr. Pierre-Luc Dusseault: Madam Speaker, I thank my colleague for his question.

The short answer is, not at all. I used the word “taxpayer” a lot; perhaps that is because of my role as national revenue critic. Citizens who have incomes below a certain threshold are not getting any help from their government. In the government’s first budget, we learned that the members of the upper middle class were getting the most. Where we live, an income of \$44,000 is relatively high. If we do not help people whose incomes are below that threshold, it makes no sense economically.

[English]

Mr. Randeep Sarai (Surrey Centre, Lib.): Madam Speaker, today I am speaking about C-29, a second act to implement certain provisions of the budget tabled in Parliament on March 22, 2016, and other measures.

We are putting into action our promise to Canadians to help build a stronger and more prosperous middle class. This is what we have done over the past year, and it is what we will continue to do, not only over the next year but for the long term.

The government has an ambitious plan to better the middle class, and with that, the entire country. We have received support around the world on the steps we have taken, from the *Financial Times*, *The Wall Street Journal*, the OECD, and the IMF managing director, Ms. Lagarde, who cites Canada as a role model for its ability to mobilize all possible levers to generate growth.

This is possible because our government has taken measure of the situation by listening to Canadians in tough economic times. We have not hesitated to take action either. Since July 1, Canadians families can receive up to \$6,400 per year for a child under six, and \$5,400 per year for a child aged six to 17. Nine out of 10 families have seen their benefits increase by \$2,300, on average.

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That is why I am proud to return to Surrey and speak with my friends, neighbours, and colleagues about how budget 2016 will positively affect their lives. Surrey Centre is home to young families who are keen on making their homes and lives in Surrey, and as a national government we have a duty and responsibility to support them when and where we can. The new Canada child benefit is our government's response to this. We are putting forward a more generous, simpler, and income-tested benefit that benefits more Canadian families than ever before.

It is with a vision to the long term for our country that this second budget implementation bill would amend the Old Age Security Act. It would restore to 65 the age of eligibility for old age security and the guaranteed income supplement. In this way, Canadians would have thousands of dollars more when they retire at the age of 65. Better yet, the 2016 budget would increase the amount to the guaranteed income supplement, which targets the most vulnerable seniors, providing up to \$947 more per year.

With this second budget 2016 implementation bill before us today, we are delivering on the promise, set out in budget 2016, to support senior couples who must live apart for reasons beyond their control. If one member is located in a long-term care centre and find themselves suddenly faced with new and unexpected expenses, we are putting forward a proposal that ensures that they receive high benefits, based on the individual incomes of each individual. Again, the government is true to its promise of fairness to seniors and allowing them to retire with the dignity that they so deserve.

Our plan stimulates growth by giving more financial leeway to those who need it: middle-class families and seniors. Canadians also need to feel supported and protected as consumers. The federal government is showing leadership with the bill, as it would strengthen the framework that protects consumers who use financial products and services. We want to ensure that Canada's financial sector is capable of adapting to an aging population in an age of globalization, while still innovating and using the emerging technologies that challenge existing business models.

These new measures would include: first, improving access to basic banking services; second, imposing limits with respect to certain commercial practices; and third, finally improving disclosure of information to help consumers make better and more informed decisions.

Canadians also expect that financial institutions in this country have the means and resources to ensure that the integrity of our tax system is maintained. It is to ensure that everyone pays their fair share of taxes, and when I say everyone, I also include multinationals that operate in many jurisdictions. That is why our government is committing to working with our G20 partners to develop and implement an international plan to fight tax evasion and tax avoidance. It is a plan that will enhance our current measures and adopt new ones.

One of the key instruments behind our government's plan on cracking down on tax evasion is to help support the G20 and OECD declarations on tax evasion. This is an instrument that will force major companies to report on their activities in each jurisdiction in which they operate as well as the nature of these activities. This will also allow Revenue Canada to have a global view of these large

multinational corporations. This is the first in the fight on tax evasion.

• (1050)

I should also add that the 2016 budget provides another important measure to counter tax evasion, allowing Canada to be part of the global standard for the automatic exchange of information, which was developed by the OECD. When this law is passed and these new measures are applied, Canadian financial institutions can and will identify accounts held by non-residents and will have to report these accounts to Revenue Canada.

Meanwhile, foreign financial institutions will collect more information on accounts held by foreigners, including Canadians. There are more than 100 countries and jurisdictions, including the Cook Islands, which just last week became the 106th jurisdiction to join the most powerful international instrument against offshore tax evasion and avoidance.

This government is putting forward a plan that is based on fairness. It would provide Canadians with an optimistic view of the future. We are working to ensure that Canada continues to move forward and lead the international community, particularly with the implementation of our bold economic policies that put a focus on growing the middle class to ensure the prosperity of our country.

I encourage all members to vote for the bill.

Mr. Harold Albrecht (Kitchener—Conestoga, CPC): Madam Speaker, one of the issues that is covered in Bill C-29 is the indexing of the Canadian child benefit beginning in January 2020, which is four years from now. The parliamentary budget officer has estimated that this could cost an additional \$42 billion over the next five years. In fact, it would double the original amount budgeted, yet the parliamentary secretary said the Liberals are going to go ahead with this measure regardless of what it is going to cost.

Where will the Liberal government find the money to pay for this inflated cost? Will it be through increased taxes, taxing our jobs and small businesses out of existence, or will it simply be to add to the budget deficit that is already ballooning and is currently at \$30 billion? It is estimated that over the next 10 years, the interest costs alone on that deficit would increase by \$10 billion. Where will the Liberals find the money to fund this promise?

Mr. Randeep Sarai: Madam Speaker, this government is implementing a budget that is based on infrastructure, innovation, and growth. It is through innovation, infrastructure, and growth that Canadians will increase the economy. Companies will be able to grow and expand, and therefore, our tax base will accordingly be expanded.

The costs of these measures will come from the growth of this economy, which has been stagnant for too many years and too long. It will expand through the growth of the revenue that will be received through much-needed infrastructure growth, and the income tax revenue from the middle class will increase when the growth of the middle class happens. It is all included in the growth strategy of this government, and I think these measures will be funded accordingly.

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• (1055)

Ms. Cheryl Hardcastle (Windsor—Tecumseh, NDP): Madam Speaker, I have asked this question to another of the member's colleagues, but I was not sure I received a satisfactory response regarding the understanding of the infrastructure bank and the terminology of "asset recycling".

Canadian municipalities are sounding the alarm about the Liberals' plan to take promised money for housing and transit, and instead put it into their infrastructure bank scheme. Does the member understand that this new bank requires that a project pay a return on investment?

Mr. Randeep Sarai: Madam Speaker, I believe the infrastructure bank and its mandate are still to be determined. The rules and the implementation of it are still to be determined. However, municipalities and cities can rest assured with the commitment this government has made to infrastructure spending, and the 50% on infrastructure projects shall remain.

The goal of the infrastructure bank is actually something that a lot of these municipalities have been asking for, which is a base they can rely on for satisfactory funding at low cost to implement a lot of the infrastructure projects that they have been dreaming of for so long. We can go coast to coast to coast to the major cities in this country and we will see failing infrastructure projects, sewer systems that are outdated, bridges that are falling apart, and highways in need of repair. This infrastructure bank will only help in implementing those projects that are beyond perhaps some of the scope of the infrastructure funding.

[*Translation*]

Mrs. Sylvie Boucher (Beauport—Côte-de-Beaupré—Île d'Orléans—Charlevoix, CPC): Madam Speaker, I am always happy to take part in the discussions of the House.

I had the opportunity to spend a good part of yesterday afternoon here, and I heard the speeches on all sides. I remain a little perplexed at what the Liberals are saying.

For my part, I am here in the House to present a timeline of the evolution of the Liberal plan.

At the beginning of the election campaign, in August 2015, they were talking about a modest deficit that would allow the government of Canada to create employment, and enable the Canadian economy to prosper and develop some infrastructure projects. Later in that same election campaign, we were hearing that the deficit would be quite small, only \$10 billion. Last March, we were hearing that all the services the government wanted to offer Canadians would cost taxpayers \$30 billion. We are not counting the same things: this is not what Canadians had been promised.

Recently, we heard that the deficit might be \$35 billion or even higher. I wonder if our prime minister is going to wake up one day. The deficit may be even higher because he doesn't really know how to count. He is spending our money, taxpayers' money, my money, my daughters' money and my grandson's money. He is spending extravagantly. There is very little left for Canadians. Now who is going to have to pay this bill? I am going to pay part of it, but the biggest share will be paid by future generations, those who come after us, my grandchildren and great-grandchildren.

To listen to the Liberals, there seems to be no problem: look, they want a beautiful Canada for our children! According to the Liberals, it's nothing serious if they don't have any money later — they will see to that later on. I don't know what they are smoking, but in any case, we are stronger on this side of the House.

We should have seen economic growth in the wake of the Liberals' spending. We should have seen a difference. Given all the money they have waved under our nose, we should have seen that difference. But instead, what we are seeing at this time is job losses across the country and infrastructure investments with nothing concrete accomplished. They promised a lot of money for infrastructure. No one on either side of the House has seen the first ground-breaking ceremony. If someone has, please tell me, because in my riding I can say that nothing has been done.

They have talked about programs which, according to the Liberals, are helping nine Canadians out of ten, programs that will be paid for by their new carbon tax. They had promised us job creation. But job creation is stagnant. We have just learned, from the finance minister himself, that future jobs, the jobs of our children and those to come after, will once again be unstable jobs, seasonal jobs. We are well paid, here in the House, as we represent our fellow citizens, but there is nothing concrete for those who will come after.

Where are the Liberals' fine promises? They have hoodwinked us. They think that, when they get up, the good lord goes to bed. They think they are the best, but the best at what? They are the best at putting us in the red, that much is true. They are the best at taking pretty pictures with people. All very pleasant, but it doesn't provide anything to eat or anything for our children.

• (1100)

The mismanagement of public funds does not stop there, under the Liberals. In Bill C-29, the Liberals are going to index the Canada child benefit to inflation starting in January 2020. The parliamentary budget officer has estimated that this indexing would cost \$42.5 billion over the next five years. Where are the Liberals going to find that money? In the pockets of my daughters, whose jobs are already unstable? In the pockets of Mr. and Mrs. John Q. Smith who are working for a pittance? Where will they find that money? Growing on trees? The environment is very nice, but if they have a tree that grows money, I would like to have one in my yard. That is not the way things work. What will we have to do to pay for the Liberals' extravagance? Stop eating? Will we tell people not to pay their electricity bill because the carbon tax is costing them a bundle? We shall see next month: we shall see how the budget will be balanced. Is this what Canada's Liberals stand for?

Meanwhile, the cost of living is not stagnant. There are fewer jobs and the cost of living is going up. It's a simple calculation: Canadians will no longer have the same quality of life. The previous government, on the other hand, believed in the ability of Canadians. It believed that Canadians could think for themselves and spend their money as they saw fit. Their money stayed in their pockets instead of in government coffers.

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The Liberals talk a lot about the middle class. For them, the middle class is made up of those who earn \$90,000 or more per year. We are part of the middle class. I can tell you that, in my riding, the middle class is quite a bit poorer than we are. The middle class does not have the means to go to \$1500-a-plate fundraising parties just to meet the pretty little MP who smiles and takes nice photos. I would not engage in that sort of thing either, because I have far more integrity than the Liberals.

With the Liberals' budget, we ought to have rules introduced to guarantee the long-term stability of the real estate market. Well, we shall see. The Liberals have also said that increasing contributions to the Canada pension plan will be good for the economic health of Canadians in the long term, that is, in 40 years. My 86-year-old mother is presently ill and hospitalized. She could use that money now. I don't think she will still be here in 40 years. I don't think she will be able to benefit from this. I think that this is more hoodwinking of Canadians coming from the government opposite.

I find it deplorable that the government members across the aisle are holding Canadians hostage with their lip service, their big smiles, and their sunny ways. Sooner or later we are going to hit a wall, and average Canadians will be left to pay for everything, even though they are not millionaires and have no money left despite how hard they work just to earn a living. I believe in Canadians' capacity to think for themselves. I am tired of centralist governments that think that if things are going well, they are responsible.

We have to be realistic and stop being partisan. We have to look at the facts: this government is putting us in the red. I want to repeat what I said last week; my father often used to say that heaven is blue and hell is red. I really have no desire to be in the red because of this government.

• (1105)

[English]

Mr. Kevin Lamoureux (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.): Madam Speaker, I do believe that, in good part, the member has missed the mark if we take a look at something very tangible that the Government of Canada has done with the money and with taxpayers. We believe it is a reflection of what Canadians want, and this demonstrates the degree to which the Conservative Party is really out of touch with what Canadians expect of their government.

Let me give members a specific example. The guaranteed income supplement will in fact enhance incomes for the poorest of our seniors in every region of our country. Yes, it is costly, but people believe we need to support our seniors.

The Canada child benefit will also lift tens of thousands of children out of poverty. Yes, it is costly, but Canadians want us to deal with poverty.

Does the member not acknowledge that the government has a role to play in dealing with poverty in Canada?

[Translation]

Mrs. Sylvie Boucher: Madam Speaker, I thank my colleague for his question.

If he thinks I do not understand, I would like to say that, just because I am a woman, does not mean I do not understand. Yes, I understand. Moreover, I understand exactly what my constituents are telling me.

Poverty has always existed. I myself have been poor, so I know what I am talking about. However, when I was poor and having a hard time paying for housing and groceries, the government did not come and take money out of my pockets. It let me keep my money, because I was having a hard time making ends meet.

Now the government is centralizing everything. I do not know whom it consulted, but it was certainly not the middle class or Canadians living in poverty. If that had been the case, there would be no carbon tax, and you would have stopped taxing Canadians, who would then have more money in their pockets.

• (1110)

The Assistant Deputy Speaker (Mrs. Carol Hughes): I would remind the member to address her remarks to the Chair.

[English]

Questions and comments, the hon. member for Windsor West.

Mr. Brian Masse (Windsor West, NDP): Madam Speaker, one of the things the member mentioned was the previous record of the Conservative government, and we are talking about consumption taxes. In particular, the Conservatives are responsible for the GST and then the son of the GST, which would be the HST. Therefore, the—

[Translation]

Mrs. Sylvie Boucher: Come on. We cut it.

The Assistant Deputy Speaker (Mrs. Carol Hughes): Order. The member will have a chance to answer the question. She needs to respect the person who has the floor right now.

The hon. member for Windsor West.

[English]

Mr. Brian Masse: Madam Speaker, I have never been heckled by the person of whom I was asking a question, but at any rate, it is never too late to learn.

The process of that was a \$6-billion contribution—\$4 billion to Ontario and \$2 billion to British Columbia—at a time of a deficit. I had the House of Commons do some analysis about those borrowing costs. Because we were in a deficit, it is going to be more of an \$8-billion to \$10-billion expenditure with the borrowing costs rolled in.

I would ask the member about the history of the Conservative Party that actually borrowed \$6 billion to \$8 billion to \$10 billion, approximately, to bring in a consumption tax that affects every age, every consumer, and every income, versus that of an income-based tax.

Again, why do the Conservatives feel that the HST was so important for Canadians? Generally speaking, consumption taxes hurt all, not just the individuals who should pay for those things.

[Translation]

Mrs. Sylvie Boucher: Madam Speaker, the party on this side of the House is the one that cut the GST.

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I remember the 2006 election campaign, when I ran for the first time. Mr. Chrétien had promised to cut the GST, but that never happened. On the contrary, the Liberals increased the GST. Typical Liberal promises.

During the 2006 election campaign, we Conservatives promised to cut the GST, and we cut it to 5%. People can say what they want about the Conservative Party, but one thing is certain: when Mr. Harper, our former prime minister, promised something, he kept his word.

Over time, we have gotten used to the Liberals making fine promises in front of the cameras, but they have reneged on everything from the word go. I will vote against this budget because it is not good for the middle class.

[English]

Mr. Harold Albrecht (Kitchener—Conestoga, CPC): Madam Speaker, today I rise in the House to participate in the debate on the Liberal government's second budget implementation bill. In the spring, the Liberals presented their first budget. The actual implementation comes in two phases: Bill C-15, budget implementation act, 2016, No. 1, which was passed last spring; and now we are implementing the next phase of the budget, known as budget implementation act, 2016, No. 2, which are the technical measures to make the budget law.

Left with a \$2.9 billion surplus by the Conservative government, confirmed by the parliamentary budget officer on October 24, the Liberal government, which campaigned on controlled deficit spending, blew through its promises and did not just double its projected spending but tripled it. If that was not enough, it has now been made clear by the Bank of Canada, the International Monetary Fund, and the OECD that Canada's forecasted growth will be much less than anticipated. This means the deficit will actually be larger than three times the government's original promise. In fact, TD Bank estimates that the deficit will be approximately \$34 billion.

If we consider debt charges alone over the course of the government's mandate, interest charges increased by almost \$10 billion. Over the next four years, the interest costs alone will rise from \$25.7 billion to \$35.5 billion. That is just interest alone. This is a lot of money that could be invested better, perhaps reducing taxes, especially for the small business sector.

Canadians believed the Liberal Party when it said that the deficit spending it would undertake would lead to prosperity and growth. Following the release of the budget, my office sent out surveys to every household and business in my riding, asking whether they supported the out-of-control spending of the Liberal government. Of the responses I received, over 90% of my constituents did not support these ballooning deficits and unnecessary spending.

Canadians will remember the stimulus spending the Conservative government undertook during the recession years of 2008 to 2010 and the ability of that government to lift Canada out of the recession stronger than any other G7 country. On top of that, our Conservative government kept its promise to return the budget to balance and, as I said before, even left the Liberal government with a surplus of \$2.9 billion.

However, we are not seeing the promised results of the Liberal deficit spending. Just a year ago, the Liberals promised that they could spend their way to prosperity and growth. Hard-working Canadians trusted them to borrow just a modest sum. They said that they would create more jobs and put more money in their pockets. Canadians are still waiting.

By most measures, Canadians are worse off than they were a year ago and the unemployment rate has not changed since the Liberals took office. Good jobs are in short supply. The vast majority of new jobs created under the Liberals have been part time, which helps explain why weekly earnings for the average worker have not budged. Meanwhile, the cost of living has gone up and it is now harder for Canadians to afford new homes. The new federal rules announced last month mean even fewer will be able to buy a first home.

During the summer, I invited the member for Barrie—Springwater—Oro-Medonte, who was the critic for economic development for southern Ontario, to my riding to participate in a manufacturing round table. There was a great turnout and I was pleased to listen to the concerns of many in the Waterloo region.

In addition to a number of small business owners, also present were the Cambridge and Greater Kitchener Waterloo Chambers of Commerce. One point that came up time and time again from business owners was they cannot operate businesses for very long by borrowing for operating costs.

All of us realize that a major capital investment, such as a home or new equipment, will require sensible borrowing, but to borrow more and more for operating costs is a recipe for disaster. It is really only a matter of time until businesses are finished. The same principle needs to be operative at the federal level of budgeting. We cannot continue to borrow to operate a bloated government.

Another issue that was brought up during the round table were the increased challenges the Liberal government was forcing on businesses such as changes to the CPP program, and, at the same time, the prospect of a national carbon tax. With both of these changes being implemented in the near future, these job-creating businesses in the Waterloo region will be forced to make hard decisions and limit their own growth or perhaps even lay off workers.

The Waterloo region has a strong manufacturing sector and for the Liberal government to be putting unnecessary pressure on these businesses simply does not make sense.

● (1115)

In addition to these manufacturing businesses, other small businesses in my riding and members of the agricultural community have great concerns with the Liberal government's changes to CPP and the implementation of a national carbon tax. Small businesses have learned already through the Liberal government's broken promise to lower their tax rate that this government is not making decisions that are in the best interest of job creators.

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However, if that were not enough, just like the manufacturing businesses I heard from, the increase in mandatory CPP paycheque hikes would cost these companies jobs. It would force them to reject the proposal for expansion, postpone new initiatives, or to put off hiring that new employee.

Layered on all of this is the government's new top-down mandatory carbon tax. In my riding, there are over 1,200 farms, approximately 1,400 farms in all of Waterloo region. This new tax will raise their operating costs by thousands of dollars per year, which will in turn raise the grocery bills of Canadians from sea to sea. The cost of living under the Liberal government keeps rising, while employment and wages are stagnant or, in fact, on the decline.

Over the past several months I have been petitioning the Minister of Transport, through letters and questions during question period, on the topic of ultra low-cost carriers. My office has been contacted directly by Jetlines and the Waterloo international airport, asking the Minister of Transport to change the foreign ownership rules for carriers so companies, such as Jetlines, can operate in Canada.

Nine months ago, the pathways report was made public, and this clear recommendation came to the transport minister. Here we are, nine months later, and still no action. This change would provide Canadians with low-cost and convenient travel, as these carriers would primarily be servicing secondary airports across Canada. This is an absolutely clear issue. This has the potential to create thousands of new jobs and offer a more affordable option for travel. However, the Liberal government remains committed to standing in the way of private enterprise.

The Liberals said a massive deficit would create jobs. The parliamentary budget officer's employment assessment said that after a year of Liberal borrowing, there have been zero new full-time jobs created. Job growth is at half the rate of the previous government, and all of the jobs are part time. Despite the low dollar, there are 20,000 fewer manufacturing jobs than there were a year ago.

I would like to talk about the tax credits the government has abolished with this new budget and the introduction of the Canada child benefit.

The Liberal government's removal of the student textbook tax credit has big impacts on the Waterloo region, which is home to several universities and colleges. With the cost of tuition increasing and fewer and fewer job prospects, students need help covering costs. This was one method the government was able to help them.

The Waterloo region is also home to many great sports clubs and associations. Our previous government introduced the child fitness tax credit to help families pay for the cost of their children's sports fees. This helped many families that otherwise might not have been able to afford it and it also encouraged health and wellness through sport, which in turn reduces health care costs.

The Liberals defend these cuts by citing their Canada child benefit, but recently we discovered that their own budgets did not allow for indexing to inflation. This would mean that Canadians would actually be losing money each year under this new plan. In an effort to remedy this monumental error the government has included in this legislation updates to the program allowing for indexation.

The parliamentary budget officer had estimated that indexing and enriching the Canada child benefit would cost \$42.5 billion over the next five years. The parliamentary secretary said that the Liberals were going forward with this regardless of the financial pressure it put on public finances. The parliamentary budget officer found the program would cost more than double the original amount budgeted if indexed over the next five years. Where will the Liberals find money for this new spending?

As we have seen already over the past year, and I have made clear in this speech, the government will be digging deeper and deeper into debt without any plan of ever returning the budget to balance.

It is clear that the government's uncontrolled spending and poor policy decisions have been, continue to be, and will be over the next three years, disastrous for the Canadian economy. That is why I cannot support the legislation. I ask the Liberal government to reconsider the poor economic decisions that are included in the bill.

• (1120)

Mr. Kevin Lamoureux (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.): Madam Speaker, the member spent a vast majority of his time commenting on deficits, so my question is with respect to deficits.

I have said many times in the House that we provided Stephen Harper and his government with a multi-billion dollar budget surplus. Virtually every year since he took office, he had a running deficit. In fact, he had the largest running deficit of any other government in the history of Canada, in excess of \$150 billion.

Given the track record of the Conservative Party on deficits compared to Liberal governments that have consistently had balanced budgets, why does the member believe the Conservatives have any credibility on the issue of balanced budgets?

Mr. Harold Albrecht: Madam Speaker, I want to remind everyone that one of the ways the previous Liberal government balanced its budget was to cut \$25 billion from the health care and social transfers to the provinces. Our provinces and municipalities are still suffering from those cuts.

What my colleague fails to remember as well is that our Conservative government paid down over \$40 billion of the national debt. During 2008 to 2010, we did go into deficit to fund infrastructure projects and to create jobs. Our job creation record was incredible. It was the strongest in the G-7. Well over one million new jobs were created as a result of the investments we made. This is in contrast to what we find here of not one new job in spite of all of this borrowing.

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• (1125)

Ms. Cheryl Hardcastle (Windsor—Tecumseh, NDP): Madam Speaker, the hon. member has a good recollection of the practices of Liberal governments of the past. He spoke about Canadians still suffering from their cuts. In 1997, the port of Churchill was sold, and look where we are now. We are still throwing money at that fiasco.

Is the member at all concerned with this suggestion of privatizing and selling assets, with the mention of asset recycling in the budget? Is the member concerned with this cost pressure on Canadians as well?

Mr. Harold Albrecht: Madam Speaker, I have not done a lot of research into the actual privatization measures in the bill. However, I outlined in my speech clear concerns when it came to increased costs, for example, the child care plan that the Liberals implemented. The parliamentary budget officer has indicated very clearly the increased pressure this will place on the budget, up to \$40 billion in additional funding. There is no mention in the budget as to where that money will come from.

I do not have a clear answer to the member's question, but I would be happy to discuss that with her later.

Mr. Colin Carrie (Oshawa, CPC): Madam Speaker, government members talk about the Conservative record and the size of the deficit. My colleague was here during the world economic downturn that we had to navigate through. He knows the Liberals at that time were pushing us to make the deficit even larger. The world is not in a recession like it was back then. The Liberals are talking about making investments, but what are the results of those investments over the last year? Could my colleague point to any?

Mr. Harold Albrecht: Madam Speaker, I cannot point to any results over the last year, but I can point to significant results with the investments our government made with the stimulus we placed in the budget. One of those investments was the knowledge infrastructure program, which invested in colleges and universities, allowing them to expand their facilities to train more workers. When it comes to skilled worker training, Conestoga College in my riding was the recipient of many dollars which helped it to expand its ability to train skilled workers, something our Canadian economy will need.

If we are to borrow money, then let us invest that money in something that will create jobs. Let us simply not continue to borrow money to operate our budget.

Mr. Charlie Angus (Timmins—James Bay, NDP): Madam Speaker, I am very honoured to rise and represent the people of Timmins—James Bay in discussing Bill C-29, a second act to implement certain provisions of the budget tabled in Parliament on March 22, 2016.

It is fascinating, with the new Prime Minister. Besides his love of selfies, there are the words “middle class”. I do not think the Prime Minister ever gets up without saying “the middle class”. The Liberals have an interesting caveat: “and those wanting to join the middle class”. The whole government is supposedly about the middle class. I guess we have a different view, the Prime Minister and I, on what is the middle class.

I look at the implementation of the bill, and we see that the plan is to privatize public assets and sell off infrastructure. The Liberals did not run on that, but that somehow is going to help the middle class. It is failing to help small businesses, which most of us in Canada would agree is the backbone of the middle class.

When I look at the Liberals' original budget, when they brought in their middle-class tax break, if people earned \$23 a hour or less, they got zero. If they made \$50 to \$100 an hour, they got the maximum bang for their buck. That discrepancy in value is the Prime Minister's notion of the middle class. I guess he and I just come from different places.

My family joined the middle class when my father was 42 years old. He was a miner's son, and my mother was a miner's daughter. In those days, the idea of going to university or college just was not on. My mom quit school at age 15 and went to work. My dad was working when he was 17, but when he was 40, he had enough money to go back to school. He became an economics professor.

That was the middle class: the belief that people could rise up. If they saved money and got an education, there would be something for them. What did the middle class look like for our family? It was seven people, three generations, living in a little townhouse in Scarborough, with a used car, but it was the middle class. It meant that my mom sometimes worked five days a week and sometimes Sunday to make sure that the bills were paid, but that was the middle class, because the middle class was about having the weekend, about having a pension, about being able to retire. It was a promise my father made that any one of his children could go to university without being burdened with debt.

I look at what this young generation is facing and at the erosion of the middle class, and I think something has significantly changed. Maybe the Prime Minister is not quite as in tune with that. Certainly his finance minister is not in tune with that, as he tells this young generation to suck it up and get used to the fact that they are not going to have pensions, that they are not going to have permanent work, and that they can live in the Uber economy. We have different views on the middle class.

We certainly have different views on the issue of small businesses. My wife and I ran a small business for 10 years. We paid the rent. We paid people who worked for us. There was never any money left over, but it was a good life, but it was hard.

The Prime Minister's notion of small business in the last election was that it was a tax dodge for millionaires. I was really shocked at how someone could be so out of touch on small business. He was talking about how millionaires set up front companies to avoid paying taxes. He would certainly know, as he set up three of these companies to his benefit: 90562 Canada Inc., which held his securities and investments; 7664699 Canada Inc., which was his personal holding company that listed \$958,000 in short-term investments and \$255,000 in cash; and JPJT Canada Inc., which brought in about \$1.3 million over that period.

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There is nothing wrong with making money. Certainly people should be able to make money, should be able to invest, but when his notion of a small business is a front that allowed him to get a break on taxes, it is very much out of touch with mom and pop operations. They work 50 and 60 hours a week, and their kids work there too. That is the disconnect. He promised that he was going to give a break to small business, but he did not.

The other area he promised a big break on in the election, when he was still running on the progressive platform, and we all remember that, was the closing of the corporate tax loopholes on stock options. Most Canadians do not have to deal with that, because most Canadians will never benefit from that. In fact, only about 8,000 insiders benefit. They benefit to the tune of \$750 million a year in corporate tax breaks. The Prime Minister promised that he would close that, but of course, the finance minister, as soon as he was elected, told his pals and buddies on Bay Street that their interests were protected.

● (1130)

I think of that because I see a government that tells us that it cannot find \$155 million to cover the shortfall in child welfare for children who are literally dying from a lack of mental health services and who are living in a broken foster care system. It cannot find \$155 million for the 163,000 children who cannot get homes. However, it can find \$750 million for 8,000 friends, probably many of whom know the finance minister.

While we are talking about tax breaks and the Liberals turning their backs on small businesses, a deep concern is their refusal to go after international tax havens.

One of the benefits in this bill, I notice, is that they will implement the multilateral competent authority agreement on reporting requirements for very large corporations. However, corporations only have to meet these kinds of reporting provisions if they are making over \$750 million a year, which means that about 85% to 90% of the world's corporations will still slip under the radar. That is deeply concerning, because we see tax avoidance by the super-rich as one of the fundamental problems undermining the development of a progressive society, not just in Canada but around the world. We need to get serious about this, because more of these costs are being downloaded onto people who cannot escape the tax burden, people who, as the Prime Minister said, are part of that group that wants to be part of the middle class. If the Prime Minister were deeply serious about his commitment to the middle class, we would see him taking action to make sure that those who should be paying their share are paying their share and that those who are already paying too much of their share would get a break. However, that does not seem to be how this is working.

The Prime Minister promised a record amount of spending. This was going to be the Liberals' progressive vision. It was going to spend, spend, spend, but everyone has to pay for it someday, and they never explained how people would pay for it.

Now we have learned that the Liberal buzzword is "asset recycling". I have the dictionary of weasel words, and I looked it up. "Asset recycling" is not in the dictionary of weasel words. It is a new weasel word that has come forward that the current government has embraced. It learned the weasel word from the expert on it,

Kathleen Wynne, who ran on being a progressive and then started the sell-off of Ontario Hydro, which will be a hugely destructive process. We are actually seeing in our northern and rural regions of Ontario that people cannot pay for their hydro. However, that will not be a problem for insiders who have friends who will be buying into this.

I am deeply concerned about the Liberal government not being honest with Canadians. The Prime Minister never told Canadians that he would be looking at the implementation of toll roads, selling off bridges, and selling off airports. Who would the government be selling them to? It could be friends, perhaps, or foreign nations, who could be buying port authorities. Is this the idea of a progressive government? We saw this in Ontario with Highway 407, which has turned into such a huge boondoggle that we will be paying for it for the next 100 years, and it is making enormous profits year after year. In 2014, it made \$887.6 million in revenue off Canadians who drive along a highway that could have been paid for with public spending and repaid to the taxpayer.

We need to have an honest discussion about what the government's plans are for the privatization of assets, because it will impact the bottom line for Canadians. It will impact services.

The fact that the Prime Minister was not honest with Canadians and did not explain how he would cover those costs is deeply troubling. We are seeing the first wave of that asset recycling.

I urge people in the rest of the country to pay attention to what happened with the Wynne government. Not only was there the sell-off of public resources; it was also doing cash for access to ministers. If we look at the front bench, they are a regular slot machine for industry types who go to private meetings and pay \$1,500 to meet with them as the government is talking about contracts and is looking at the serious sell-off of assets. Who has their ear? It is not Mr. and Mrs. Ordinary on the streets of Canada. No, this is being done in corporate boardrooms.

Of all the outrageous things I saw with the previous government, it never tried to pull something like that, except once, with Bev Oda, but she gave the money back. However, these guys are carrying on, and that is not in the interest of the middle class.

● (1135)

Mr. Kevin Lamoureux (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.): Madam Speaker, for a number of years now I have unfortunately been in the chamber and have listened to many of the personal attacks the member across the way often gets into. I find that at times he is somewhat extreme in his comments, and I think that is most unfortunate. I believe that many of the accusations are outright wrong, on many different fronts, and I only wish I had the time to address each and every point the member consistently hits.

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My question for the member is very concise. He wants to talk about being progressive. Why then is he voting against a budget that would lift children and seniors out of poverty and that would have a tax on Canada's richest people? These are the types of things the member spoke about and that he is challenging the government to do. In fact, the government is doing just that, not to mention the millions of dollars we would spend to investigate how we can end taxing—

The Assistant Deputy Speaker (Mrs. Carol Hughes): The hon. member for Timmins—James Bay.

Mr. Charlie Angus: Madam Speaker, my hon. colleague has accused me of being extreme. That is okay. I would rather be accused of being extreme than of being bizarre. When I hear that kind of question, I am not sure what the member is getting at. I looked through the budget to see that it would somehow look after all the little widows and orphans around the world, the way the Liberals are claiming it would. It actually looks like it would just help their friends.

Maybe that is a different view of what the middle class is. The Prime Minister thinks he is middle class, when his front-line ministers are engaged in cash-for-access private parties with the senior levels of all senior corporations. Liberals actually believe that this is somehow a good thing. They say, and we have heard it from the finance minister, that this is how they talk to ordinary people. I am sorry, but the ordinary people I know do not get invited to those insider rub-dubs. Maybe only Liberals do.

• (1140)

Mr. Robert Kitchen (Souris—Moose Mountain, CPC): Madam Speaker, I thank the member for Timmins—James Bay for his comments. I paid particular attention to his comment about the Prime Minister indicating how small-business owners are trying to avoid taxes by having small businesses. The majority of the agriculture industry is small business. The farms in my riding are small businesses.

I wonder if the member could expand on how this budget would impact these small businesses and on the fact that the promise the current Liberal government made to reduce the small-business tax from 11% to 9% did not happen.

Mr. Charlie Angus: Madam Speaker, the question of small businesses is vital, because the Prime Minister promised that he would help small businesses, and he walked away from that promise. The Prime Minister has said publicly that he thinks they are millionaire tax dodgers.

I will say that in the rural regions I represent, the farm communities take on an enormous amount of debt. The farmers need that debt to put assets in the ground so they can run a viable business. They carry a huge debt load, but in carrying that debt load, they are actually putting that money right back into the local economy, unlike the insider friends of the Prime Minister. They do not put that money back in the local economy. They seem to be putting it offshore. This is why we need to deal with the issue of offshore tax havens.

When we talk about lowering tax bills for the middle class, we are talking about putting that money right back into families' pockets and right back into the local economy.

[*Translation*]

Mr. Alexandre Boulerice (Rosemont—La Petite-Patrie, NDP): Madam Speaker, I thank my colleague from Timmins—James Bay for his speech.

I think that the Liberals did not once use the word “privatization” during the election campaign. Instead, they talk about asset recycling and use other such esoteric language. I think it is a real shame. The people of Quebec will learn the cost of the CHUM, the Centre hospitalier de l'Université de Montréal, with the cost overruns, the longer deadlines, and all the profit going only to private companies.

Mr. Charlie Angus: Madam Speaker, during the last election campaign, the Prime Minister promised to be more progressive. It is not progressive to pursue a privatization policy to help his chum. It was not acceptable to Canadians.

[*English*]

Mr. Tom Kmiec (Calgary Shepard, CPC): Madam Speaker, I thank the members who have taken part in the debate so far on Bill C-29, the second part of the Liberals' plan to implement and then break many of their election promises.

I will jump right in, though. The first thing I want to talk about is the indexation of the Canada child benefit. That is nice to see, because during the budget debate, I asked this question of almost every single Liberal government caucus member I could possibly ask. It was on page 240, annex 1 of the budget. The numbers are right there. They actually go down, starting in 2017-18, so it is nice to see that the government will be indexing this. It was something I was asking about repeatedly. Obviously the Liberals figured out that they had forgotten to index it to inflation. It is nice to see them listen sometimes, although I do note that the thresholds will only begin to be adjusted in 2020-21, so there will actually be a gap year for many families, who will lose access to the child benefit program.

As I said, it was a question I asked repeatedly. None of the members provided me with a cogent response to what I was trying to find out, but it is good to know that the Liberals are paying attention in the House and occasionally do change their policies.

Many government members today have lauded the government for their so-called middle-class tax cuts, but of course we know that the biggest bang for the buck, the most tax reduction, will be for those earning \$199,000 and above. They will get the biggest tax credit out of this. It is nice to see that the Liberals are taking care of the people who probably can donate \$1,500 for those special fundraisers they are occasionally hosting with lobbyists.

Government Orders

Those earning \$199,000 and more are receiving the greatest tax cut. There is nothing in the budget for those earning under \$45,000. Actually there is something for them, and it is a carbon tax, courtesy of this Liberal government. These are the people who are not getting a single tax credit. What they are getting instead is a brand new carbon tax, and according to the Canadian Taxpayers Federation, it will cost the average household \$2,569 by 2022. All of the tax credits for their kids that many of these families were taking advantage of will be gone. They are getting little in return, and are actually giving the government more of their after-tax pay. Then we have the CPP increases as well that will further reduce their ability to save and to pay for the day-to-day goods they need.

There is almost nothing in this budget on infrastructure, especially for Alberta. It is a pittance. When I hear the numbers for what the Liberals have actually spent on infrastructure in Alberta, it amounts to almost nothing. It reminds me that from fiscal years 1994-95 to 2005-06, the Liberals only delivered \$351 million in aggregate to Albertans.

If we compare that to the Conservative government's record on infrastructure from 2005-06 to 2014-15, they delivered \$3.4 billion in aggregate. When it comes to what Albertans need in public infrastructure spending in order to grow their economy locally, they know that the Conservatives have their best interests in mind. Here I am thinking in particular of the ring road that was built in Calgary and the ring road completed in Edmonton as well,

The past record of Liberal governments has been in very sharp contrast to what the Conservatives were able to do while in power, so what I am expecting over the next four years for Albertans from the government is pretty much nothing. Come election time, the Liberals will have to account for it. They will have to explain why they did so little for a province that right now is going through probably one of the sharpest recessions it has had in 35 years.

It started as what I would call a commodity downturn. Oil and gas is not so much a boom and bust business, but the prices do go up and they do go down. Maybe some are used to this. Albertans are used to this. This is not our first time going through a downturn. What is happening for the first time is that we have two levels of government that are intent on prolonging the pain, prolonging the recession.

I will just mention that 45% of organizations are now saying they will not hire more people. They will actually keep things the same. That is the lowest level this index, started by the Human Resources Institute of Alberta in 2014, has reached. It used to be under 20%. Most companies and organizations used to be growing all across the province, trying to hire more people. That is not happening today. Thankfully, 45% are saying they will keep the people they have, but many of them are still letting people go.

As a result of a policy decision by the Notley government provincially, it is making things worse and causing the downturn to turn into a full-blown recession.

• (1145)

I want to speak more about the Alberta HR trends report published this fall by the Human Resources Institute of Alberta. It has an interesting statistic, that the most common reason for leaving a

workplace used to be termination without cause. That actually accounted for a significant proportion.

Two years ago, most Albertans were switching between jobs. There was so much opportunity out there that many people were switching jobs just for a few thousand dollars more in salary. The opportunities were there. If people wanted to work for a smaller company, they could do that. If they wanted to change the sectors they were working in, they could do that. If they wanted to move their family to a different city, they could do that.

What can they do today? Not much of that anymore. They cannot do any of those things because of government decisions, the lack of pipeline approvals and the lack of negotiations on free trade agreements with countries where our commodities need to go. What the government is really doing is following through on what the previous Conservative government left for them to accomplish. There is nothing new going on.

Albertans need every single pipeline to be approved in order to get construction jobs from that, and so that oil and gas companies, the energy companies, have an opportunity to plan for the future, knowing whether or not they can move the commodity through a pipeline. Moving it by rail is extremely expensive. It cuts into the margins. They cannot have as many people working for them, and they cannot grow the companies.

Another interesting statistic is the temporary layoffs. This commonly happens in organizations as they try to adjust in a recession, which Alberta is going through again. Temporary layoffs are at an all-time high. That index, started by the Human Resources Institute of Alberta two years ago, is at 25% now. The number of companies making temporary layoffs has grown. A quarter of all organizations in Alberta are now making temporary layoffs, laying off someone for three or six months, and then maybe, possibly getting them back.

When StatsCan reports this type of data, many people are being captured as employed but are actually not being paid. They do not have any earnings. They still have a job, nominally, to go back to, but that might be six months or a year down the line. They are not earning anything. They are just waiting and hoping that the economy will get better. However, that will not happen if these policy decisions by the federal government, as well as the provincial government, continue and do not improve.

Just looking at some of the indices that we have provincially, the year-to-year totals show the number of active drilling rigs is down by 50% in Alberta, down to 126; and the number of wells drilled, 163, is down 50% from last year. Another good indicator of manufacturing strength and the strength of the energy industry in Alberta is electricity generation, which is down 10% year over year. That is a drop in demand, not so much a drop in supply. The electricity generation stations are still there; they have not gone anywhere. The coal-powered plants are still there; they have not gone anywhere.

Government Orders

Another statistic I want to talk about is the number of employment insurance recipients. It is up 62% year over year. That 62.4% is a whopping number for Alberta. I do not see any activity from the government. If this were the arms trade, and I remember the debate on that, member after member would be getting up and speaking about how important the arms manufacturing industry was, the tens of thousands and hundreds of thousands of good-paying, middle-class jobs at stake. What about good-paying, middle-class oil and gas energy worker jobs? Where is the concern on that side? What is in the budget for them?

I do not see anything that will help end the recession in Alberta and turn things around. All I see is continued constraint on pipelines for Alberta workers and Alberta companies. The unemployment rate is now 8.5%, up almost 2 percentage points year over year. In Calgary, it is almost 10%, or one in 10. In my area, I would say it is probably one in eight people I meet in my constituency office who are unemployed.

Half of the geo-scientists, geo-physicists, in the province are unemployed. That is who is unemployed today. Let us think about the next generation, the younger workers who are exiting university at this point. They have no jobs waiting for them. Their choice is to leave the country. We spent a generation building up our labour capacity, our HR capital, the ability and the knowledge of our workers, of our youth to take on these jobs and to work in these industries.

Now, we are going to lose them to other places. They are going to leave the province, possibly leave the country, and many will not return. We have spent a generation trying to build up that capacity, and now we are going to lose it because of the policy decisions of the government.

Even though 2.3 million Albertans are still employed, that is down 2%. If we think of large aggregate numbers, it is huge.

In this budget, I do not see much for Alberta workers. I do not see anything in this budget for the 122,000 Alberta energy workers who are unemployed and those in the indirect industries who support them, such as the people who fix and pay for uniforms.

I will be voting against this budget implementation bill. There is simply nothing in it for Alberta.

• (1150)

Mr. Kevin Lamoureux (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.): Madam Speaker, one of the things I have noticed about Albertan Conservative MPs is that they sure know how to talk, but when it comes to walking the talk, we find them coming up short all the time.

The Harper government, the Conservative government, built not one inch of pipeline to tidewaters.

If members want to take a look at what this government has achieved within the year, there were over 72 projects, working with the municipalities in the province, dealing with infrastructure dollars.

Can the member tell Canadians, in particular Albertans, how many infrastructure projects were actually approved in the last four

years of the Harper administration and how many inches of pipeline the Conservatives built to tidewaters?

Mr. Tom Kmiec: Madam Speaker, I would like to thank the member for asking that question because I get the opportunity to correct him, which is great.

First, if he looks at the Alberta Clipper and the four other pipelines, he will see that all of the pipelines are connected together through different paths, so the Conservatives actually were getting energy to market. They were getting it down to the Gulf coast. He should talk to Enbridge and figure that out. It is easy. They are large projects. He can figure this out by looking at a map of North America.

Second, in the last four years of the Conservative government, it sent \$747 million to Alberta in 2011-12, \$391 million in 2012-13, \$390 million in 2013-14, and \$333 million in 2014-15 for the province, companies, and municipalities to build infrastructure projects for Albertans to grow their economy. That is not the Liberal record. They did zero.

• (1155)

Ms. Elizabeth May (Saanich—Gulf Islands, GP): Mr. Speaker, I am interested to hear my colleague from Alberta talk about what is not in the budget for energy workers. I would put it to him that I would like to see energy workers in Alberta working in projects supported by Unifor and the CLC, such as to improve our refinery capacity.

We spend much too much time in this place, as my hon. friend from Winnipeg just did, imagining that somehow Canada's economic future rests in getting raw resources out of this country as quickly as possible to jobs in other countries, for other refineries.

In the 1970s, we had 40 refineries in this country. We now have 17. If they build the Kinder Morgan pipeline, that Chevron refinery in Burnaby will likely close because it cannot process raw bitumen, but the Kinder Morgan pipeline will be shipping raw bitumen that Chevron cannot handle to export markets instead of creating jobs in Canada. That is why Unifor opposed the Kinder Morgan pipeline.

Would my friend from Alberta agree with me that this country ought to start figuring out what to do to create sustainable, long-term jobs in ancillary infrastructure rather than focusing on rip-and-strip exports?

Mr. Tom Kmiec: Mr. Speaker, I do not think I can call what Albertans do rip and strip. Do we accuse the lentil industry of not making soup in Canada because it found markets overseas to send upgraded lentils to? Do we accuse farmers exporting wheat of ripping and stripping from the natural landscape because they will not produce bread here and instead export their wheat to other countries?

Government Orders

The history of Canada is one of exporting our resources, especially in a margins-based business like the refineries. We have the Alberta government now proceeding with the expansion of the North West upgrader, a project that a former energy minister, a former boss of mine, is saying could put the Albertan taxpayer on the hook for up to \$26 billion. Simply put, refining is a margins-based business. It is a difficult one to be in. It is a very local market. We cannot simply have large refineries refining product to ship across vast distances. That is one of the reasons we do not have private companies running to build refineries. It takes thousands of workers. It is a huge expense when we have refineries sitting idle in North America. It is easier simply to ship a product and refine it there for their markets.

This is a question for private companies to undertake. The Alberta government is undertaking it right now and it is a very questionable project for the taxpayer.

Ms. Cheryl Hardcastle (Windsor—Tecumseh, NDP): Mr. Speaker, I am privileged to rise on behalf of the hard-working and conscientious residents of my riding of Windsor—Tecumseh, who join our fellow Canadians everywhere in expressing our dismay at yet another budget implementation bill. It is the second since March of this year and, yes, it tries to push through more than a dozen acts in 234 pages in one bill, denying the proper study required, which is really unfortunate and disrespectful of the work we do in the House.

In the interests of time, I will not elaborate on the subterfuge of omnibus bills but will, instead, direct interested Canadians who are listening today to look up the reactions of not just my NDP caucus of the past but that of the Liberals when the previous Conservatives surreptitiously forced controversial agendas by abusing the omnibus method.

Indeed, it is imperative to immediately speak against the crucial issue of selling off Canada's assets in order for the Liberals to appear capable of managing deficits. This subterfuge, which is the privatization agenda, is being unscrupulously advanced.

This privatization scheme is to our great peril, as the actions of a previous Liberal government have proven with the sell-off of the Port of Churchill; as Ontario's manufacturers, institutions, small businesses, and residents, who are all facing out-of-control hydro costs, can attest to; and as our own health care system can demonstrate. It has been proven that privatization is the problem and not the solution.

Canadians were hoping for better from the current government. I and my NDP caucus agree that we do need to make new investments in infrastructure, and we anticipated the roll-out of a long-awaited infrastructure plan that our home towns, cities, and counties could applaud along with us. We know how important it is for front-line municipal governments to have the means to address the staggering infrastructure deficits across this country.

We were intrigued, in an encouraging way, when the mandate letter of the Minister of Infrastructure directed that the public-private partnership, or P3 screening for infrastructure projects, would be removed. Indeed, one of the top priorities is, to quote from the mandate letter:

making changes to the Building Canada Fund so that it is more transparent and approval processes are sped up, which would include removing the P3 screen for projects.

In hindsight, maybe we should have been more cynical and more suspicious of these sunny ways. Now we see the Liberals moving with a scheme to privatize public infrastructure, and that needs to be stopped in its tracks.

Never during the election did the Liberals suggest that they would invest in Canadian infrastructure by privatizing these public assets. Then, in budget 2016, they mused about exploring asset recycling, a deceptive term that really means privatization.

Recently, the finance minister's handpicked economic advisory council, which is made up of many advocates for private investments in infrastructure, has now recommended implementing an infrastructure bank and asset recycling, including private airports, toll highways and bridges, power transmission, and natural resource infrastructure. Liberals are clearly going ahead with the Canadian infrastructure bank, which will largely be funded with private funds that will be demanding a high rate of return, which will be provided by the privatization of revenue streams of this infrastructure such as tolls and user fees.

I am alarmed that this morning, during our debate, there are not more members of the House who have an understanding of what is going on here. Everyone needs to buckle down and read this. These are real impactful statements that are foreboding for the announcements that are to come very quickly.

● (1200)

The Federation of Canadian Municipalities has expressed serious concerns that the Liberals would take the money promised for housing and local infrastructure and, instead, put it into their new infrastructure bank scheme, meaning far less money for local priorities. Canadian communities were counting on this money to address urgent infrastructure needs, but now they may face red tape and new privatization hurdles instead of what was promised.

The fact is that, for private investors to want to take part in the Liberals' now questionable infrastructure bank, the scheme depends on projects creating new revenue streams, which means Canadians will end up paying the price through user fees and toll roads. The hopeful, progressive language in the mandate letter, along with the Liberals' campaign platform, is indeed a fluffy ball of cotton candy. Now we hear backlash from recent reports that poised the Liberals to move ahead with plans for selling off existing public infrastructure, like airports, ports, and bridges.

Government Orders

The CEO of the Vancouver Airport Authority said in *The Globe and Mail*, in reaction to the flywheel investment recommendations, “If you get a big cheque, that’s great, one time, but now there’s going to be a company run by a pension fund and an investment bank that is going to be taking a huge amount of money out of the airport to repay their investment”.

Once people begin to realize that privatization is behind asset recycling, which is happening, Liberals have created a more puffy ball of cotton candy, which has given us the term I just mentioned, “flywheel for reinvestment”. It gets better. A flywheel for reinvestment catalyzes the participation of institutional capital in existing assets. Is that not wonderful? Why do they want to sell off the valuable infrastructure that Canadians’ hard-earned dollars built? It is to pay for their budget shortfalls.

The Liberals plan to take credit for infrastructure money they did not spend, while leaving Canadians to pay the price through things like new user fees and tolls. The Liberals never said a word about privatization during the election. They never explained to Canadian provinces and municipalities that they really proposed a flywheel of reinvestment when they spoke of a Canada infrastructure bank.

What we hoped for and recognized is that a Canada infrastructure bank would serve an agreed purpose as a smart and timely economic stimulant that would help provinces, territories, and municipalities access lower federal interest rates. Little did we know that this was so far from the concept envisioned by the Liberals.

Faced with the dual problems of declining investment and aging infrastructure, the Federation of Canadian Municipalities has estimated that Canada’s municipal infrastructure deficit is \$127 billion and will grow by \$2 billion annually. We can see that investing in public infrastructure has its clear merits, and we are compelled to do so. Including job creation and economic stimulus, it addresses the repairs and upgrades our communities need on an ongoing basis.

Our current economic conditions present compelling reasons for investing in infrastructure now, and the Liberals have never presented their stance on economic stimulus to include a fire sale of federal assets. Canada has an opportunity to take advantage of historically low long-term interest rates and clinch a policy to accelerate the rate of investment in public infrastructure that it promised. This is a nightmare.

Flywheel privatization means the sell-off of more public assets to pay for public infrastructure and private companies that will profit from our use of public services. We have seen countless times what that means: cutting off sources of revenue for government, enriching private investors, and burdening the public with the added costs for services, along with the financial losses of government.

There is only one taxpayer, but there are plenty of other ways to generate revenue, such as restoring Canada Post. The NDP also champions the closing of tax loopholes and cracking down on offshore tax dodging, not taking advantage of ordinary Canadians who keep getting betrayed by this government.

• (1205)

Ms. Marilyn Gladu (Sarnia—Lambton, CPC): Mr. Speaker, I would like to thank my colleague for an excellent speech and for

taking the time to read into the details of this document. It is very disturbing when we talk about the infrastructure bank that is going to be created and the asset recycling principle. This is what it says in proposed new section 42.3(1) about the minister’s powers:

The Minister may, for the sound and efficient management of the Consolidated Revenue Fund, lend money by way of an auction on any terms and conditions that the Minister considers appropriate.

We are talking about the minister doing cash for access with his Liberal buddies and lobbyists, the same minister who, starting with a \$10 billion deficit, ran it to \$30 billion and is now running it further, so I wonder if the member has any faith in the government to not waste Canadians’ infrastructure assets.

Ms. Cheryl Hardcastle: Mr. Speaker, it actually appeases me to a certain extent to know that other people are starting to read between the lines and raise these alarm bells, each for our own reasons.

As a matter of fact, the proposal of an infrastructure bank is just one way, as well as the chapter that was quoted by the member, that we are undermining the real work of the government and the initiatives that we have to take. We have a role and a responsibility, and the use of public assets is not the way to go.

In terms of transitioning to a green economy, to which the government has made indications it will commit, we are undermining that, and we are spinning ourselves backwards here. I hope more people will be able to focus on the merits of a real infrastructure bank, and not be confused with this scheme that just entices private investors to use our—

• (1210)

The Deputy Speaker: Questions and comments, the hon. Parliamentary Secretary to the Government House Leader.

Mr. Kevin Lamoureux (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I wonder if the member believes there is merit in a national government working with the different stakeholders, actually consulting with them on a wide spectrum of issues that would deal with the infrastructure situation we have in Canada.

I would cite, for example, NDP governments in the province of Manitoba looking for P3 and coming up with legislation, and looking at ways in which the private sector could be involved in infrastructure. NDP governments have actually sold off government properties also.

The point is this. Should the national government actually demonstrate any interest in working with the different stakeholders, if the stakeholders are coming to Ottawa saying they want a national government? Is there an obligation, from her perspective, for Ottawa to be listening to what provinces and cities are saying with respect to infrastructure?

Ms. Cheryl Hardcastle: Mr. Speaker, the quick answer is yes. They should be consulting, but not for \$1,500 a ticket.

Government Orders

What we need to do is have a real, meaningful consultation process. These are the lines we always hear. This has been done. We know that this process, the consultation that has taken place, and the things that have been rolled out now indicate to us that we do have an investment bank scheme. However, what kind of consultation has taken place? It is nice for me to tell the House what I think should happen. It is a little late. The member should read his Bill C-29.

Mr. Don Davies (Vancouver Kingsway, NDP): Mr. Speaker, I think all Canadians know we have a very sluggish economy right now. The Bank of Canada recently revised our growth downward from 1.3% to 1.1%. We have a jobless environment, and trade has been really sluggish for the last several years now.

The Liberals came into power telling Canadians during the campaign that they would run three modest \$10 billion deficits and balance the budget in the fourth year. The reality is that they ran a \$30 billion deficit in their very first budget, and they plan on running another five of them.

They promised Canadians that their recipe for dealing with this was to build public infrastructure, not sell it. Therefore, my question is about asset recycling. They make it sound as if privatization is an environmentally advantageous step. What does my hon. colleague think about the government's plan to sell public assets like airports that make money for Canadians, instead of building public assets, as they promised Canadians during the election?

Ms. Cheryl Hardcastle: Mr. Speaker, I appreciate my hon. colleague's question and his comments with regard to the real profound impact of what is being suggested here with asset recycling. The privatization of public assets is also going to open the door to these investor state challenges that we are seeing coming up, not just under NAFTA but now under CETA and potentially under the TPP.

This is counterintuitive to what the platform has been for the Liberal government. How a government stimulates an economy and brings public assets to fruition is not through privatization. As a matter of fact, that erodes and leaves Canadians worse off than they were before.

Ms. Elizabeth May (Saanich—Gulf Islands, GP): Mr. Speaker, it is an honour to rise in the House today to speak to Bill C-29. I have been listening to all the debate that has been taking place, and I note that we as members of Parliament seem to be debating lots of different things all at once, and not necessarily always Bill C-29, especially on a day such as today when we are eagerly awaiting the Minister of Finance's update.

[*Translation*]

Obviously today we are anticipating the fall update on the economy and the state of public finances. I look forward to that. Although I have the opportunity to deliver a speech now, I plan to take part in the lockup on the economic update.

•(1215)

[*English*]

We know that any minute now we will be getting additional financial information from the Minister of Finance, and some of the media reports that foreshadowed what we may see in that report have become part of this debate as if they were in Bill C-29. They are not,

so we do not know much about what will be proposed. There are concerns, as many colleagues have raised, about what might be proposed around infrastructure, what might be proposed around specifics of an infrastructure bank. It is not in Bill C-29. We are also talking today about the budget document itself, and much of what is in the budget document is not in Bill C-29.

Let me just clarify for parliamentarians and those who may be watching us today across the country what Bill C-29 is.

I try to be as fair as possible in all circumstances, and I railed against the omnibus budget bills of the previous government such as the spring omnibus budget bill of 2012, Bill C-38, which changed more than 70 different laws and regulations and abolished important institutions of public policy such as the National Round Table on the Environment and the Economy. It did many things that were never referenced in the budget. It extended itself well beyond what a budget should usually do. This was the spring omnibus bill of 2012. The fall omnibus bill was Bill C-45, and it completely gutted the Navigable Waters Protection Act, while the spring omnibus bill gutted the Fisheries Act and the Canadian Environmental Assessment Act.

I reflect on that just to say that there are different kinds of omnibus bills. There are illegitimate omnibus bills and there are bills that take into account many different measures but all flow from the budget. This is in the category of legitimate omnibus bills. There is nothing in here that is not required by what was in the budget document that we received last spring. Last spring's budget set out changes, particularly to the Canada child benefit. It set out changes to various aspects of the Income Tax Act. If Canadians were to pick up Bill C-29 and read it, I do not think I am making too much of a stretch to say that they would find nothing that would be alarming.

There are provisions to begin to understand how we measure carbon emissions in terms of emissions allowances, how taxpayers would account for that, and how Revenue Canada and the Department of Finance would account for that. There are certainly new rules for charities and extensions for what kinds of donations could be considered charitable donations. There are provisions that are purely to do with the tax code, as one would hope when one is looking at a budget bill.

It is not an illegitimate budget bill, but it does of course allow us to turn our attention to the budget and to reflect on what was there and what was not there in relation to the promises made in last year's campaign.

We are just about at the one-year mark for this new administration and it is fair to reflect at the one-year mark on policies related to budget matters today, so I will stay within the frame of budgetary matters in my presentation. However, I have to say, in providing commentary on Bill C-29, and I want to be honest with Canadians, there is nothing here that gets me worried or upset except for what is missing. I want to be clear about that.

Government Orders

What is missing is that the Liberal platform last year committed to getting rid of subsidies to fossil fuels. There were really only three bullet points under the Liberal platform commitment to climate action.

One bullet point was that they would attend at Paris and negotiate. The Liberals did that and they did it superbly. The second was that they would put in place a national carbon price, and that is a work in progress. I bemoan the fact that the starting price is \$10 a tonne but the architecture of it is fair and will only top up those provinces that have failed to define how they want to price their emissions.

This missing piece really deserves much more attention.

The commitment was clear that subsidies for fossil fuels would come to an end. The 2016 budget on page 221 commits until the end of the period in which the previous government had already committed subsidies for a new class of subsidies for liquefied natural gas in 2015. Some may say that LNG, liquefied natural gas, is a fairly clean burning fossil fuel but when it comes from fracked gas, which the LNG industry in British Columbia is projected to come from, it has the same carbon footprint as coal. Seeing a provision in the legislation that would continue this well into the future is a concern. That should come to an end much sooner.

We also were promised a lot of spending on infrastructure but when we look at the actual budget figures, only one-tenth of what is promised on infrastructure will occur before the next election. I really am keen to hear what our finance minister is about to announce later today. If we are trying to stimulate the economy through investments in infrastructure, then we really have to make those investments in infrastructure and we have to do it sooner rather than later. We have only one chance of the money flowing to things like public transit, which we urgently need.

There is reference in the budget to a small amount of money over a two-year period for examining what we need to improve Canada's east-west electricity grid. We need that urgently. Canada is a big country and we tend to have far too many interprovincial barriers. We are familiar with talking about interprovincial barriers to trade but we do not think so much about the interprovincial barriers to electricity. Why is it that provinces struggling to go off coal are having trouble buying renewable energy from the province next door? We really do need to invest in what is a real nation building project. It would create jobs and the fastest route to de-carbonizing our electricity grid is to improve access across provincial boundaries.

We can look at the absurdity right now of what is going on in Newfoundland with respect to Muskrat Falls. Nalcor is building Muskrat Falls, and CEO Stan Marshall has already referred to Muskrat Falls as a boondoggle that should never have been built. Newfoundland will be coming cap in hand to the federal treasury to look for money to bail out that project but it will find that it is throwing good money after bad. Nova Scotia says it cannot shut down coal until it gets an underwater cable all the way from Muskrat Falls.

Hydro-Québec sits right next to the Atlantic provinces. Hydro-Québec's electricity could get exactly as far as Moncton, turn a switch, open up the electricity grid, and work out the financing. Part of the problem may be that Manitoba Hydro and Hydro-Québec

prefer to sell south to the United States because sales to the U.S. do not affect their equalization payments. If we start thinking like a country, we might figure out how to maximize the benefit from electricity generated in one province and ease access in another.

Going off fossil fuels as quickly as possible should be a national goal, while at the same time ensuring that the fossil fuels we use in Canada are the ones manufactured and refined in Canada. We have the beginning of a made-in-Canada solution for our energy, for our workers, for the Alberta economy, if we are willing to invest in refineries instead of pipelines and take away the subsidies to fossil fuels as was promised.

• (1220)

Ms. Marilyn Gladu (Sarnia—Lambton, CPC): Mr. Speaker, I do share my colleague's concern about the slow pace of infrastructure spending. That \$3 billion that the government has spent so far was spent on projects that were approved in the Conservative Party pipeline. Nothing else has come forward. I wonder if the member is aware of that.

The motion that was passed asking for a greenhouse gas emissions analysis on every infrastructure project, which the government supported, means that all of the infrastructure projects my colleague is talking about for public transportation and roads will not happen because they will not meet the criteria because the criteria has not even been set. I wonder if she could comment.

Ms. Elizabeth May: Mr. Speaker, I have seen it in the past and many parliamentarians have forgotten that there was a greenhouse gas screen on infrastructure projects during the previous administration under former prime minister Paul Martin. It did not slow down infrastructure projects, not to my recollection. I have only been a member of Parliament for five years and I am plagued with a good memory. I have to say I remember when these things worked, so knowing that they worked in practice, I think they will work again.

• (1225)

Mr. Arnold Viersen (Peace River—Westlock, CPC): Mr. Speaker, I much enjoyed my hon. colleague's speech. She mentioned two things that made my ears perk up. First was the nation building projects, where I think back to the railway and things like that and specifically now the energy east pipeline would be a nation building project, taking product from Alberta and bringing it to a refinery in New Brunswick, displacing foreign oil.

I wonder if the member is supportive of that project. Also equalization is new to me, as is this issue of selling electricity to the United States in order to maintain equalization payments. Would she agree that the equalization payments are sometimes a false incentive?

Government Orders

Ms. Elizabeth May: Mr. Speaker, those are two big topics. On the first one about electricity and selling to the United States, this was raised with the head of our local chamber of commerce in Saanich—Gulf Islands who said that when Quebec sells to another province it counts in the equalization payments, but revenues achieved out of the province do not.

The energy east as a pipeline project is often promoted as though it was taking Alberta product to refineries in eastern Canada. At the moment, there are no refineries in New Brunswick that can process raw bitumen. Therefore, part of the energy east product line will be Bakken shale and that portion can be refined in New Brunswick. However, the bulk, 70% of what energy east is proposed to carry, is the solid material bitumen mixed with diluent so it will flow and it would flow past the refineries and onto tankers. It would not displace foreign oil. We are getting about 0.7 million barrels a day of foreign oil into eastern Canada, while we are shipping out about two million barrels a day from Alberta to other countries.

As I mentioned earlier, we used to have 40 refineries in Canada in the 1970s. We were not closer to markets in the 1970s. We were not an oil-producing country in the 1970s. What has happened is that the people who make decisions about building refineries in the private sector have no interest in creating Canadian jobs or Albertan jobs. We, as elected officials, should care about creating the jobs that Peter Lougheed had in his original plans for how the oil sands should be developed.

[*Translation*]

Mr. Alexandre Boulerice (Rosemont—La Petite-Patrie, NDP): Mr. Speaker, I thank my colleague for her speech.

I do not want to ask a question about the environment. However, I will use a term invented by the Liberal government that reminds us of the environment, and that is asset recycling. We approve of recycling. However, asset recycling means privatization. The Liberals never campaigned on the privatization of our infrastructure.

What does my hon. colleague think of the idea of selling our assets and making consumers pay twice as much for using federal infrastructure?

Ms. Elizabeth May: Mr. Speaker, I thank my colleague for his question.

I completely agree with him. We did not hear the term “infrastructure asset recycling” during the election campaign. It is not until the end of Bill C-29, on page 228, that there is mention of what the Minister of Finance may do for the sound management of the consolidated revenue fund on terms and conditions he considers appropriate. Perhaps this would allow the creation of an asset recycling system. I believe it is essential, for everyone's well-being, that infrastructure remain in the hands of the public. Management of our public sector should not be privatized.

• (1230)

[*English*]

Mr. Arnold Viersen (Peace River—Westlock, CPC): Mr. Speaker, I will be addressing some of the points my colleagues have made.

I will start off with the fact that TD Economics recently announced that the deficit would be \$34 billion this year. I will put that into some sort of perspective.

Although 30 does not sound like a large number, when we say 30 billion, we often do not even put all of the zeros behind it. Rather, we write “30” and the word “billion” behind it. To some degree it sometimes falls into the abstract. We know it is a large number, but we do not really have a definite reference point as to how much money it actually is.

This morning, I Googled the new Chrysler Pacifica minivan that came out six or eight months ago. It ranges in price from \$42,000 to \$55,000. I used a rough middle-of-the-road \$50,000 for a new Chrysler minivan to make for easy math. Thirty billion dollars would buy us 600,000 new Chrysler minivans. I took the measurement of the new minivan and if we were to line them up bumper to bumper, we would have a line-up of brand new Chrysler minivans from Edmonton all the way to Toronto. That kind of puts into perspective what \$30 billion would look like in hard, fall on our toes, ouch that hurt, kind of stuff.

Thirty billion dollars is a huge amount of money that the government is borrowing today to pay for projects that our children will have to pay for in the future. If these projects were happening and we could all see this burst in infrastructure spending around us, then we could say we were making a good investment. However, history has taught us that when we deal with the Liberals, they spend a lot of money, and typically it goes to pay their friends and donors.

They have said that they will spend all of this money to create jobs. That was their main point. They have pointed to the many years of stagnant growth in the economy, and have said that they need to invest all of this money now, in times of low interest rates, to ensure growth in the economy, and to create some jobs.

What has this done for the number of jobs? We have been here for a year and have seen this historic investment, as the Liberals like to call it. What are the job numbers? They have remained stagnant. We are still at 7% unemployment. If we were to narrow it down from across the entire country and look at places like Alberta, it has seen a spike in the jobless numbers and the unemployment rate since these historic investments have come into play. Clearly, if the Liberals have a plan, it is not working.

Government Orders

The Liberals claim to have created many jobs through this amazing summer jobs program. Frankly, if we think the summer jobs program is creating jobs, we fail to understand basic economics, and what value and production are. If these summer jobs are being paid for through the public purse, there is no incentive for production or to understand the concept of value. People are hired at an hourly wage to do whatever is required. This is great in that it gives young people a chance to get some job experience doing different things, but it does not necessarily instill in these young people the concepts of value and production that typically come with the free market interactions between labour and production.

I am an automotive mechanic by trade. We typically were paid about one-third of whatever the door rate was at the mechanic at which shop I worked. If the door rate was \$100 an hour, the mechanic was paid about \$33 an hour. This was based on the fact that we were busy. If people needed their vehicles fixed, they would come to our dealership. There was a sign on the door that said that we charged \$100 an hour to fix vehicles. Although people realized that it might cost them several thousand dollars to have their vehicle fixed, they would make the calculation and pay me that \$33 an hour to fix it because they needed it to go to work.

• (1235)

There is a series of calculations that goes into that in the private sector where people get paid, and that is set up by rational people making decisions for their own lives essentially.

However, for the summer jobs program, none of those calculations come into the equation. One applies for a position, sends in an application to the government to hire someone to do something for X amount of hours, and asks the government to fund it. The whole concept of value and production are thrown out the window in that case. Although it creates experiences, it is not necessarily typical of what a job should be and is.

Another thing I would like address on the new Liberal budget is that the Liberals seem to be starting in bumps and stops. They fail to realize that our entire economy is a delicately balanced system to some degree. When we push one spot in, another spot comes out essentially. However, it seems that the unintended consequences are not taken into account, and I will give an example of this from my riding.

There is significant oil and gas activity in my riding. One of the things that happens, especially in oil production, is that when we take the oil out of the ground, a lot of times we get natural gas or sour gas that comes along with it. Typically, there is a pipeline for the oil, but there is no pipeline to put the natural gas in. Therefore, they light a fire and burn the natural gas off right there. It turns from natural gas into water and CO₂ and everybody goes on their way.

However, starting about 10 years ago, the Alberta government worked very hard to get a system in place where people could use the natural gas they were burning off in a flare stack to produce electricity. They set up the market so rather than sticking the natural gas in a flare stack, they could buy a gas generator, run the natural gas in the generator, and create electricity. They could either sell the electricity to the grid or use it on site.

That whole system was set up to be revenue neutral. The oil company operating there was doing all of this for the environment. There was no cost benefit for the company. It cost it a bunch of money, but it was recouped over time. The company did not make money on it, but it did not lose money either. Therefore, for the sake of the environment, we would do this.

However, in comes the carbon tax from the provincial government, which now makes that cost benefit analysis so the cost is more than the benefits. It was at the break-even point, but now it costs more than the benefit. Suddenly, rather than buying the generator, putting it on site, hooking it all up, connecting it to the grid or a battery, or whatever the company was doing, it now costs too much and so it will have to just flare it once again.

This is one example where, if we do not take into consideration all the aspects of the economy, if we push in one spot, something else will pop out. This is a clear example of where the carbon tax, with its intended good to protect the environment, does the exact opposite.

I would like to think the government is unaware of these kinds of scenarios, but something tells me it is quite familiar with what is going on. The Liberals are betting against the Canadian economy when it comes to mortgage rules. They are saying that we are going to have a lack of growth going forward, market instability, and all of these kinds of things happening. Therefore, they have to ensure we do not have massive mortgage defaults. Therefore, the Liberals are saying that they are going to change the rules so we do not have massive mortgage defaults. They seem to be signalling that they know their plan is not going to work.

• (1240)

I know I am completely out of time. I probably have 10 more things to go over, but I will cede the floor and hopefully will get to some of them in questions.

Mr. Kevin Lamoureux (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.): Mr. Speaker, my questions are related to the agreements that have been achieved by the provinces and Ottawa.

The member and other members have made reference to the CPP. Provincial governments from all regions of the country, working with the strong leadership of this government, have come up with an agreement that will see future retirees receive a better pension. The Conservatives have really taken a philosophical approach to this, saying that it a tax and a bad thing.

Would the member not agree that when it comes to issues around pensions for workers, even if it is for the next generation, that it takes a strong government to demonstrate leadership and ensures that we have adequate pensions for people who retire in the future? In good part, this budget is all that.

Mr. Arnold Viarsen: Mr. Speaker, CPP is one of the things I wanted to get to. I recently received a letter from the Canadian Chamber of Commerce. It mentioned that bringing in the new CPP would restrict companies from hiring new employees. It said that companies would expect employees to work longer hours and do more work, rather than hire a new person, because that cost benefit analysis was going to come up.

Government Orders

Companies will say that hiring a new young person is not going to be as advantageous as keeping more senior staff members and paying them a little for to do more. Because there is a CPP cutoff, if companies can pay the senior staff members, those who already are past that cut off on the CPP maximum limit, a little more, the companies will get a better benefit.

On government leadership, it is important that the government show leadership on a wide range of issues. One particular issue I would like to see the government champion is the energy east projects.

[*Translation*]

Mr. Pierre-Luc Dusseault (Sherbrooke, NDP): Mr. Speaker, I thank my colleague for his speech.

From what he said, he is strongly opposed to deficits and adding to the national debt. He spent much of his speech criticizing deficits.

However, I am having a hard time reconciling his statements with the record of the Conservatives, who ran deficit after deficit. They too added to the public debt non-stop during their time in office and then, at the very end, after juggling the numbers a bit, they were barely able to announce that they had balanced the federal budget. However, during all that time, they continued to add to the national debt. I am trying to reconcile all of that.

I would therefore like to ask my colleague the following question: when exactly is it good to run deficits? His party ran deficits and the party that is currently in office is doing the same, saying that it will stimulate the economy. When is it good to run deficits? Does the member believe that his party was right in running deficits and adding to the national debt when it was in power?

[*English*]

Mr. Arnold Viersen: Mr. Speaker, as to whether we did the right thing by deficit spending during the greatest recession this world has seen, the jury is still out on that. I do not think we are overly proud of what we did. However, I do know we are very proud of our record in bringing our country through the recession better than other G7 nations. We did not have a significant meltdown in our housing market. In fact, our housing market is as strong as it has ever been.

On the deficit we took on, we did that with some chagrin. The deficit would have been much larger had that member's party been in power. We would be in a place right now where we would be unable to take on more deficit. Because of our good fiscal policy, we had a great credit rating. Those kinds of things have allowed the current government to now take on its deficit spending.

If the government is going to spend the deficit as it says it is, I would like to see the job numbers it is promising.

• (1245)

Mrs. Karen Vecchio (Elgin—Middlesex—London, CPC): Mr. Speaker, I am honoured to rise to speak to Bill C-29, a second act to implement certain provisions of the budget tabled in Parliament on March 22, 2016, and other measures.

I had spoken about this budget, initially, when it was tabled. At that time, I was very concerned with the numbers and the spending that I saw, but today I am even more concerned, especially when we have seen a lack of growth and a lack of support, with a number of

groups jumping off the bandwagon, saying the Liberals are not doing what they said they would do.

When the bill was initially tabled, there was \$113 billion that was being borrowed. TD economic services has now estimated that there is going to be an additional \$16.5 billion in new expenditures.

Let us go back to what the government promised during the 2015 election. The 2015 election was just a year ago. We have seen so many changes in terms of what the government is delivering compared with what it provided in its platform.

I would like to go back to a debate that I had in the city of St. Thomas. It was one of our final debates. There were six candidates. I recall the Liberal candidate, at that time, saying that they would have shovels in the ground by December of 2015. Obviously, I am here and I am very grateful for that. However, she obviously heard that as part of the platform. She was being told by her leader and by the leaders of her party that they were going to have shovels in the ground doing great work for Canadians and building infrastructure. I think they actually believed it. I believe many of the members who are now sitting across on the government side believed when they came here that they were going to be doing some good work.

As I said, December 2015 was when they promised to have shovels in the ground. I can tell members I have not seen too many shovels in the ground. I have not seen these projects they were talking about and that they were going to be working on.

The infrastructure minister will come out and talk about the projects that have been proposed, the projects that the provincial governments have submitted, saying that, yes, they are going to support these projects, but that is only stage one of this process. That means there is only a finite number of people who are working on this infrastructure build. They may be the architects, the engineers, or the administrative people who are putting in these applications, but it is not the people with the hard hats and the workboots who are out there doing that work. We do not see that happening yet.

Of all of these communities and provinces that were promised more roads and better infrastructure in the 2015 campaign, where is it and where is the spending? We have seen spending from the government, but we have not seen any results.

I go back to when we go to the bank and we talk about good debt versus bad debt. It is simple. It is something I say to my children. A good debt is when you go and buy a washing machine because it's something that you need and that washing machine is going to stay with you, not just one day or two days, it's going to stay with you, hopefully, for 20 years, which is the way I like to buy my washing machines, at least. That is a good debt. That is when we are investing in our homes and in the things in our homes. Going out and buying a gourmet dinner that might cost \$200 or \$300, however, is good for one day, if that, or it might be good for three hours. There is a difference between good debt and bad debt. I am very concerned that the government does not know the difference between the two and that we are spending a lot of money for things that are hot topics, but we are not spending on long-time prosperity.

The Bank of Canada has actually lowered the forecast for the GDP down to 1.1%. That has not even been within a year. It was 1.4% that was forecast in January, prior to this budget, and unfortunately the Bank of Canada is seeing the light as well and seeing that it is going to be 1.1%.

When this budget was tabled, it was not just organizations like the C.D. Howe Institute or the Fraser Institute but also the Canadian Federation of Independent Business, along with the members of the Conservative Party, that were very concerned with what was in the budget.

As I said at the beginning of my speech, we are seeing more groups, more organizations, and more individuals jumping on board, saying that this budget is not delivering the stimulus that they thought it was going to, this is not what the Liberals promised, and this government is not doing what it promised. I think that is one thing people are saying. Yes, they cast their vote in 2015, and like I say, we talked about seven million compared with six million, some of those people, 39%, cast their vote for the Liberal Party and many of those people are sitting there with voter's remorse, saying that they are not getting what they thought they had voted for.

We now see the Federation of Canadian Municipalities, the Canadian Chamber of Commerce, and the Business Council of Canada all being much more skeptical of the spending being done by the government.

● (1250)

However, there are also other groups. This is one thing I was really quite surprised about. We have a Prime Minister who talks about building relationships and one of the key relationships he is going to have is with first nations and aboriginal peoples.

Last week the Standing Committee on the Status of Women had the opportunity to listen to a lady by the name of Tracy O'Hearn. Tracy was representing the Pauktuutit Inuit Women of Canada. She talked about the work they had done regarding violence against women and a program that was done through phase one under the Conservative government.

Phase one of their program had some fantastic results, but they are ready to initiate phase two. In the last year, the current government, which is trying to build relationships with first nations people, has not been part of these negotiations and has not been at the table to communicate with them. We are not seeing a progression. We have seen some great things started, but they are now halted because the Liberal government has not acted.

This building of relationships with first nations is something Conservatives see as another broken promise. The NDP opposition has also had to put forward some of these concerns, because we have a government that is not listening. It is promising but not listening.

There was also confirmation by the parliamentary budget officer that the Conservative government left a \$2.9-billion surplus in the 2015-16 fiscal year. The government proposed to spend its way to prosperity. If we just take the numbers out and do not look at what the Liberals were spending, we see that the Conservatives did very well as a government.

Government Orders

When this budget was proposed, a lot of economists said deficits can be good and in the previous session an NDP member asked my colleague if it was right to have a deficit. In 2008, 2009, and 2010 when Canada went through the worst economic downturn, Conservatives actually spent wisely. We had shovels in the ground and created retraining programs. We did everything we possibly could to get people back to work. That is why we were one of the first countries to recover from the economic downturn.

The current government is saying that it will spend its way to prosperity, something that seems to be okay because economists have said, yes, it could go into deficit as long as it spends money well, but we have not seen the money being spent well. The government is going into deficit and we are not seeing anything for it. Instead, people in Canada are floundering. The government is looking at employment insurance reform and things of that sort, rather than creating jobs.

One thing I am very proud of is being the critic for families, children, and social development, so in the last two minutes, I am going to touch on the changes to the Canada child benefit.

Once again, in the election campaign, it was all about nine out of 10 kids doing better under the Liberals' program. I have done the numbers and there is a lot more money being spent. I am not going to say there is not, but once again, the Liberal Party was selling something on which it had never put a pen to paper to see what the actual numbers were. There were not true estimates done.

As we debate Bill C-29, the CCB is being indexed. Back in July when these payments started, the first thing the media noticed was that the money was not being indexed and the programs by the Conservative government were actually better than the ones by the Liberal government today. With the indexing now, there is going to be double the spending on the Canada child benefit. A program that is already very large and questionably sustainable is going to be doubled in the next five years. That is absolutely poor fiscal management.

Yes, there are going to be hiccups and difficult things in the first year of taking over as government, Conservatives understand that, but there seems to be no focus. It is about spending and spending, but not creating prosperity or opportunities for Canadians. The government thinks if families have problems, it will give them more money, not opportunities to be educated or build new roads. The government is not going to do those things. It will just throw money at the problem, and that is not what is supposed to be done.

● (1255)

This government is in charge of the country and in charge of its finances, and I am very concerned that the promises the Liberals made in 2015 are extremely irresponsible. I am very concerned about where we will see our government and our country by the end of October of 2019.

[*Translation*]

Mr. Pierre-Luc Dusseault (Sherbrooke, NDP): Mr. Speaker, I thank my colleague for her speech. I would to ask her a question about something that has been said a few times in the House about infrastructure.

Government Orders

Does the member have the same concerns as us about the \$120 billion that was promised for infrastructure? In her speech, she mentioned that infrastructure was discussed in her riding during the election campaign.

Since the state of the public purse is not what it should be, is the member concerned about the fact that the government has taken an approach that will allow it to announce that it spent \$120 billion, when much of that is private funding through an infrastructure bank?

Is she worried that this might be a smokescreen to lead us to believe that this promise has finally been kept when, in fact, it was accomplished in part with help from the private sector?

[*English*]

Mrs. Karen Vecchio: Mr. Speaker, in some sorts of infrastructure there needs to be partnership. When it comes to private businesses, if we are helping out there, there needs to sometimes be partnerships.

However, in the situation the hon. member is referring to, the public infrastructure, which is the roads, the hospitals, the things that we see in Canada where we have the provincial and territorial governments as well as the municipal governments, I am very concerned that the government will back out of some of those.

As I said, I compare it to a washing machine. There is good and bad debt. If a road is built, we have that road for decades and decades with a few repairs. I do not think that we are spending ahead of ourselves because we see that the Liberals have put themselves into a new position where we are expecting lower growth and not the revenues the government thought it would have.

Mr. Kevin Lamoureux (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I would like to continue on the topic of infrastructure.

In the province of Alberta there have been a number of difficult times. The government has moved in many different ways to try to help Albertans as they go through these difficult times. We are very optimistic, as Albertans have a very strong spirit, that they will not only get out of it but will do well in the future.

One of the ways they will be able to capitalize on doing well is due to the government's commitment on infrastructure. In fact, there are 72 projects, working with municipalities and the province, that have already been approved to date. I am wondering if the member would recognize that through this infrastructure spending and working in co-operation with the province and municipalities all Albertans will directly benefit from this.

Mrs. Karen Vecchio: Mr. Speaker, I know the member said he was listening to my speech, but I think he missed a part of that speech where I said that there is phase one, the administrative part, the people who are building the plans and all of those things. It is not the men and women who are going back to work with the hard hats and the workboots, so phase one does not incorporate.

We may see these projects, but do we actually see shovels in the ground? Maybe the member will have this conversation with me outside, but how many of these projects are actually shovelling, taking the dirt, and creating new opportunities, or are they still architectural things where the provincial government has said it would allow this and the building will start in three or four months?

I think we have to question that, because we really do not know how far they have progressed.

● (1300)

Hon. Alice Wong (Richmond Centre, CPC): Mr. Speaker, the Conservative government cut taxes over 160 times to reach the lowest level in 50 years and allowed the average family to save \$3,400 per year, and we still balanced the budget.

What damage has the current government done to our families regarding taxes?

Mrs. Karen Vecchio: Mr. Speaker, I will just compare what we had with what we do not have any longer.

I am a mother of five, which I have probably said many times. My children had memberships all the time up to the age of 18 at the YMCA. Those were things I was able to use as fitness tax credits. My children play sports. One takes acting lessons. They all do different things. With the previous government, there was the incentive for parents to give opportunities to their children.

On one hand, the present government provides money through the child benefit, and as the Liberals like to say, those middle-class tax cuts. On the other hand, it gives us the bill for our CPP, it gives us the bill for our carbon tax, and it gives us the bill for our \$130-billion deficit. It is short-term prosperity with long-term debt.

Mrs. Kelly Block (Carlton Trail—Eagle Creek, CPC): Mr. Speaker, I am pleased to participate in the debate on Bill C-29, a second act to implement certain provisions of the budget tabled in Parliament on March 22, 2016 and other measures. Since that time, we can say that sunny ways have come and gone. Over the past 12 months, we have seen countless promises broken, a ballooning deficit, and a stagnant economy.

We are also watching as the federal government picks too many needless fights with the provinces. The separation of powers that is a fundamental part of Canada's Constitution appears to be an afterthought for the Prime Minister and his government.

The cornerstone for the government is to tax and spend and get more and more involved in the day-to-day lives of Canadians. There is no decision too small for the government to make, no area in which it should not intervene. A day does not go by in the Chamber that I do not hear the Liberals take pride in repeating some platitude like "what we promised to Canadians is to help them throughout their lives". We know that for the Liberals, government knows best.

Unfortunately, big government costs a lot, and the money to pay for it all comes from Canadians paying taxes on their income and on most goods and services, and from mandatory fees. To these Liberals, government is not the last resort, it is the first call. The idea that government should serve as a safety net has outlived its usefulness. Instead, the government should be omnipresent and helping Canadians each and every day.

Government Orders

Right now, the resource sector in western Canada is struggling because of low commodity prices, but rather than focus on the underlying long-term issue, which is the discount Canadian energy products are sold at due to a lack of access to markets, the Liberal solution is to provide a temporary bump in employment insurance to folks who are out of work. This bears repeating. Rather than put in place the conditions needed to create real jobs and opportunities, the government's preferred course of action is to increase employment insurance. This exemplifies quite well what the Liberal vision is.

I also find the ideological elastic demonstrated by the government on the child care benefit astounding. It was not long ago that the Liberal Party's official position on allowing families to make their own decisions when it came to child care was that parents could not be trusted, that they would spend more on beer and popcorn than on their own children. Now we learn that the new Liberal program for child care is fraught with problems. Bill C-29 would index the Canada child benefit to inflation beginning in 2020. The parliamentary budget officer has estimated that this would cost \$42.5 billion over the next five years. That is double what the Liberals budgeted when they originally introduced the program.

I have spoken to many young families who wonder where the money for this is going to come from, how much debt will be incurred, and how much their taxes are going to have to go up in the medium and long term to pay for it. They do not want to trade short-term gain, if there is any, for long-term pain. Then there are those families that are receiving much less than they did in 2015.

Furthermore, the budget has cut the child fitness tax credit, the children's art tax credit, and tax credits for post-secondary education and textbooks. To the Liberal member for Newmarket—Aurora, who stated on Friday that “tax credits do not work”, can he honestly tell the House that the post-secondary students in his riding did not utilize the tuition tax credit?

“Big government knows best” is a broken model. European countries that have tried to spend their way to long-term prosperity have more often than not failed. This debate is about whether we believe, as a country, that the individual financial choices Canadians make are better or worse than those made by government.

Last week I noted that according to the 2016 Index of Economic Freedom, government expenditures presently represent 40.7% of GDP here in Canada. Australia, by comparison, sits at 35.7% and the United States at 38.9%. Are we better off in Canada than in Australia, for example, because more of our economy flows through Ottawa? I do not think so.

• (1305)

Is Canada a better place to live because this bill will compel banks to publish a description of the consultations undertaken with the public on their existing products and the development of new products and services? That is right. One particular measure in the bill will require financial institutions to provide a description of the consultations they have done to identify trends and emerging issues that may have an impact on their customers or the public. This should not surprise us, given how much the Liberals love consultation. In other words, the government is asking banks to make publicly available consumer and societal trends that would normally be considered commercial proprietary data.

Furthermore, major banks will also have to provide to the regulator a description of their consultations on matters on which the bank has received complaints. Why the federal government needs a description of the consultations banks hold on each and every complaint they receive is beyond me. While these legislative requirements will apply only to Canada's largest banks for now, is the next step asking smaller institutions, like credit unions, which are owned by their members, to do the same thing? The compliance costs for smaller institutions could drive them out of business. This would have a devastating effect in small communities all across the Prairies.

Let us look at the ways the Liberals have increased the overall tax burden on Canadians. They have given Canadians a carbon tax that will cost approximately \$1,200 per person, and they have not even bothered to figure out how interprovincial emissions will be regulated or priced. They have raised contributions to the CPP from 9.9% to 12%. As a consequence, Canadians will get 2% less on each of their paycheques. This CPP contribution increase will cost families more than if the government had raised the sales tax from 5% to 7%.

It goes on. The Liberals are freezing a planned tax cut for Canada's small businesses, a planned tax cut they campaigned on and that they supported while in opposition.

They are also imposing a myriad of new regulations that just drive up the cost of doing anything for Canadians. For example, the Minister of Transport just introduced new regulations on railways that will order them to provide detailed information on the emissions produced by every single one of their locomotives.

Rail is the most environmentally friendly means of moving goods. A gallon of diesel can move a tonne of goods over 800 kilometres. What is worse, the minister based these new regulations on data collected before 2010, which is now completely out of date.

As railways are working to move western Canada's harvest to market, they are being faced with added red tape and tougher emissions standards, on top of the new carbon tax on diesel. Ultimately it is the farmers trying to get their grain to market who will see their bottom line affected. These regulations will inevitably lead to increased costs that will be passed on to consumers. It is just another hidden tax.

At the end of the day, all Canadians, including the families the government likes to talk about, are being asked to pay up to finance the big Liberal society.

Government Orders

In conclusion, more and more Canadians are expressing not only their frustration but their deep concern about the direction the government is taking Canada. Governments should always act with great humility and modesty, as its actions impact all Canadians and cannot be reversed quickly and without disruption. In the eight years I have had the privilege of serving as a member of Parliament, my belief that Canadians, not government, know best how to manage their finances has only been strengthened. Unfortunately, the Prime Minister and his government's belief in big government permeates this budget, and that is why I will not be supporting the bill.

• (1310)

Mr. Kevin Lamoureux (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.): Mr. Speaker, a number of Conservatives have talked a great deal about small businesses. This government has listened to the needs of small businesses, and what most small businesses want to see is customers. One of the things we talk about is that the best way to create more customers is to put more disposable income in the pockets of Canadians. In this budget, literally nine million-plus more Canadians are going to have more money in their pockets as a direct result of a tax break, a tax break the Conservative Party unfortunately voted against.

Would the member agree, as basic economics tell us, that if we put more disposable income in the pockets of Canadians, those Canadians will spend that money, thereby creating more customers for small businesses? The first priority of small businesses is to see more customers coming through the door. Would the member agree with that?

Mrs. Kelly Block: Mr. Speaker, I thank my colleague for his question, and I have to say that there is probably very little the member opposite and I agree on.

I can say this. Only the Liberals would consider the \$40-billion carbon tax, the 2% decrease in each pay cheque, the tax hike on small-business owners, countless new fees, and cutting the children's arts tax credit, the children's fitness tax credit, and the post-secondary tuition and textbook tax credit a tax cut. Only the Liberals would consider that all of these things they have done are good for middle-class Canadians.

When it comes to paying back the massive Liberal borrowing, every single Canadian's taxes are going to increase for many years, and Canadians know that.

[*Translation*]

Mr. Pierre-Luc Dusseault (Sherbrooke, NDP): Mr. Speaker, I thank my hon. colleague for his speech.

I would like to know what she thinks about what the Prime Minister said about small and medium-sized businesses. During the election campaign, he said that small and medium-sized businesses are just a way to avoid paying income tax.

Does my colleague share the Prime Minister's view? He himself owns this type of numbered company, probably in an attempt to avoid paying income tax. Does she share the view that small and medium-sized businesses are just a way to avoid paying what is owed to society? Furthermore, would she be in favour of a tax

reduction on small and medium-sized businesses, which create 80% of the jobs in Canada?

[*English*]

Mrs. Kelly Block: Mr. Speaker, I absolutely do not share the vision of the Prime Minister when it comes to small businesses. As I said in my comments, we know that the Liberals campaigned on lowering the small-business tax. They supported it when they were in opposition, and now they are doing something different. We know that the Liberals have made many promises that they have been more than willing to break.

I come from a rural community with over 60 small communities whose economies are supported by small businesses. There is great concern out there about some of the measures the current government has implemented that are going to have an impact on their bottom lines.

• (1315)

Mr. Jamie Schmale (Haliburton—Kawartha Lakes—Brock, CPC): Mr. Speaker, the member for Winnipeg North talked about disposable income and giving Canadians more of their own money back to spend as they choose. I would argue that the Liberals are actually doing the exact opposite. They are actually taking more money out of people's pockets and giving them less to spend with their government-knows-best solutions.

I would also like to comment on the businesses, the wealth creators, in our communities. The Liberals' policies are putting them out of business. Here in Ontario, the hydro prices are out of control.

By putting policies in place that shut down businesses, how do the Liberals expect people to have that disposable income? If the people who put the "help wanted" signs in the window are going out of business, what do they have left? They have blight. Maybe my friend can comment on that.

Mrs. Kelly Block: Mr. Speaker, first I would have to say that I do not have an answer to that question. It does not make sense to me either in terms of what the Liberals say will happen as a result of the measures they have put in.

For the purposes of today's conversation, I am going to talk about what the previous government did that made tremendous sense when it came to the prosperity of Canadians and businesses in this country. We brought in approximately \$35 billion a year in tax relief, which the parliamentary budget officer said was overwhelmingly directed at low- and modest-income people. We brought in the working income tax credit, a benefit that helped people get off the welfare rolls. We raised the personal exemption to take hundreds of thousands of people off tax rolls. They were people who had their federal income tax burden literally lowered by 100%. We lowered the small-business tax. We lowered the corporate tax. These were things that made a tremendous difference while we were in government.

Government Orders

[*Translation*]

Mr. Matthew Dubé (Beloil—Chambly, NDP): Mr. Speaker, I am happy to take the floor on the budget implementation bill, since it gives me the opportunity to speak to the shortcomings or errors that the government has made in its budget. There are many of them, and I would like to talk about those that are related to the issues I represent for the NDP, namely public safety and infrastructure. Naturally, I will also be talking about the repercussions of the Liberal government's decisions on the lives of the people in our communities and in my riding.

First of all, I would like to talk about Bill C-51. This is not a budgetary measure in itself, but it grants budgets to the various committees that oversee the national security agencies. I am referring in particular to the SIRC, which reviews the activities of CSIS and, in certain circumstances, of the RCMP. But it primarily monitors those of CSIS, which has always experienced difficulties with its operating budget.

In the 2015-2016 budget, before the Liberals came to power and while the Conservatives were still in power, the budget of the committee that monitors the activities of CSIS was increased, after the population had expressed its opposition to the passage of Bill C-51.

However, in the last budget tabled by the Liberals, last spring, there was a decrease of \$2.5 million per year in this budget, spread over the years ahead. Coming from a party that said it wanted to address the shortcomings in Bill C-51 and increase transparency and oversight, this is totally unacceptable.

Considering the size of the budget of a country such as Canada, that \$2.5 million may not look like much, but I am going to demonstrate the consequences of this change for the committee that provides oversight of CSIS. It is the equivalent of 11 full-time positions that will be lost. And those are not receptionists or people who fetch coffee: they are high-level analysts who look into CSIS activities.

If the government really wanted to increase transparency and oversight, it would not confine itself to half measures, and it would not reverse course and cut the budget of a group of experts that already exists to provide oversight of those agencies.

Moreover, it is important to note that these budget cuts are taking place in a context where CSIS is using the powers it was granted by Bill C-51. Therefore, on one hand, those powers are being used, which is very worrisome—our colleagues are well aware of our position on that bill—and on the other hand, cuts are being made to the budget of the only committee that currently exists to oversee CSIS's activities, pending the establishment of a committee of parliamentarians.

I am sure I can anticipate the government's response on this issue. It is the response that the minister gave me in committee. He told us not to worry, because they were going to strike a committee of parliamentarians. That is fine, and that is why we supported the bill at second reading. We also plan to propose some amendments to address a few of its serious deficiencies.

However, let's be clear: all the experts we heard in committee as part of our study on national security and the study of Bill C-22 that

begins today have told us that the committee of parliamentarians could not exist in a vacuum.

Independent experts are needed to provide oversight and review in partnership with the committee of parliamentarians. However, the government is in the process of slashing the budget of an existing independent oversight agency. That is completely unacceptable.

Since we are talking about public safety, we also need to raise the issue of the ability of the police to do their job. For us, at the federal level, that means the RCMP. By focusing all of our efforts on preventing terrorism, we are ignoring a number of other areas.

• (1320)

In the last Parliament, budget cuts were made to the Eclipse squad, and we saw the impact that had on cities such as Montréal, with the proliferation of street gangs and the radicalization of youth. We have to be honest: radicalization is not just about religion. The aim is not to profile a single community. Radicalization takes many forms. It involves young people, sometimes street gangs, and sometimes extreme right-wing groups. We are well aware that our police services lack resources, and we are not taking these other factors seriously when we focus on a single threat. It is not me saying this, it is the RCMP commissioner.

In committee, we asked the RCMP commissioner whether we were neglecting other types of threats by focusing on the terrorist threat. He replied that that was quite true. For example, the RCMP no longer pays enough attention to organized crime. That is not the fault of the men and women who work for the RCMP; it is due to the lack of resources. It is a negative trend that started under the previous government and is continuing under the Liberal government.

I also want to talk about infrastructure, another topic that has raised some very serious concerns over the past few weeks. We are seeing this government's true colours when it comes to investing in infrastructure.

During the election campaign, the Liberals promised that they would take a progressive approach to infrastructure. They said that they would work with the provinces and municipalities by investing, spending, and running a deficit. That is nice, but we are starting to realize that the government is planning to privatize.

The most glaring example of that is the involvement of *Crédit Suisse* in the discussions with the Minister of Finance. We know that *Crédit Suisse* specializes in privatizing airports. I would therefore ask the government to explain to me how it fails to see a conflict in interest when a private company that earns a living privatizing airports is working in close collaboration with the Minister of Finance. We are told not to worry, that there will be no privatization.

Government Orders

As my colleague from Rimouski-Neigette—Témiscouata—Les Basques put it so well yesterday, this is letting a fox into the henhouse. This is troubling. We saw this tendency with CHUM in Montreal and with Highway 407 in Ontario. These seem to have inspired this government in the development of its infrastructure plan. It is completely unacceptable. We need to stand up and oppose this privatization. This problem is not just about foreign investment and the loss of control over our own infrastructure, which are public at this time, nor about the fact that taxpayers will then be accountable and assume all the risk while private corporations rake in all the profits. It is also about the user-pay principle. We will set up the toll booths, but the profits will go to private companies.

With regard to the Champlain Bridge, my former colleague from Brossard—La Prairie, Hoang Mai, the former members for Saint-Bruno—Saint-Hubert and Saint-Lambert, as well as my current colleague from Longueuil—Saint-Hubert and I all took a stand against the previous government. It is to the current government's credit that it respected that commitment. There will be no tolls on the Champlain Bridge.

However, if the government decides to sell the bridge to a private company tomorrow, and the company wants to introduce a toll system, that system will benefit only that private company, not Canadian taxpayers. It is completely unacceptable.

The clock is ticking, so I will wrap up with some comments on the local issues I mentioned. The most important issue for the City of Chambly is the dispute between the federal government and the municipalities over payments in lieu of taxes, an issue that has been festering for a very long time. As promised during the last election campaign, I introduced a bill about that as soon as possible after the election. Every year, the City of Chambly has to absorb a \$500,000 shortfall because the Liberal government is not honouring its commitment to the municipality to pay its fair share of costs related to the Fort Chambly site. The timing is good because the Liberal candidate set herself up as the great champion of this issue, which I have been fighting for since I was elected in 2011. Of course, that is another broken promise because there is nothing in the budget for it.

• (1325)

That is another battle we still need to fight, and we could go on at length about it, but I see that my time is up, so I will take this opportunity to answer my colleagues' questions.

Mr. David de Burgh Graham (Laurentides—Labelle, Lib.): Mr. Speaker, sincerely, I am trying to understand what my colleague said at the beginning of his speech about CSIS and the committee of parliamentarians overseeing it.

Can the member comment further on that issue and help us understand exactly what he sees as being the problem?

Mr. Matthew Dubé: Mr. Speaker, with all due respect, I am wondering whether my colleague listened to my speech because I explained exactly what I had a problem with. The problem is what is happening with the existing oversight committee, the independent committee that all experts told us, in committee, must work closely with the committee of parliamentarians.

This committee, which has been around since the creation of CSIS in the 1980s, is given a budget by the federal government. We are

debating that budget today. The committee that oversees CSIS is going to have its budget cut by about \$2.5 million a year if this Liberal government's budget is passed. As I clearly indicated in my speech, that represents the loss of approximately 11 full-time positions. There will be 11 fewer analysts to review CSIS's actions in fulfilling the committee's mandate to oversee CSIS and ensure that its activities respect the rights and freedoms of Canadians.

Cuts to an existing committee that must work with the committee of parliamentarians to ensure the presence of a parliamentary oversight committee and independent, expert oversight pose a major problem. That is a huge problem with this budget.

Ms. Marilyn Gladu (Sarnia—Lambton, CPC): Mr. Speaker, I thank my colleague for his speech.

[*English*]

I would like to continue on his theme about oversight and the elimination of oversight. I have looked at the document we are studying today. In the Liberal government platform, the Liberals said they were going to have greater oversight of taxpayer dollars. In fact, they said they were going to change parliamentary financial processes so that the government could be held to better account by Parliament and the public.

However, in this piece of legislation we are studying, proposed subsection 42.3(1) gives the minister power to decide terms and conditions and to whom and how they would lend any amount of money from the consolidated revenue fund, without any oversight by cabinet, any oversight by the House, and any oversight by the public.

Ironically, the promise is on the same page as the one to end the use of omnibus bills, so maybe it is worth about the same amount. Could the member comment on that?

• (1330)

[*Translation*]

Mr. Matthew Dubé: Mr. Speaker, I thank my colleague for her question.

Although I do not agree, I can understand why the minister wants all this power. When it comes right down to it, I do not believe that he thinks he is accountable to the House or even to his cabinet colleagues, but instead is accountable to the people who can afford to attend one of his cocktail fundraisers. That seems to be the bad habit that this government is developing, and this is even more worrisome as we debate the budget given all the consultations that have taken place.

It seems that every day we discover that another minister attended a high-priced cocktail party with people whose interests are being catered to by this budget.

As my colleague said so well, that is not transparency, and it is not the so-called real change that was promised.

Mr. Pierre-Luc Dusseault (Sherbrooke, NDP): Mr. Speaker, I would like to thank my colleague for his excellent speech.

Government Orders

What does my colleague have to say about the Liberals' grand promises concerning infrastructure and the billions of dollars that were supposed to flow to our communities for projects that were to get under way as early as December 2015, according to some candidates? These projects were supposed to kick off quickly and the money was to be allocated in the same year.

Does the member think that Canadians and community stakeholders, namely the municipalities and the provinces, are disappointed by how the government is managing the major infrastructure projects, which were to start up right after the election of the Liberal government with its ambitious major infrastructure plan?

Mr. Matthew Dubé: Mr. Speaker, that is right. Despite what we have been hearing from the other side, projects were announced, but none have actually been completed. That is an important distinction to make.

My colleague is absolutely right in saying that the government can promise all the money in the world, but if the work does not get under way and if the projects never happen, the government should probably not be so self-congratulatory.

Promising all that money and all those wonderful projects is all very well, but if the government is sacrificing public infrastructure and selling it to private interests, and not just private interests, but foreign private interests, that is a problem, and we will not stand for it. We will demand accountability of the government because privatizing public infrastructure is completely unacceptable.

[*English*]

Mr. Colin Carrie (Oshawa, CPC): Mr. Speaker, I want to take this opportunity on behalf of my constituents of Oshawa to express deep concerns when it comes to the frivolous spending of the Liberal government and, more importantly, the lack of results for hard-working Canadians.

We had an election last year, and a lot of promises were made in that election. Let us take a look at some of those promises.

Just a year ago, the Liberals promised that they could spend their way to prosperity. Hard-working Canadians trusted them to borrow just a modest sum so that they could create more jobs and put more money into the pockets of Canadians. What was that promise all about? Let us take a look at what modest means to the Liberals, because only the Liberals could say a \$10 billion deficit is modest. Let us see.

The Liberals ran on the promise of a modest \$10 billion deficit, but by March 2016, only three months into the year, the deficit was over \$30 billion. On top of that, just last month the Prime Minister admitted that he did not know how big the deficit would be this year. How can the Prime Minister create jobs and promise economic growth when he does not even know how much money he is spending? If the PM does not know, how much confidence can Canadians have in regard to the Liberal record and the Liberal stewardship of our economy?

This is what we do know. Despite all of the money borrowed, the economy is stagnant and there is no economic prosperity for Canadians. The Bank of Canada, the IMF, and the OECD have all downgraded their forecast for Canada this year and the next.

However, that did not have to be the case. The parliamentary budget officer has confirmed that Canada would have experienced a \$2.9 billion surplus in 2015-16 if the Liberals had stayed on the path to prosperity created by our previous Conservative government. Basically, the proof is in the pudding. Despite all their expensive policies, unemployment remains at 7%, which is exactly the same as when they took office a year ago.

Let us contrast that with how our government approached the economy. Members who were here at that time know we were faced with an unprecedented downturn in the global economy. We were faced with a global meltdown. Over that period of time, our Conservative government created 1.2 million net new jobs. Now let us look at the Liberal record. In a very short period of time the Liberals killed 20,000 manufacturing jobs and 39,000 mining, oil, and gas jobs. I am going to address this a bit later in my speech. We are now seeing the results of the foolish decisions the Liberals made. Full-time employment has been non-existent under the Liberal government. The only jobs it did manage to create were entirely part-time jobs, meaning no benefits and very little security.

It seems that the government is entirely out of touch with the concept of competitiveness. We know that Canada plays on the world stage. Nobody playing in the world today lives in a little box, like the Liberals pretend we are in. On the weekend even Brian Mulroney mentioned how foolish it is to create policies that decrease the competitiveness of our country. We can debate the policies, and some of these policies might be good ideas, but if we are the first to jump off a cliff, it does not make any sense. Let us take a look at these ideas.

The Liberals put in a carbon tax. The Prime Minister has demanded a carbon tax across this country, which is going to cost about \$1,200 per person in Canada. It is also going to cost business billions of dollars. How does that contribute to our lack of competitiveness? In Ontario and in my community, it will contribute hugely.

The Liberals have put in a new payroll tax, which is going to result in 2% less per paycheque for my constituents. Also, businesses will now have to add that extra 2%.

Ontario is stuck with the highest electrical rates in North America based on, again, irresponsible Liberal energy policies, but that is a whole other story.

● (1335)

We know that Oshawa, in Ontario, is an industry town, but what did the Liberals do? One of the first things they did was eliminate the minister of industry. I do not think there was a time in Canadian history that the Government of Canada did not have a minister of industry. What kind of message does that give to industry? I would say it is that they do not want industry. This is the message they are giving out.

Government Orders

What is really concerning to my constituents is, despite the depreciation of the Canadian dollar—and many people think it is going to depreciate even further under the current Liberal government—normally manufacturing employment increases in Canada, because we trade mostly with the United States. As the dollar goes down, we become much more competitive and jobs increase, but this is the first time in history that manufacturing employment has fallen by 20,000 jobs.

The PBO noted that this is a marked reversal from the gains that averaged 1,000 each year between 2011 and 2015. This is the difference between what happens when government works with manufacturers and what happens when, like the current Liberal government, it works against them.

In my community, we rely on manufacturing to provide well-paying middle-class jobs. Unfortunately, the Liberals have seemingly abandoned the entire sector. Members will remember that the Prime Minister, during the election campaign, went so far as to say that we should shift away from manufacturing. What message is he giving companies that want to invest in our communities? The reality is that to shift away from manufacturing is not possible in Oshawa.

I have been meeting with manufacturers and businesses throughout my riding to discuss how the House can help support them, and I hear continuously that the planned increase in CPP premiums is going to be hurting businesses. I think we hear that across the country.

However, here is the sad part. During the election—and members heard it—the Liberals said that they were going to increase CPP for seniors. They were telling seniors that it would happen right away. Well, guess what? The increase in CPP will take 40 years to be fully implemented, and so none of these new benefits will go to seniors in Oshawa who need it today.

As members know, some seniors did not work in the past, and they will not be working. Therefore, even increasing CPP is not going to help those Canadians who are really needy, who are looking at their retirement and wondering how they are going to make it by.

This policy does not even make sense. The Liberals did not even consult properly with business on it, but they put it in and decreased our competitiveness.

According to the CFIB, a full 70% of small business owners disagree with the notion that the proposed CPP increase is modest and that it would have a limited impact on their businesses. That is what they were saying, and the current government ignored them. Piling on a combined \$2,200 per year on average Canadians and their employers is not going to result in more money staying in my constituents' pockets.

Dan Kelly of the Canadian Federation of Independent Business said that two-thirds of small firms say they will have to freeze or cut salaries by over one-third, and they will have to reduce hours or jobs in their businesses in response to the CPP hike. Yet, the Liberals are recklessly moving forward with this increase, despite the fact that 70% of employed Canadians oppose a CPP expansion if it means a wage freeze.

The math simply does not add up. We have businesses across the country telling the Liberals not to do this, please, and at the same time Canadians are telling them that they do not support it if it means a freeze on their wages. Do the Liberals not realize that Canadians understand that this is just a shell game?

Another significant concern for businesses and constituents in my riding is the job-killing carbon tax. It is widely recognized by my Conservative colleagues and all Canadians that Canada must do its part in reducing greenhouse gas emissions, but that should not be at the expense of our economy.

Based on numbers from the British Columbia and Alberta governments, the Liberal carbon tax will add 11¢ per litre at the pump. The *Canadian Tax Journal* determined that it will add at least 15% to our natural gas bills and almost 10% to our hydro bills. In total, the Canadian Taxpayers Federation said that the Liberal carbon tax will cost the average family more than \$2,500 each and every year, and it is only going to go up.

We have seen the Liberals develop these new terminologies as far as carbon pricing is concerned. One of them is decarbonizing our economy. What does that mean? It means shutting down any business, or anybody, that burns any type of fossil fuel. They have talked about carbon pollution. What does that mean? It is just about breathing, which causes a little bit more carbon pollution. Why did they change this terminology? It is because they want to tax it. How long will it be before the Liberals tax breathing, for heaven's sake? The challenge with these taxes is that there is no proof that they will have any benefit in lowering carbon emissions.

There is so much more I could talk about, but let us take some questions and see what we can do to help further this debate.

• (1340)

Mr. David de Burgh Graham (Laurentides—Labelle, Lib.): Mr. Speaker, the member for Oshawa referred to the lack of an industry minister for the first time in a long time. I would like to point out that the industry minister still exists and is now called the Minister of Innovation, Science and Economic Development. He has the same department and a broader mandate to look to the future. Therefore, I am wondering if the member objects to innovation, science, or economic development.

Government Orders

Mr. Colin Carrie: Mr. Speaker, I absolutely do not object. I think innovation is the way to move forward. What I was talking about is the message the Liberal government is sending industry. I talked about the language, the ideology, and how the Liberals have changed even the way Canadians talk. I said that 20,000 manufacturing jobs are gone, and it is 39,000 in the oil, gas, and mining sector, an industry that creates jobs. A record amount are now gone within a year.

I get upset when I hear colleagues talk about innovation. There will be nothing left to innovate if we do not start concentrating on Canada's strengths. It was our strength in our manufacturing and natural resources sectors that brought our country to the forefront in the world, yet the current government seems determined to shut it all down. In other words, there will be no industry left if the Liberals continue forward with the way they are addressing this issue.

Mr. Mark Strahl (Chilliwack—Hope, CPC): Mr. Speaker, the member for Oshawa talked about competitiveness, and how the Liberal tax and regulation regime has resulted in fewer manufacturing jobs when our dollar being this low typically results in an increase in manufacturing jobs. On that same vein, I would like him to expand on what he thinks will happen if we introduce a carbon tax, which the government is forcing on the provinces and Canadians, when our biggest competitor to the south is a few days away from a presidential election, and neither Hillary Clinton nor Donald Trump have even said that they would act at all. They would not put a national carbon tax in place. Does the member think that will put us at a further economic disadvantage?

• (1345)

Mr. Colin Carrie: Mr. Speaker, I thank my colleague for his excellent question because this is really the important part of this debate. He noticed that it is not even a topic in the United States. This is what frustrates me about the Liberal government selling out Canada's advantage. We all know that Mr. Obama goes to the climate conferences and signs on. However, at the end of the day, he also knows that the U.S. will not put federal or state carbon taxes in place. The states we compete against, Michigan, New York, Ohio, and Tennessee, will not be putting a state carbon tax in place. Therefore, when looking at competitiveness, the Liberal government is tying the hands of our industry not only today but into the future. It is also basically putting a halt to any new investment into our communities with respect to anything that utilizes carbon.

My colleague is absolutely correct that this is decreasing our competitiveness. It is foolish that the Liberals would move ahead without being in lockstep with the United States, our biggest trading partner. It is something we have to push back on, because it will kill our economy and our jobs.

Mr. Wayne Long (Saint John—Rothesay, Lib.): Mr. Speaker, I felt compelled to stand up when the member opposite talked about shell games, because his government played the ultimate shell game with Canadians by balancing its last budget using money from the rainy day fund: the EI surplus and the GM stocks. They threw those in. That was the ultimate shell game the Conservative government was playing with Canadians. Obviously the results, which happened last year, are well documented.

Under regressive policies and trickle-down economics, the manufacturing sector in Canada was ravaged over the past 10 years.

Therefore, I would like the member to give examples of where the manufacturing sector excelled over the past 10 years in Canada.

Mr. Colin Carrie: Mr. Speaker, as for the first part of his question about the shell game, I hope the House recognizes what the member actually said, because at the end of the fiscal year, he may be eating some of those words. We know that the Liberals have a bit of an opportunity; I think it is \$6 billion they may be playing with.

As for the second part of his question on whether manufacturing has really excelled in Canada over the last few years, it certainly has not in Ontario. Some 300,000 manufacturing jobs have been lost because of the policies of the provincial government in Ontario, the exact same policies the Liberals want to establish federally. The proof is there. Why would it replicate these job-killing policies from Ontario for the entire country?

Mr. Mark Strahl (Chilliwack—Hope, CPC): Mr. Speaker, it is a pleasure to rise on behalf of my constituents to talk about Bill C-29.

The first thing I note about Bill C-29, a second act to implement certain provisions of the budget tabled in Parliament, is that it is an omnibus bill. In terms of size, it is 230 pages of omnibus legislation. I remember well when the member for Beauséjour was the House leader for the Liberals and they were the third party in the House, how he used to rail against bills of this size. It did not matter what was in them; it was the fact they were omnibus bills that created so much angst.

The member for Winnipeg North made a career in the last Parliament out of railing against omnibus legislation. It was said to be dastardly thing for a government to choose to implement its budget via a budget implementation act. That is what is happening today. We are talking about an omnibus budget bill. I guess the principles and policies the Liberals had when they used to sit in the third party seats change a little when they cross over to the government side. Now they are a big fan of omnibus bills. That was the first thing I wanted to mention.

This bill is supposed to be the plan to implement the budget. The government clearly has no plan when it comes to budgeting. During the election campaign, Liberals promised there would be a \$10 billion deficit that would be paid back within the mandate of a majority government. How long did it take them to abandon that promise? Was it 10 minutes?

I remember Prime Minister Stephen Harper saying that the Liberals' position was that everyone should trust that it would be a modest, little deficit. How right he was. We are going to hear today at four o'clock just how much more than a \$10 billion deficit the government has blown in less than a year. The fiscal update will show that the government is, by a magnitude of at least three times, past its initial deficit target. It misled Canadians during the election and has blown through it.

Government Orders

What do Liberals have to show for it? I would argue they have nothing to show for it. There is no increased growth and there are zero net new jobs. The parliamentary budget officer has confirmed that there are zero net new jobs as a result of \$30 billion or so of borrowed money being spent. This was supposed to stimulate the economy and take us to untold heights. The Liberals have done nothing they promised and have blown through their deficit target, so they have no budget plan. The plan is just to borrow more money and spend it. Canadians know that debt has to be repaid, that borrowed money has to be paid back. If my generation does not repay it, it will be our children and grandchildren who get this bill, because eventually it will come due.

One of my constituents, a small businessman, has certainly seen that the Liberal government is no friend of his. He told me the government is like a teenager who has one parent who provides him with a credit card with no limit on it, and that parent is very popular, but the other parent who hands the credit card bill to the teenager and says it is his to pay back is the less popular parent. Right now, the Liberals are playing the role of the sugar daddy who hands out the cash, but what Canadians will soon realize is that the bill will be paid by them. That is clearly what is happening.

What have Liberals done in less than a year? They borrowed \$30 billion, as I said, and they have also misled small businesses. All parties agreed that the small business tax rate would be lowered from 11% to 9%. How long did it take the Liberals to break that promise? It was broken in their first budget. They broke their promise to small businesses, and I think we know why.

During the election campaign, the Prime Minister made it clear that there were an awful lot of people who were using small businesses to avoid paying their fair share of taxes. That is what the Prime Minister said about the industry that creates the most jobs in this country. He said that small business was just a tax avoidance scheme. We found out during the election campaign that he has set up some of those companies himself to avoid paying a lot of taxes, so perhaps he knew what he spoke of. However, that is not what was promised to small businesses.

• (1350)

I spoke earlier this month in the House about Bill C-26, a bill dealing with CPP rates. Again, that would do nothing for seniors. It would do nothing for people approaching retirement. In fact, the finance minister has admitted that it would do nothing for anyone for more than 40 years. However, what it would do is reduce the incomes of Canadian families by up to \$2,200. That \$2,200 is taken from the paycheques of Canadians to go into a fund they likely will never be able to access. That is in addition to the \$1,100 coming out of the pockets of small businesses who are paying their portion of that tax.

So they are increasing taxes on small businesses. They are also increasing taxes on Canadians through a carbon tax.

I was honoured to be given the role of critic for natural resources. Since the government has taken office, over 100,000 energy workers have lost their jobs. What do we see from the government? We see no jobs plan. We see no lifeline to families in the energy sector. Instead, we see them being thrown an anchor, the anchor of a carbon tax.

What would that do? The member for Oshawa talked about what it would do for manufacturing.

I will tell members what it would do for the energy sector. It would put an already crippled energy sector at an even greater disadvantage vis-à-vis the people we are trading with, the U.S., which has no intention of implementing a federal carbon tax any time soon. They are our major customer.

When we moved a motion at the natural resources committee to have the Liberal members tell us what analysis they have done to show what impact the carbon tax would have on the natural resource sector, they voted against it. We know why. It is because they have not done any economic analysis of that impact. They do not care. They do not care about those 100,000 family supporting jobs that have been lost. We have seen they do not care about that sector because they continue to layer regulatory burden after regulatory burden upon a sector that is already suffering. When there are pipelines to be approved, they do not allow for evidence-based scientific policy to take place. They layer on an extra political layer in which the minister will make the final decision, in which the cabinet will make the final decision, in which red tape is layered upon an already burdensome process. That would do nothing to protect public safety. It would simply add to the regulatory burden.

The government is fond of saying how it has cut the taxes of middle-class Canadians. It is just not true.

The average income of people in my riding is under \$40,000 a year. Guess how much they receive from the income tax cuts from the Liberal Party? Zero. They receive nothing. The most vulnerable, low-income Canadians got nothing from the Liberal tax cuts, while people like members of Parliament, who make up to \$150,000 a year, get the most benefit one could possibly get out of that tax cut. The Liberals have done nothing for an average family in Chilliwack—Hope with that tax cut, and anything they have done for some families, they are going to tax back with the extra carbon tax and additional payroll taxes. Canadians are not better off.

They also cancelled things like the child fitness tax credit, the child arts tax credit, and tax credits for textbooks. They said that is because they do not like to complicate the Income Tax Act. They do not like those boutique tax credits, they said, that help families, that help moms and dads put kids in sports and in dance lessons. However, what they do like are boutique tax credits for talk show hosts for Canadian shows, or for someone who needs to take a first aid course. They are all for those tax cuts. It does not seem to matter, as long it's not a family, as long as it is not people supporting their children. We do not want to support people like that. However, if people are creators of content, then they need a tax break from the Government of Canada.

Their priorities are wrong. They are not looking after Canadian families. They are looking after special interests. We have certainly seen that over the last little while, with the revelations about their fundraising practices, in which they are meeting with the well-heeled insiders they regulate, who are giving them money for access. It is not the right way to go. This is not a budget plan, and we cannot support it.

• (1355)

The Deputy Speaker: The hon. member for Chilliwack—Hope will have five minutes remaining for questions and comments when the House next returns to business on this question.

STATEMENTS BY MEMBERS

[English]

WOMEN'S HISTORY MONTH

Ms. Pam Damoff (Oakville North—Burlington, Lib.): Mr. Speaker, October was Women's History Month, and I am inspired by women in my riding of Oakville North—Burlington who are voices for change.

Young sisters Emma and Julia Mogus founded Books with No Bounds, providing books to remote indigenous communities. Barb Ferrone worked tirelessly to improve the lives of children and families with Big Brothers Big Sisters. Halton deputy police chief Carol Crowe has dedicated her career to serving the community through her work and volunteer efforts.

Oakville Community Foundation's Wendy Rinella works to invest in a better future for our community. Canadian Caribbean Association of Halton's Veronica Tyrell has tirelessly promoted diversity and inclusion through outreach and programming. Mariam Manaa has advanced interfaith dialogue and co-operation throughout Halton.

I am proud of these women who are shaping Canada's future, and will be featured in discussions on women's history for decades to come.

* * *

• (1400)

BOB GORDON

Mr. Larry Maguire (Brandon—Souris, CPC): Mr. Speaker, I rise today to pay tribute to Bob Gordon, a great Canadian cattleman and a neighbour who passed away earlier this year.

His passion for cattle started in 4-H near Souris, Manitoba and he became a North American recognized registered livestock breeder, his childhood dream. With his brother, Wayne, he formed Kinnaber Cattle Co. and was named "Builder of the Shorthorn Breed". He also helped form Bar-5 Simmentals, with the Mitchell, Draper, and Thomas families.

Bob was known far and wide in the industry and showed the grand champion female at the Denver National Western Stock Show and at the Chicago International Show in the 1969 to 1971 period.

Statements by Members

For his many accomplishments, Bob was inducted into the Canadian Agriculture Hall of Fame as well as the Manitoba Agricultural Hall of Fame, with his wife, Joyce. Due to their love of the industry, it led them to write a book, which I urge all to read, called *A Cattleman's Walk Down Memory Lane*.

Bob was a trailblazer and his contributions to the cattle industry will always be remembered, and that's no bull.

* * *

[Translation]

REMEMBRANCE DAY

Mr. René Arseneault (Madawaska—Restigouche, Lib.): Mr. Speaker, as we get ready to go back to our constituencies next week, I would like to take this opportunity to talk about Remembrance Day a little early.

[English]

Remembrance Day represents an all too brief moment to reflect upon the sacrifices courageous men and women had to make for our liberty. For Canadians, that means the price fellow citizens paid for us to live in the best country on Earth.

[Translation]

Our daily routines and obligations make it difficult to find the time for patriotic reflection. Most of us have never known the smell of gunpowder, the sound of bombs, or the sight of landscapes devastated by war.

[English]

This November 11, let us remember the suffering, the pain, the tears, and heartbreak of families torn apart by brutal world conflicts over the years.

[Translation]

May our thoughts and prayers be with those families.

[English]

Lest we forget.

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SENIORS

Ms. Tracey Ramsey (Essex, NDP): Mr. Speaker, Canada's population is rapidly aging, and by 2050, one-third of Canadians will be over 60, facing a broken pension and health care system.

In my riding of Essex, I hear every day from seniors who struggle to make ends meet. They are worried about the high cost of living, inadequate pensions, future housing needs, and the availability of quality affordable health care. My heart breaks when I meet people who tell me about the tough choices they regularly make, like choosing between buying expensive prescription drugs or paying their sky-high hydro bills.

Statements by Members

The seniors who built Canada deserve dignity and respect. They deserve a long-term plan of action that will ensure a decent quality of life for seniors now and in the future. As the number of Canadian seniors increases, we need to ensure that our institutions and vital public services are strong and ready to meet the challenge of providing necessary services effectively and efficiently.

I urge the federal government to adopt a national seniors' strategy and take practical steps to strengthen pensions, increase access to affordable medication—

The Speaker: The hon. member for Brampton North.

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WORK-LIFE BALANCE

Ms. Ruby Sahota (Brampton North, Lib.): Mr. Speaker, it has been a little over a year since the members of the House were elected. Having this extremely fulfilling role as the member of Parliament for Brampton North, I am proud to serve my constituents. However, like many members of the House and hard-working Canadians, I have another extremely important and fulfilling role. That is being a mother to my son, Nihal. He is my pride and joy.

As many Canadians can relate, it is tough balancing both roles, but the rewards motivate us to keep going and to make the lives of our children better. I encourage the members of the House to rise and recognize each other and all Canadians who balance the lives of their family and profession together. I encourage all members across party lines to work together to make our Parliament and the workplaces across our country more family friendly.

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CHAPMAN'S

Mr. Larry Miller (Bruce—Grey—Owen Sound, CPC): Mr. Speaker, I rise in the House today to recognize Markdale's own Chapman's ice cream. For decades, the people of Bruce—Grey—Owen Sound have known that Chapman's ice cream is the best in the world. Now it has the awards to prove it.

Chapman's brought home three trophies at this year's International Ice Cream Consortium awards in Barcelona, Spain. Its premium caramel saucy spots ice cream won the Best Ice Cream award. Chapman's also repeated as winner of the Most Innovative Ice Cream award with its super saucy spots sandwich and its ripple injection system. Chapman's ripple injection system does not exist anywhere else in the world. After winning both of these awards, it is no wonder Chapman's earned the inaugural Ice Cream Maker of the Year award for demonstrating initiative, strategic foresight, and competitiveness in the market.

I extend my congratulations to Chapman's and its over 350 employees. I wish them continued success making the world's best ice cream.

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• (1405)

[*Translation*]

CHARITY FUNDRAISING EVENT

Mr. Steven MacKinnon (Gatineau, Lib.): Mr. Speaker, on Saturday, October 15, I had the privilege of attending the eighth

annual “Les Rêves de Monique” event, celebrating the courage, determination, and strength of women and men who have had breast cancer surgery.

Every year “Les Rêves de Monique” hosts a fashion show featuring survivors and women currently fighting the disease in order to raise money to provide women like them with specially designed post-surgical clothing.

As I myself have had the privilege of walking the catwalk at this event, I would like to congratulate Monique Bourassa for organizing this fundraiser and finding all the sponsors and donors.

I want to take this opportunity to emphasize again the importance of these kinds of initiatives in Gatineau and in all of our communities.

* * *

REMEMBRANCE DAY

Mr. Yves Robillard (Marc-Aurèle-Fortin, Lib.): Mr. Speaker, on this first day of November, I rise as the member for Marc-Aurèle-Fortin and as a former air cadet officer with the Royal Canadian Air Force.

Remembrance Day is coming up. I invite my constituents and all Canadians to observe Remembrance Day on November 11. Armistice day in 1918 became a symbol for those who returned to battle when human dignity and hope were in peril yet again.

We honour their memory and the sacrifices they made in the name of freedom. We also pay tribute to those who are not deployed, but enrol with the same selflessness.

To our veterans and the current members of the Canadian Armed Forces, we say thank you.

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[*English*]

MEMBER FOR HALDIMAND—NORFOLK

Hon. Diane Finley (Haldimand—Norfolk, CPC): Mr. Speaker, as many know, I recently underwent a double hip replacement, which has brought many challenges. However, the support I have received has been overwhelming, and I would like to take this opportunity to thank everyone who has been helping with my prolonged journey to recovery.

First and foremost, I want to thank my constituents for their kind words, their understanding and their patience. I want to thank my colleagues in the House of Commons for their cards, calls, emails, and for helping covering House duty. The House of Commons staff have been simply outstanding. I thank them for putting up with me and helping with my wheelie walker. As always, my family and friends have been there for me, and I thank them.

Frankly, none of this progress would have been possible so far without the help of my wonderful staff. I thank them. I thank everyone from the bottom of my heart.

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[Translation]

INTERCOMMUNITY HARMONY PROJECT

Mr. Rémi Massé (Avignon—La Mitis—Matane—Matapédia, Lib.): Mr. Speaker, this month marks the 15th anniversary of the Harmonie inter-communauté project. Every year, this local initiative builds lasting ties between the Mi'kmaq community in Restigouche and neighbouring communities.

Since 2002, this project has brought together hundreds of Mi'kmaq youth and young people from neighbouring communities by having them participate in activities together. This approach has fostered a mutual understanding of both cultures and considerably reduced prejudice on both sides. The Harmonie inter-communauté project has received local and provincial recognition on many occasions.

I would like to congratulate in the House everyone involved in this initiative for their extraordinary work. The Harmonie inter-communauté project is an example of cultural reconciliation that we should follow because it has strengthened community ties by showing that their differences are their strengths.

The Harmonie inter-communauté project is a success story that should inspire us all.

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•(1410)

RUSSELL SYLVIA

Mrs. Sherry Romanado (Longueuil—Charles-LeMoine, Lib.): Mr. Speaker, this November, I am proud to wear a poppy near my heart to support our veterans and those who have fallen in combat so that they are never forgotten.

Today, I would like to pay tribute to a veteran from my riding of Longueuil—Charles-LeMoine, Commander Russell Sylvia, who died on October 6, at the age of 92.

[English]

Commander Sylvia was a veteran who served valiantly as a leading aircraftman in the Royal Canadian Air Force during World War II.

Following his service, he was awarded the defence medal, the CVSM medal and clasp, and the 1939-1945 medal. He was a fellow member of the Royal Canadian Legion, Branch 94, Greenfield Park, one of the two legions located in my riding.

He leaves behind four children, Margaret, Russell, William and Patricia.

[Translation]

Those who have dedicated their lives to the defence of this nation deserve meaningful recognition.

Let us remember his sacrifice for all Canadians.

Statements by Members

[English]

We thank Commander Sylvia. Lest we forget.

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ETHICS

Mrs. Karen Vecchio (Elgin—Middlesex—London, CPC): Mr. Speaker, the Liberal sponsorship scandal was a dark period in Canadian history. While the money is still missing, a jury has just found a Liberal fundraiser guilty of fraud charges. That is not all. Two senior advisers to Premier Kathleen Wynne are being charged with bribery, including the CEO of the Ontario Liberal Party and a fundraiser for the Prime Minister.

We would think that with all of these criminal charges, the Liberal government would be trying to avoid a similar fate, but we would be wrong. The Minister of Natural Resources is headlining cash for access events with firms that are actively lobbying his own department. The Minister of Finance is attending cash for access events across the country as he consults with the wealthiest donors.

The Prime Minister is fine with breaking his own rules, but breaking the rules is nothing new to Liberals. While it was brown paper envelopes that led to criminal charges in the sponsorship scandal, we have to wonder if today's Liberals would also prefer their \$1,500 donations delivered in brown paper envelopes.

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[Translation]

MALCOLM ROWE

Mr. Seamus O'Regan (St. John's South—Mount Pearl, Lib.): Mr. Speaker, Malcolm Rowe was sworn in as a Supreme Court of Canada judge on Monday. He is the first judge from Newfoundland and Labrador to be appointed to the court in 67 years.

As journalist Chantal Hébert wrote, many people thought it was impossible to find a judge from my province who is functionally bilingual in addition to his other credentials.

I am pleased to announce that the unicorn has been found and can be held up as an example to everyone in the House of Commons.

Here is what *The Packet*, a newspaper in Clarenville, Newfoundland and Labrador, wrote about him:

[English]

This region is fortunate to have a highly qualified, proactive, hard-working judge who will reflect the views and values of Atlantic Canada. He will serve the court, the region and the country well.

On this issue Atlantic Canada stood together.

* * *

[Translation]

SHERBROOKE

Mr. Pierre-Luc Dusseault (Sherbrooke, NDP): Mr. Speaker, I have some good news to share with my colleagues in the House.

According to the annual ranking of Canada's top entrepreneurial cities done by the Canadian Federation of Independent Business, Sherbrooke placed fifth out of all Canadian cities and was the highest ranking city in Quebec.

Oral Questions

Becoming the top Quebec city in terms of entrepreneurship is not achieved single-handedly, and certainly does not happen overnight. It is thanks to organizations like the business incubator Espace-inc, Accélérateur de création d'entreprises technologiques, and the Parc Innovation-ACELP. It is also thanks to the vision of our municipal leaders and organizations like Sherbrooke Innopole, Pro-Gestion Estrie, and the CDEC. I would also like to commend the vitality of the Sherbrooke Chamber of Commerce, as well as ODACE, an organization that promotes this healthy entrepreneurial ecosystem, not to mention the Université de Sherbrooke, which shares the same mission as all of those organizations.

As the member of Parliament for Sherbrooke, I am very proud to rise in the House today to share this news and congratulate everyone who works directly or indirectly on the economic development of Sherbrooke and the surrounding region.

* * *

[English]

INTERNATIONAL TRADE

Hon. Ed Fast (Abbotsford, CPC): Mr. Speaker, I congratulate the government on signing the Canada-Europe free trade agreement.

That event is the culmination of many years of hard work by our previous Conservative government under Stephen Harper. The agreement sets the gold standard for the world, the most comprehensive trade agreement ever signed. I give many thanks to the chief negotiators, Steve Verheul and Ana Renart; my chiefs of staff, Bill Hawkins and Andrea van Vugt; the MPs for Battlefords-Lloydminster and Durham; and my parliamentary secretary, Gerald Keddy.

However, it is too early to break out the champagne. Sunday's ceremony was just another step towards ratification. It now appears that a number of key outcomes are at risk. An uncertain fate awaits investor-state dispute settlement, and what concessions did the trade minister make on agricultural safeguards? Why will regional governments now have vetoes? Why is the government not delivering promised compensation?

Until the agreement is in force, we will continue to hold the Liberal government's feet to the fire to ensure that the gold standard we achieved does not lose its lustre.

* * *

• (1415)

CHILDREN'S HEALTH

Mr. Doug Eyolfson (Charleswood—St. James—Assiniboia—Headingley, Lib.): Mr. Speaker, I stand today to speak about the importance of children's health in Canada.

As a physician, I am aware of the negative health effects unhealthy foods can have on children. We must be proactive in educating our children about the benefits of healthy food. We can do this by restricting food and beverage advertising towards children and revising the Canada Food Guide. Food and beverage marketing greatly influences children's food and drink choices.

The World Health Organization recommended banning food and beverage marketing to children, and a March 2016 Senate committee

report recommended taking action on this issue. Poor diet contributes greatly to chronic disease, placing a substantial burden on Canadians and our health care system.

By consulting with Canadians on these issues, I believe we can pave the way for healthier food choices for future generations. I am proud to be a part of a government that stands up for children's health.

ORAL QUESTIONS

[English]

THE ECONOMY

Hon. Rona Ambrose (Leader of the Opposition, CPC): Mr. Speaker, today's economic update will confirm that the Prime Minister's plan is failing badly. The Prime Minister claimed that borrowing billions of dollars would get the economy growing and create jobs, but that has not created one new additional full-time job in Canada since he was elected. The average Canadian cannot get ahead. Instead of jobs, all Canadians are getting higher taxes. What is the Prime Minister going to say to those Canadians who are out of work when they find out he is doubling down on a failed plan?

Hon. Bill Morneau (Minister of Finance, Lib.): Mr. Speaker, I am looking forward today to introducing our fall economic update to give Canadians a sense of what we are going to do to amplify the impact we are making for Canadians.

We made a very big impact on Canadian families in budget 2016. We lowered taxes on Canadians. We introduced the Canada child benefit. Those actions are having a real and measurable impact on Canadian families today. I am looking forward to talking very soon in the House about the long-term impact we are going to have.

* * *

INFRASTRUCTURE

Hon. Rona Ambrose (Leader of the Opposition, CPC): Mr. Speaker, we know the impact. Not one new additional full-time job has been created in Canada.

The Prime Minister also promised to build infrastructure. He promised to get these projects out the door fast. Now we find out that in reality only one new project has actually broken ground, and now the construction season is over. His infrastructure plan failed just like his jobs plan.

Before the Prime Minister announces billions of dollars more in infrastructure spending, why does he not actually just get something built?

Hon. Amarjeet Sohi (Minister of Infrastructure and Communities, Lib.): Mr. Speaker, a couple of weeks ago I stood in the House and said that we have approved more than 900 projects. Today I can say that we have approved more than 950 projects, with a combined investment of more than \$11 billion. Many of those projects are currently under way, creating opportunities for Canadians from coast to coast to coast.

* * *

TAXATION

Hon. Rona Ambrose (Leader of the Opposition, CPC): Mr. Speaker, if the minister got projects built as fast as he renovated his office, we would be in really good shape.

The Prime Minister's CPP tax hike, his cancelling of the small business tax cut, and his carbon tax will cost families thousands of dollars and make our businesses less competitive. When will the Prime Minister realize his plan has failed and stop making life harder for Canadian families and stop raising their taxes?

Hon. Bill Morneau (Minister of Finance, Lib.): Mr. Speaker, I am very pleased to have the opportunity to talk about taxes in this country. The first thing we did was reduce taxes on nine million Canadians. For the single person getting that tax reduction, it will be on average \$330 less this year. For the family, it is \$540 less this year. This is really important. But more importantly, we have made a huge difference for Canadian families. There are 3.2 million Canadian families getting the Canada child benefit and experiencing a much better situation with \$2,300 more on average this year, without tax, than they had in the years before.

* * *

• (1420)

ETHICS

Hon. Rona Ambrose (Leader of the Opposition, CPC): Mr. Speaker, the Liberal Party is up to its old tricks again. Today we have bribery charges against one of Kathleen Wynne's top advisers, and also against an Ontario Liberal bag man who once held a fundraiser for our Prime Minister. Now we have our Liberal Prime Minister and his cabinet refusing to acknowledge their own ethical violations with the cash for access scheme.

This is a lesson for the Prime Minister. He can take action immediately and enforce his own ethical standards, or he can end up like Kathleen Wynne. What is he going to do?

Hon. Bardish Chagger (Leader of the Government in the House of Commons and Minister of Small Business and Tourism, Lib.): Mr. Speaker, the member very well knows that the federal rules are some of the strongest in the country. Some provinces accept donations from unions, trade associations, and corporations. That is not the case in the federal system. In fact, in some provinces, individuals can donate in the tens of thousands—

Some hon. members: Oh, oh!

The Speaker: Order, please. I remind members that we have rules that do not allow us to interrupt. So we remember that one side asks a question, the other side gets its turn, then this side gets its turn, and we wait and we listen to each other. Let us let the hon. government House leader finish her answer. Order, please.

Oral Questions

Hon. Bardish Chagger: Mr. Speaker, as I said, the federal rules are some of the strictest in the country and I am sure all members follow the same rules, because the rules are open and transparent.

[*Translation*]

Hon. Rona Ambrose (Leader of the Opposition, CPC): Mr. Speaker, this morning, Jacques Corriveau, a former Liberal Party fundraiser, was found guilty of fraud.

Now the Prime Minister and his cabinet refuse to acknowledge that they are breaking their own ethics rules with their fundraising activities.

The Prime Minister needs to learn from the past. He can take immediate measures to implement his own ethics rules, or he can turn his party into the same Liberal Party of the sponsorship scandal days.

Which will it be?

Hon. Bardish Chagger (Leader of the Government in the House of Commons and Minister of Small Business and Tourism, Lib.): Mr. Speaker, as I said, federal rules are among the most stringent in Canada.

Some provinces allow donations from unions, corporations, and business or trade associations. Such donations are not allowed in the federal system.

Every member and every party does fundraising and they all have to follow the same rules.

* * *

FREEDOM OF THE PRESS

Hon. Thomas Mulcair (Outremont, NDP): Mr. Speaker, the police spied on journalist Patrick Lagacé for months. A total of 24 warrants were issued, which is absolutely unacceptable, even shocking, as one of my colleagues said.

When we learned that the RCMP had spied on journalist Joël-Denis Bellavance, here in Ottawa, the Prime Minister refused to hold an inquiry.

Can the Minister of Public Safety and Emergency Preparedness tell us outright whether other journalists are currently under surveillance by the RCMP or CSIS?

[*English*]

Hon. Ralph Goodale (Minister of Public Safety and Emergency Preparedness, Lib.): Mr. Speaker, while this current issue is entirely within the jurisdiction of the Province of Québec, and this morning the premier of Québec made an important pronouncement in that regard, I am sure that all of us in the House believe profoundly in the freedom of the press. It is a value that is enshrined in the Canadian Charter of Rights and Freedoms. A Supreme Court judgment has laid out the rules that must be clearly followed, and those high standards are reflected in a ministerial directive that guides the operations of police federally.

Police forces need to be assiduous in following the—

Oral Questions

The Speaker: The hon. member for Outremont.

Hon. Thomas Mulcair (Outremont, NDP): Mr. Speaker, freedom of the press is not something that a government can just claim to support, because as the minister himself has just pointed out, it is enshrined in the Charter of Rights and Freedoms.

Yesterday, the minister said that “The utmost care must be taken by law enforcement when criminal investigations and journalism intersect”. We are not talking about police stumbling into journalists. We are talking about police surveillance of the media in Canada in the 21st century.

How can we believe that the government respects press freedom when the minister refuses to say whether or not other journalists are currently under surveillance?

Hon. Ralph Goodale (Minister of Public Safety and Emergency Preparedness, Lib.): Mr. Speaker, the point is very clear. The Supreme Court of Canada has ruled on this very issue. The Supreme Court has laid out explicitly the five-part test that needs to be satisfied when these issues arise. Those same values are embodied in the ministerial directive that applies to police operations at the federal level.

It is very clear that freedom of the press is something that matters to all Canadians and this government and, I expect, every member of the House will defend that freedom vigorously.

* * *

● (1425)

ETHICS

Hon. Thomas Mulcair (Outremont, NDP): Mr. Speaker, defending that freedom means doing something when we learn that a journalist here in Ottawa like Joel-Denis Bellavance is under police surveillance, and that minister did nothing in the Joel-Denis Bellavance case. That is the reality.

There was recently another cash for access fundraiser involving the Minister of Finance. It was a Liberal Party appreciation night at an elite law firm. The Prime Minister said that they have to uphold the highest standards and that this obligation is not fully discharged by simply acting within the law.

Does the finance minister honestly believe he is in compliance with what the Prime Minister put in his letter?

Hon. Bardish Chagger (Leader of the Government in the House of Commons and Minister of Small Business and Tourism, Lib.): Mr. Speaker, the federal rules are some of the strongest in the country.

Our government spends a tremendous amount of time working hard for Canadians across the country, whether that is meeting with crowds, meeting with individuals, listening to consumers, or engaging with small and medium enterprises and entrepreneurs, and the like. We are engaged so that we can deliver for Canadians, and Canadians know that.

Hon. Thomas Mulcair (Outremont, NDP): Mr. Speaker, is the member really unaware that the Prime Minister put in the finance minister's mandate letter that he has obligations that go beyond the law, or is she now admitting that when the Prime Minister put that in

the mandate letter it was a fraud on the Canadian public, because they were not—

The Speaker: The hon. government House leader.

Hon. Bardish Chagger (Leader of the Government in the House of Commons and Minister of Small Business and Tourism, Lib.): Mr. Speaker, the member very well knows that the federal rules are some of the strictest in the country and they are the same rules for all members. They are open and transparent. I am sure all members abide by those exact same rules.

There is no preferential access to this government. This government is demonstrating the most open and transparent approach compared with any previous government, not just by following the rules but by being engaged with Canadians.

* * *

[Translation]

EMPLOYMENT

Hon. Denis Lebel (Lac-Saint-Jean, CPC): Mr. Speaker, the Liberals' economic plan is not working.

Last week, the parliamentary budget officer informed us that no full-time jobs were created in Canada last year. Even worse, the number of jobs created last year was down by 50% compared to the average number of jobs we created in the past five years. We were criticized for having a plan that did not work. It did work.

I imagine that the Minister of Finance is going to say the same old things while he spends even more money to get a different result.

The Liberals' plan is not working. What are they going to do?

Hon. Bill Morneau (Minister of Finance, Lib.): Mr. Speaker, we began by implementing our budget 2016 measures for Canada's middle class. We began with very important measures for the middle class and Canadian families, such as reducing taxes and creating the Canada child benefit. We have already changed many things for Canadian families.

I am very pleased to have the opportunity today to present our fall economic statement to explain to Canadians what more we are going to do in the future.

Hon. Denis Lebel (Lac-Saint-Jean, CPC): Mr. Speaker, the Prime Minister promised to borrow billions of dollars and create a lot of jobs. He kept his promise to borrow and spend billions of dollars, but he did not keep his promise to create jobs.

The figures speak for themselves. Statistics Canada is not out to please politicians. It delivers scientific results. I imagine that the Minister of Finance will soon tell us that he is going to spend even more money. Because of this government's bad management, the Liberals are saddling future generations, our grandchildren, with massive debt. I would be ashamed of that.

What are they going to do about this?

Hon. Bill Morneau (Minister of Finance, Lib.): Mr. Speaker, on the contrary, I am proud of our plan. We know that it is important to grow the economy.

Oral Questions

For 10 years, the economy has been going downhill, and Canadian families have been struggling. Now, we are going to invest for the future. These investments will create a better situation for our children and our grandchildren and a more productive economy for our country in the future. That is what we are going to do for Canadians.

[*English*]

Mr. Alexander Nuttall (Barrie—Springwater—Oro-Medonte, CPC): Mr. Speaker, according to the PBO, Canada has seen a net loss of jobs since the Liberals took office.

Kathleen Wynne and the current Prime Minister are now working together to implement a carbon tax that will raise hydro rates and kill even more manufacturing jobs.

We know the Prime Minister does not have a plan to create jobs in Canada, but is he purposely trying to create manufacturing jobs in Ohio, New York, and Michigan?

•(1430)

Hon. Catherine McKenna (Minister of Environment and Climate Change, Lib.): Mr. Speaker, unlike the party opposite, we understand that the environment and the economy go together.

It was the Conservatives in their 2008 platform and Speech from the Throne who committed to implement a price on carbon pollution. The Conservatives subsequent “Turning the Corner” plan committed the Conservative government to:

- Forcing industry to reduce its greenhouse gas emissions;
- Setting up a carbon emissions trading market...
- Establishing a market price for carbon.

It seems that rather than turning the corner, the Conservatives instead chose to hide their plan.

Some hon. members: Oh, oh!

The Speaker: I encourage members to listen, including the member for Prince Albert, if he would.

The hon. member for Lethbridge.

Ms. Rachael Harder (Lethbridge, CPC): Mr. Speaker, I recently took some time to sit down with student leaders in my local riding. They are absolutely terrified of their job prospects with this failing Liberal economy. They did not expect to be written off by the finance minister who left them with a lifetime of “job churn”, as he said. This generation is actually looking to the finance minister to provide them with even a morsel of hope.

How can young workers trust the Liberals' economic update when the finance minister has already written them off?

Mr. Rodger Cuzner (Parliamentary Secretary to the Minister of Employment, Workforce Development and Labour, Lib.): Mr. Speaker, I know that if the member spoke to students in her riding, the students would have said that they were very pleased with the investments that this government has been making in students. The student grant program has just been increased by \$1.5 billion. Low-income students have now seen their grant potential rise from \$2,000 to \$3,000 annually.

Canadian students deserve to be invested in, and that is exactly what this government is doing.

Hon. Pierre Poilievre (Carleton, CPC): Mr. Speaker, the government said that there would be a little deficit that would create lots of jobs. Instead, we got lots of deficit and no jobs. In fact, there are 6,000 fewer people working today than a year ago when the government took office, 20,000 fewer manufacturing jobs, and the deficit is spiralling out of control.

When will the finance minister learn that when one is in a hole, quit digging?

Hon. Bill Morneau (Minister of Finance, Lib.): Mr. Speaker, as I have said to the House, I am looking forward to giving the House an update of our economic situation. I have already given Canadians real hope. We have changed their situation by lowering their taxes. We have improved the lives of nine out of 10 families in this country. In 2017, 40% fewer children will live in poverty in this country than in 2014.

These are enormous steps that are starting down the path of prosperity. We are going to amplify our efforts to make a huge impact in the future, with more growth for future generations of Canadians.

* * *

THE ECONOMY

Hon. Pierre Poilievre (Carleton, CPC): Mr. Speaker, all the finance minister has done is load down Canadian taxpayers with more debt and higher taxes. In fact, the Canadian economy is like an increasingly skinny man carrying an increasingly fat government up an increasingly steep hill.

When will the finance minister and his tax-and-spend plan get off the backs of hard-working Canadians?

Hon. Bill Morneau (Minister of Finance, Lib.): Mr. Speaker, I would just say that Canadians of all shapes and sizes are better off with this government.

I can say that what we have done is lowered taxes for Canadians. We have improved child benefits for Canadians, and we are setting about to make investments that Canadians know are going to make their lives better in the future. We are going to create jobs. We are going to improve the economy for Canadians and we are going to do it through an investment plan that will make a real difference for Canadians. That is what we intend on doing. We will all see the results in the days, months, and years to come.

* * *

[*Translation*]

INDIGENOUS AFFAIRS

Mr. Romeo Saganash (Abitibi—Baie-James—Nunavik—Eeyou, NDP): Mr. Speaker, the Minister of Indigenous and Northern Affairs has confirmed that she will vote in favour of our motion today, so that is a good thing.

Oral Questions

At the same time, she also said in an interview yesterday that the \$155 million in additional funding that we are asking for and that is needed to address the underfunding of child welfare could actually have “really bad results”.

Is the minister truly committed to implementing our motion, or is she supporting it simply to avoid embarrassment?

• (1435)

Hon. Carolyn Bennett (Minister of Indigenous and Northern Affairs, Lib.): Mr. Speaker, we welcomed the tribunal's ruling, and we are taking concrete action to follow through on its legal orders.

We have invested \$635 million to address the child funding gap, and we have provided services to 900 more kids since July, thanks to \$382 million in additional funding to expand the definition of Jordan's principle.

[English]

Mr. Charlie Angus (Timmins—James Bay, NDP): Mr. Speaker, the vote this afternoon is to order the government to comply with the Human Rights Tribunal and order the immediate \$155-million shortfall to child welfare. The finance minister's advisers said that money must flow, but I am concerned the government is floating the idea that spending more money on first nation children will somehow harm them and the documents they were forced to put in court yesterday directly undermine this vote.

After 150 years of broken promises, this is about the credibility of the Prime Minister's words. Will he stand up and vote yes and will he ensure that money flows today, as ordered by Parliament?

Hon. Carolyn Bennett (Minister of Indigenous and Northern Affairs, Lib.): Mr. Speaker, as you know, the government accepted the tribunal's ruling and is taking concrete steps to address its orders. We have committed \$635 million to address the child funding gap. As well, since July, 900 more kids have received care because of the \$382 million in additional funding and the expanded definition. I have appointed a ministerial special representative to fix the broken system, and as the member knows, we are beginning conversations with the Human Rights Commission to get this thing done.

* * *

ETHICS

Mr. Mark Strahl (Chilliwack—Hope, CPC): Mr. Speaker, big money donors continue to buy private time with Liberal ministers. Many of these donors have financial interests that are regulated by these same ministers. The justice minister took money from lawyers, the finance minister took money from Bay Street bankers, and now we have learned that the natural resource minister has had a little fundraising help from natural resource lobbyists.

When will the Liberals finally do the right thing and end this shameful cash for access scheme?

Hon. Bardish Chagger (Leader of the Government in the House of Commons and Minister of Small Business and Tourism, Lib.): Mr. Speaker, I appreciate the opportunity to rise once again in the House to remind all members that the federal rules are some of the strongest in the country. There is no preferential access to this government. This government is demonstrating the most open and transparent approach, not just by following the rules but by being more engaged with Canadians, listening to Canadians,

consulting with Canadians, and we will continue to do the good work that we are doing.

Mr. Mark Strahl (Chilliwack—Hope, CPC): Mr. Speaker, those talking points are as old as the Liberal culture of corruption.

Liberal ministers continue to put themselves in blatant conflicts of interest by selling access to the big money donors they regulate. This is not a coincidence. This is coordinated corruption with the Prime Minister himself leading the parade.

What will it take for the Liberals to finally put an end to this cash for conflict of interest fundraising scheme?

Hon. Bardish Chagger (Leader of the Government in the House of Commons and Minister of Small Business and Tourism, Lib.): Mr. Speaker, the member knows very well that all members of Parliament and all parties fundraise, and we all abide by the exact same rules. When the rules are followed, no conflicts of interest can exist. We will continue to follow the rules.

It is true that we are engaging with Canadians and we are listening to Canadians, something the previous government did not know how to do.

[Translation]

Mr. Jacques Gourde (Lévis—Lotbinière, CPC): Mr. Speaker, right now, millions of people are working hard to support their families. There is no way any of those workers will ever be able to cough up \$1,500 for privileged access to a Liberal minister.

Fundraising rules are as strict as can be, but they have clearly not stopped the Minister of Natural Resources from holding a fundraising campaign with a firm that has a vested interest in his portfolio.

When will the government show a modicum of good judgment, stop granting privileged access to the wealthy, and stop being in conflict of interest all the time? Will the guilty party please rise.

Hon. Bardish Chagger (Leader of the Government in the House of Commons and Minister of Small Business and Tourism, Lib.): Mr. Speaker, the member is well aware that federal rules are among the most stringent in the country.

Our government does not practice favouritism. Its approach is as open and transparent as can be. It is not just following the rules; it is more deeply engaged with Canadians than any other government in history.

•(1440)

[English]

Mr. John Brassard (Barrie—Innisfil, CPC): Mr. Speaker, it seems the Prime Minister is importing all of Kathleen Wynne's bad ideas and the insiders who were trained to execute her playbook.

For weeks, Canadians have been learning about these tactics and have become increasingly concerned. Today, we have learned that some of these people are being charged with criminal activity. Just minutes ago, Gerry Lougheed, a long-time Liberal supporter and fundraiser for the Prime Minister was charged with one count of bribery.

When will the Prime Minister admit that the tactics and people who are around him have failed to live up to any measure of ethical standards?

Hon. Bardish Chagger (Leader of the Government in the House of Commons and Minister of Small Business and Tourism, Lib.): Mr. Speaker, the member knows very well that the federal rules are some of the strictest in the country, and all members abide by the exact same rules.

It is true that our government has embarked on an unprecedented level of—

Some hon. members: Oh, oh!

The Speaker: Order, please. I invite the member for Grande Prairie—Mackenzie and others to listen to the answer, not intervene, and to try to restrain themselves. Most members in all parties are able to sit and hear things they do not like without reacting. Let us all do that.

The hon. government House leader has a few more seconds.

Hon. Bardish Chagger: Mr. Speaker, I appreciate that.

Once again I will remind members that our government has embarked on unprecedented levels of public consultation to make sure that we are responding to the very real needs and challenges of Canadians. This is why we raised taxes on the one per cent, the wealthiest Canadians, and lowered taxes for the middle class.

We will continue to do the good work that we are doing.

* * *

THE ENVIRONMENT

Ms. Linda Duncan (Edmonton Strathcona, NDP): Mr. Speaker, the Liberals campaigned on a promise to mitigate the impacts of climate change.

Under the Paris agreement, Canada now must submit to the UN its plan on climate action and climate change mitigation. Mitigation experts are calling for urgent action here at home, warning that Canada remains unprepared to respond to increased flooding and extreme weather.

Where is the minister's plan to mitigate the impacts of climate change? Will she show her plan to Canadians before taking it to the UN?

Hon. Catherine McKenna (Minister of Environment and Climate Change, Lib.): Mr. Speaker, as the member well knows,

Oral Questions

we are working with the provinces and territories to develop our pan-Canadian plan on climate change.

The Prime Minister met with the first ministers. They agreed on this plan, which included taking action to adapt to the impacts of climate change. We know that we are seeing flooding across the country. We are seeing forest fires. Prince Edward Island is shrinking by 43 centimetres per year. We know in the north, indigenous peoples are on the front line for the impacts of climate change.

We are going to take action. We will be announcing this plan at the first ministers meeting later in the fall.

* * *

[Translation]

TRANSPORTATION

Mr. Robert Aubin (Trois-Rivières, NDP): Mr. Speaker, the Transportation Safety Board is sounding the alarm over the government's inaction.

No less than 52 TSB recommendations have been on ice for at least 10 years now and the minister, who claims to be an advocate of safety, is dragging his feet just like the previous government did. The same goes for the transportation of dangerous goods. The TSB has made it clear that current safety measures are inadequate.

Is the minister waiting for another tragedy before following through on the TSB's recommendations?

Hon. Marc Garneau (Minister of Transport, Lib.): Mr. Speaker, our government always appreciates the recommendations of the Transportation Safety Board. We take this very seriously. I have indicated many times how important safety is to our government.

We are looking at all the reports submitted to us by the Transportation Safety Board. We have done a lot in a year. Can we do better? Of course we can and we are working on doing better when it comes to safety.

* * *

[English]

INTERNATIONAL TRADE

Mr. Gary Anandasangaree (Scarborough—Rouge Park, Lib.): Mr. Speaker, there are many small businesses in my riding of Scarborough—Rouge Park that are looking for opportunities to grow and scale up. Scaling up of businesses is essential for Canada's economy, and ultimately our middle class, to grow and prosper. One of the challenges I hear from my local business leaders is the need to increase access to new markets.

Could the Minister of Innovation, Science and Economic Development share with us how CETA will help businesses face this challenge?

Oral Questions

Hon. Navdeep Bains (Minister of Innovation, Science and Economic Development, Lib.): Mr. Speaker, I would like to thank the member for Scarborough—Rouge Park for his advocacy in promoting business growth. As the member knows, the European Union is a market of more than 500 million people and it has economic activity of over \$20 trillion. In signing this free trade agreement with Europe, all Canadian businesses and all sectors will now have greater market access. When businesses are able to grow, they create good quality Canadian jobs from coast to coast to coast, and this is a priority for us. We are going to grow the economy and create good quality jobs.

* * *

●(1445)

THE ENVIRONMENT

Hon. Ed Fast (Abbotsford, CPC): Mr. Speaker, in October, the Prime Minister unilaterally announced a massive carbon tax grab on Canadians. He perversely claimed that Canadians would benefit economically from this new tax, but we recently learned from the assistant deputy minister for environment that an economic impact analysis has never been done and that the Liberals believe such an assessment was premature. Did he say premature? The Prime Minister just hammered Canadians with a punishing carbon tax, and his officials say an impact analysis is premature.

When will the Prime Minister finally tell us how badly this carbon tax will hurt Canadians?

Hon. Catherine McKenna (Minister of Environment and Climate Change, Lib.): Mr. Speaker, I am very pleased to hear that the member opposite has decided to join the Canadian delegation at COP22. Of course that does not change the fact that the party opposite is the only party that voted against the Paris agreement.

Unlike the party opposite, we understand that the environment and the economy go together, and I am very pleased about our achievements this past year. We helped achieve an ambitious Paris agreement. We announced the greenest budget ever. We had the pan-Canadian plan on climate change, which includes pricing pollution. We had a climate and clean energy agreement with the United States—

The Speaker: The hon. member for Abbotsford.

Hon. Ed Fast (Abbotsford, CPC): Mr. Speaker, she should be listening to real Canadians and real job creators. Here is what the Nova Scotia Canadian Manufacturers & Exporters had to say: “With half the [carbon tax] cost being incurred by businesses, this will definitely negatively impact competitiveness and an already fragile economy”.

To the Prime Minister, why a harmful carbon tax, why the disdain for job creators, and why the betrayal of provinces like Nova Scotia, which already leads Canada with clean electricity?

Hon. Catherine McKenna (Minister of Environment and Climate Change, Lib.): Mr. Speaker, the member opposite actually praised B.C. for its carbon price. I find it quite surprising that he is now arguing against something that he knows is the most efficient way to reduce emissions, foster innovation, and grow our economy. He also knows that 80% of Canadians already live in a jurisdiction where there is a price on pollution.

We understand that we need to take action to tackle climate change. That is also the way to grow our economy, create good jobs, and ensure a sustainable future for our children.

* * *

IMMIGRATION, REFUGEES AND CITIZENSHIP

Mrs. Shannon Stubbs (Lakeland, CPC): Mr. Speaker, rural Albertans recently rejected the urban-centric Liberal agenda. The out of touch edict to close the Vegreville case processing centre, which shocked the town and region, is an example of why they did. This unilateral deliberate removal of rural jobs to a Liberal-held city riding will cause unnecessary pain to families and devastate this rural town. When will the Liberals end their attack on rural Canada? Will the minister stop this edict and save the jobs of these hard-working people?

Hon. John McCallum (Minister of Immigration, Refugees and Citizenship, Lib.): Mr. Speaker, we certainly regret the impact this has had on some members of the community. We are working with stakeholders to ensure that everyone currently employed in Vegreville will also have the chance to work in Edmonton. However, I can say that there was a strong business case to move the operation to Edmonton. This will result in better service, and it will result in net additional jobs for the province of Alberta.

Mrs. Shannon Stubbs (Lakeland, CPC): Mr. Speaker, the minister does not get the scope of the damage: 280 jobs, 250 spousal jobs, three local businesses, one-quarter of the students in town. Listen, moving these jobs is like taking 55,000 jobs out of Edmonton. There was no consultation and no cost analysis. Schools will lose students; groups will lose volunteers and donors; small businesses will lose customers, revenue, and owners in town; farm families will be hurt.

Will the minister stop this destruction and keep these jobs in rural Alberta?

Hon. John McCallum (Minister of Immigration, Refugees and Citizenship, Lib.): Mr. Speaker, as I said, we do regret the dislocation. We are working with staff to ensure that everybody who wishes to work in Edmonton has a job. The fundamental responsibility of the immigration department is to get good value for taxpayers' money, to offer good service to customers, to improve efficiency, to reduce processing times, and to create more jobs in Alberta. That is what we are doing.

Oral Questions

• (1450)

[Translation]

NATIONAL DEFENCE

Ms. Christine Moore (Abitibi—Témiscamingue, NDP): Mr. Speaker, until 1992, thousands of members of the Canadian Armed Forces were dishonourably discharged just because they were members of the LGBTQ community.

Last week, a first step was made in committee to have this dishonourable discharge removed from their service records, but we have heard nothing from the government since then.

Does the minister understand the consequences of a dishonourable discharge? If so, will he commit to taking immediate action to correct this injustice?

[English]

Hon. Harjit S. Sajjan (Minister of National Defence, Lib.): Mr. Speaker, it is unacceptable that members of the Canadian Armed Forces were treated in this manner. Discrimination based upon sexual orientation is simply unacceptable. We believe strongly that LGBTQ2 people should be treated like any other Canadian.

Our government is engaged, on a wide departmental basis, to address this very important concern.

Mr. Randall Garrison (Esquimalt—Saanich—Sooke, NDP): Mr. Speaker, what we are asking for is action on this now.

Until 1992, lesbian, gay, bisexual, and transgender Canadians were systematically driven out of the military. More than 1,200 Canadians were dishonourably discharged because of their sexual orientation or gender identity.

Last week, the defence committee unanimously adopted my motion urging the minister to take action to revise these service records.

Will the minister take this first step now and begin righting the injustice done to these Canadians who served their country honourably?

Hon. Harjit S. Sajjan (Minister of National Defence, Lib.): Mr. Speaker, as I told the member opposite, discrimination in any manner is completely unacceptable. Our diversity in the Canadian Armed Forces is an operational necessity.

As I stated, our government is engaged, on a wide departmental basis, to address this very important concern.

* * *

JUSTICE

Hon. Rob Nicholson (Niagara Falls, CPC): Mr. Speaker, the Liberals are now saying they have a problem with mandatory sentences for convicted criminals.

It is true that, under our Conservative government, people who have brought drugs into this country to sell to our children, people who produce child pornography, and people who molest children would all go to jail. I am proud of that.

I would like to know what problem the Liberals have with that now?

Hon. Jody Wilson-Raybould (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I am pleased to be conducting a broad review of the criminal justice system, including sentencing reforms. This broad review will include a comprehensive review of the mandatory minimum penalties in the Criminal Code, with an eye to reform. The purpose of this review is to ensure that all our laws, including mandatory minimums, are effective in meeting their objectives, promoting public security and providing value to Canadians, and to ensure that the laws that we have are in compliance with the Charter of Rights and Freedoms.

Hon. Rob Nicholson (Niagara Falls, CPC): Mr. Speaker, last week, it was the victims' surcharge—the law where, if people attempted to murder someone, they had to pay \$200 to victims.

Now, this week, the Liberals have a problem with mandatory sentences. Where are they going to start? Are they going to start with the most serious crime? For decades, people who committed premeditated murder got a life sentence, with no chance of parole for 25 years.

Is this one of the areas that the Liberals have a problem with? We want to know.

Hon. Jody Wilson-Raybould (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I appreciate the opportunity to talk about the comprehensive criminal justice system review that we are undertaking.

Our government supports mandatory minimum penalties for the most serious of offences. However, we are going to conduct a comprehensive review of mandatory minimums, with an eye to ensuring that we inject the necessary discretion, where appropriate, to judges. This is the reason for Bill C-28: to ensure that judges have the ability, with respect to the victims' fine surcharge, to take into account the financial hardships of the individuals who appear before them.

Mr. Michael Cooper (St. Albert—Edmonton, CPC): Mr. Speaker, while the Minister of Justice says that legislation to roll back mandatory sentences is coming soon, the minister has yet to say which mandatory sentences she has a problem with. Is it the mandatory jail term for selling drugs near a school or for child pornography; is it the mandatory jail term for drive-by shootings; or perhaps it is the mandatory jail term for murder? Can the minister stand in her place and explain just which of these mandatory sentences she has a problem with?

Hon. Jody Wilson-Raybould (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I certainly would reiterate that we are taking a comprehensive review of the criminal justice system, including sentencing reforms that occurred across the last 10 years. As I stated, we are not against mandatory minimum penalties for the most serious of crimes. However, what we are seeking to do is comprehensively review all of the mandatory minimums in the Criminal Code with an eye to ensuring that the necessary discretion is provided to judges in terms of the individuals who are presented to them, to ensure that we are in compliance with the Charter of Rights and Freedoms and that we have a fair, efficient, and responsive justice system.

Oral Questions

•(1455)

CANADIAN HERITAGE

Hon. Hedy Fry (Vancouver Centre, Lib.): Mr. Speaker, Canada has a thriving pre- and post-production movie industry. Vancouver has seen a strong increase in the number of productions in recent years, making it the number one hub for special effects globally. Can the Minister of Canadian Heritage tell us what the government is doing to promote and support Canadian films?

[Translation]

Hon. Mélanie Joly (Minister of Canadian Heritage, Lib.): Mr. Speaker, I thank my colleague from Vancouver Centre for her important question.

We know that the film industry generates billions of dollars a year in economic activity, and we believe in its potential. That is why we decided to reinvest in Telefilm Canada in the last budget.

[English]

Tonight, Telefilm Canada is hosting a screening of the Canadian film *Two Lovers and a Bear*. This film is set in Nunavut and successfully premiered at Cannes. Many of the talented creators and actors are with us today. Therefore, I really hope that you, Mr. Speaker, and all parliamentarians will be there tonight.

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REGIONAL ECONOMIC DEVELOPMENT

Mr. Dan Albas (Central Okanagan—Similkameen—Nicola, CPC): Mr. Speaker, Atlantic Canadians have every right to expect some level of representation by the Liberals. Unfortunately, not one of the 32 Atlantic Liberal MPs has stood up against these directives by an increasingly centralized top-down PMO. We learned this week that, of the 14 members of the finance minister's economic advisory council, none of them hail from Atlantic Canada. Will the President of the Treasury Board finally start advocating for Atlantic Canada and demand that the finance minister fix this mess?

Hon. Navdeep Bains (Minister of Innovation, Science and Economic Development, Lib.): Mr. Speaker, I want to make it very clear that we have a whole-of-government approach when it comes to developing economic policy in this country. We have four outstanding ministers from Atlantic Canada who not only represent Atlantic Canada but represent all Canadians. We are working to put forward economic policies that benefit not only Atlantic Canada but all of Canada and that make us the envy of the world. We will continue to do that. We will continue to grow the economy, invest in people, and create jobs.

* * *

[Translation]

DAIRY INDUSTRY

Ms. Karine Trudel (Jonquière, NDP): Mr. Speaker, now that the free trade agreement with Europe has been signed, our dairy and cheese producers are worried.

The opening of the Canadian market undermines supply management. Producers are going to lose millions of dollars because of the arrival of European products on the market. We are still waiting to find out more about the assistance the government promised

producers, particularly since producers in Quebec are not getting the same benefits and subsidies as those in Europe.

How much money is the government going to put on the table to compensate producers so that they are not negatively affected by this agreement?

Mr. Jean-Claude Poissant (Parliamentary Secretary to the Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, as we have said many times, our position is clear. We support our dairy producers and our supply management system. We are pleased to have been able to sign this progressive agreement that could drive additional exports of up to \$1.5 billion.

We are aware of the needs of the Canadian dairy industry, and that is why, as we have said all along, the government will provide transition programs to help that industry. We are in the process of finalizing these programs, and we will ensure that they are in place before CETA takes effect.

* * *

INTERNATIONAL DEVELOPMENT

Mr. Francis Drouin (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, since I am a member of the Assemblée parlementaire de la Francophonie, and since the Minister of International Development and La Francophonie will be participating in the Sommet de la Francophonie in Madagascar in just under a month, can she tell the House what Canada is doing to fight poverty and promote inclusive growth in francophone countries?

Hon. Marie-Claude Bibeau (Minister of International Development and La Francophonie, Lib.): Mr. Speaker, I thank my colleague from Glengarry—Prescott—Russell for his question.

Canada already contributes to a number of projects in French-speaking Africa in the areas of education, health, reproductive health, and agriculture in the era of climate change, but young Africans, particularly adolescent girls, need more opportunities to achieve their full potential and contribute to the economic growth and stability of their countries and the world.

At the Sommet de la Francophonie in Madagascar, I will be making a series of announcements about Canada's renewed presence in French-speaking Africa.

* * *

RAIL TRANSPORTATION

Mr. Luc Berthold (Mégantic—L'Érable, CPC): Mr. Speaker, the Transportation Safety Board of Canada believes that the government is taking too long to act on rail safety in this country. That is troubling, and it also explains why, despite the minister's reassuring words, the municipal unions of Quebec and New Brunswick are holding a symposium on rail safety this Friday in Edmundston.

Considering the growing number of rail incidents and the fact that trains are still passing through downtown Lac-Mégantic three years later, does the minister think it is acceptable that the TSB has to act as a lobbyist to improve the safety and security of Canadian communities?

• (1500)

Hon. Marc Garneau (Minister of Transport, Lib.): Mr. Speaker, of course, we are very grateful for the work of the Transportation Safety Board, which is there to remind us what we need to do for safety's sake, and it is doing an excellent job.

At the same time, we are making constant efforts to improve safety and security in Canada, especially in the area of rail safety, as I have said repeatedly. We are making improvements. I have announced three such improvements since I became transport minister, and there will be more in the months and years to come.

* * *

NATURAL RESOURCES

Mrs. Marilène Gill (Manicouagan, BQ): Mr. Speaker, in the softwood lumber file, the federal government put the interests of British Columbia ahead of those of Quebec. In the shipyards file, “a great day for Canada”, as the NDP called it, it was the interests of the Maritimes that came ahead of those of Quebec. In the energy east file, it was Alberta that came ahead of Quebec. In the Muskrat Falls file, it is Newfoundland and Labrador that matters more than Quebec.

Enough is enough.

Will the minister promise once and for all not to increase the loan guarantee for Newfoundland and Labrador for the Muskrat Falls project?

Hon. Jim Carr (Minister of Natural Resources, Lib.): Mr. Speaker, it is important to provide the provinces with a source of clean and reliable energy to meet their energy needs. We are monitoring the projects and working closely with the province.

Under the existing agreement, it is the province's responsibility to cover the increases in cost. No decision has been made on this yet.

Mrs. Marilène Gill (Manicouagan, BQ): Mr. Speaker, last week, Canadian values was the argument used to justify a loan guarantee somewhere in the neighbourhood of \$15 billion.

Is unfair competition a Canadian value?

Is putting Quebec's interests last a Canadian value?

How can the government justify its involvement in an operation designed solely to allow Newfoundland and Labrador to enter into direct competition with Hydro-Québec on foreign markets?

[English]

Hon. Jim Carr (Minister of Natural Resources, Lib.): Mr. Speaker, as I said, to provide provinces in Canada with clean, renewable sources of energy is absolutely consistent with the goals of this government.

We understand that it is very important that provinces have the opportunity to make sure that their electrical systems are intact so that we can, as the Minister of Environment and Climate Change

Business of Supply

says almost every day in this House, find sustainable ways to reduce greenhouse gas emissions in Canada.

* * *

PRESENCE IN GALLERY

The Speaker: I draw the attention of hon. members to the presence in the gallery of the Honourable Joanne Bernard, Minister of Community Services and of the Voluntary Sector, Minister responsible for the Advisory Council on the Status of Women Act and for the Disabled Persons' Commission Act for the Province of Nova Scotia.

Some hon. members: Hear, hear!

The Speaker: I draw the attention of hon. members to the presence in the gallery of several members of Canada's creative talent from across the country, including the north: the cast and crew of *Two Lovers and a Bear*, which will be screened tonight to launch Movie Nights Across Canada.

Some hon. members: Hear, hear!

GOVERNMENT ORDERS

[Translation]

BUSINESS OF SUPPLY

OPPOSITION MOTION—CARE FOR FIRST NATIONS CHILDREN

The House resumed from October 27 consideration of the motion.

The Speaker: It being 3:04 p.m., pursuant to an order made Thursday, October 27, the House will now proceed to the taking of the deferred recorded division on the motion of the hon. member for Timmins—James Bay relating to the business of supply.

Call in the members.

• (1515)

[English]

(The House divided on the motion, which was agreed to on the following division:)

(Division No. 140)

YEAS

Members

Aboulttaif
Albrecht
Alghabra
Allison
Amos
Anderson
Arnold
Arya
Aubin
Badawey
Bains
Barsalou-Duval
Beech
Benson
Bernier
Bezan
Bittle
Blair
Block

Albas
Aldag
Alleslev
Ambrose
Anandasangaree
Angus
Arseneault
Ashton
Ayoub
Bagnell
Barlow
Baylis
Bennett
Bergen
Berthold
Bibeau
Blaikie
Blaney (North Island—Powell River)
Boissonnault

Government Orders

Boucher	Boudrias	Nault	Nicholson
Boulerice	Boutin-Sweet	Nuttall	O'Connell
Brassard	Bratina	Oliphant	Oliver
Breton	Brisson	O'Regan	O'Toole
Brown	Caesar-Chavannes	Ouellette	Paradis
Cannings	Carr	Paul-Hus	Pauzé
Carrie	Casey (Cumberland—Colchester)	Peschisolido	Peterson
Casey (Charlottetown)	Chagger	Petitpas Taylor	Philpott
Champagne	Chan	Picard	Plamondon
Chen	Choquette	Poilievre	Poissant
Christopherson	Clarke	Cooper	Raitt
Clement	Cuzner	Ramsey	Rankin
Cormier	Damoff	Ratansi	Rayes
Dabrusin	Deltell	Reid	Richards
Davies	Dhillon	Rioux	Robillard
Dhaliwal	Dion	Rodriguez	Romanado
Di Iorio	Doherty	Rota	Rudd
Diotte	Dreeshen	Ruimy	Saganash
Donnelly	Dubé	Sahota	Saini
Drouin	Duclos	Sajjan	Samson
Dubourg	Duncan (Edmonton Strathcona)	Sangha	Sansoucy
Duguid	Duvall	Sarai	Saroya
Dusseault	Easter	Scarpaleggia	Schiefke
Dzerowicz	Ehsassi	Schmale	Schulte
Eglinski	Ellis	Sgro	Shanahan
El-Khoury	Eyking	Shields	Shipley
Erskine-Smith	Falk	Sidhu (Mission—Matsqui—Fraser Canyon)	Sidhu (Brampton South)
Eyolfson	Fergus	Sikand	Simms
Fast	Finnigan	Sohi	Sopuck
Finley	Fonseca	Sorbara	Sorenson
Fisher	Fortin	Spengemann	Stanton
Footé	Fraser (Central Nova)	Ste-Marie	Stetski
Fraser (West Nova)	Fry	Stewart	Strahl
Freeland	Gallant	Stubbs	Tabbara
Fuhr	Garrison	Tan	Tassi
Garneau	Gerretsen	Tilson	Tootoo
Généreux	Gladu	Trost	Trudeau
Gill	Goldsmith-Jones	Trudel	Van Kesteren
Godin	Gould	Van Loan	Vandal
Goodale	Graham	Vandenbeld	Vaughan
Gourde	Hajdu	Vecchio	Viersen
Grewal	Harder	Virani	Wagantall
Hardcastle	Harvey	Warawa	Warkentin
Hardie	Hoback	Watts	Waugh
Hehr	Housefather	Webber	Weir
Holland	Hussen	Whalen	Wilkinson
Hughes	Iacono	Wilson-Raybould	Wong
Hutchings	Johns	Wrzesnewskyj	Young
Jeneroux	Joly	Zahid	Zimmer— 302
Jolibois	Jordan		
Jones	Julian		
Jowhari	Kelly		
Kang	Khalid		
Kent	Kitchen		
Khera	Lake		
Kmiec	Lamoureux		
Lametti	Lauzon (Stormont—Dundas—South Glengarry)		
Lapointe	Lebel		
Lauzon (Argenteuil—La Petite-Nation)	Lebouthillier		
LeBlanc	Lemieux		
Lefebvre	Levitt		
Leslie	Lighbound		
Liepert	Lockhart		
Lobb	Longfield		
Long	Lukiwski		
Ludwig	MacKinnon (Gatineau)		
MacGregor	Malcolmson		
Maguire	Marcil		
Maloney	Massé (Avignon—La Mitis—Matane—Matapédia)		
Masse (Windsor West)	May (Cambridge)		
Mathysse	McCallum		
May (Saanich—Gulf Islands)	McColeman		
McCauley (Edmonton West)	McDonald		
McCrimmon	McKay		
McGuinty	McKinnon (Coquitlam—Port Coquitlam)		
McKenna	Mendès		
McLeod (Northwest Territories)	Miller (Bruce—Grey—Owen Sound)		
Medicino	Monsef		
Miller (Ville-Marie—Le Sud-Ouest—Île-des-Soeurs)	Moore		
Monsef	Morrissey		
Moore	Murray		
Morrissey	Nassif		
Murray			
Nassif			

NAYS

Nil

PAIRED

Nil

The Speaker: I declare the motion carried.

[Translation]

I wish to inform the House that because of the deferred recorded division, government orders will be extended by nine minutes.

* * *

[English]

FALL ECONOMIC STATEMENT**Hon. Bill Morneau (Minister of Finance, Lib.)** moved:

That the House take note of the Fall Economic Statement.

He said: Mr. Speaker, I have the honour to table today, in both official languages, the government's fall economic statement.

Government Orders

It gives me great pleasure to update the House on the progress we have made on behalf of Canada's middle class and those working hard to join it. We know that Canadian families are filled with hope and they are not afraid of hard work, including, I might add, our pages. However, for decades now, the middle class has been struggling just to stay afloat. Child care, tuition, the rising cost of living, long commutes, and mounting debt, they all add up.

In the midst of this, the world is changing rapidly. Trade is shifting to Asia and other developing regions. The Internet is transforming how we communicate, live, and work. Economies are facing the challenge of becoming cleaner and more sustainable.

Therefore, a year ago, Canadians asked for our help. They wanted a government that would work with them to secure a brighter future for their kids and for their grandkids.

We took a big first step by cutting taxes for middle-class Canadians and raising them on the wealthiest 1%. Thanks to our Canada child benefit, nine out of 10 families with children get even more help every month. On average, they get \$2,300 more per year. It is helping. For hundreds of thousands of children, it means being lifted out of poverty. For some families, it means money to spend on skates this winter. For others, it means paying down debt or saving a little more, and that is progress.

We also improved retirement security for workers today and for future generations, including signing a historic agreement with the provinces to strengthen the Canada pension plan.

[*Translation*]

We have kept the promises we made to seniors, by strengthening the retirement income system. We restored the age of eligibility for old age security and guaranteed income supplement benefits to 65. We also increased the guaranteed income supplement top-up benefits for single seniors.

[*English*]

We made it easier for young people to go to university or college by boosting Canada student grants, and recent grads now get a break on paying back their Canada student loans until they are earning at least \$25,000 per year.

We also immediately began investing in our future. The investments we have made in the infrastructure needs of our cities and communities create jobs today, while building up Canada's economy in the future.

I want to thank my colleague, the Minister of Infrastructure, for his ongoing leadership in working with provinces and municipalities toward the transformative challenges ahead. He brings a deep understanding of the challenges facing all levels of government in infrastructure development.

Taken together, our measures are creating jobs and helping the middle class to get ahead.

Our economy is growing, just not as fast as we would like. Since the last budget, private sector forecasters have, on average, revised down their outlook for real GDP growth in Canada. This is set against a backdrop of slow growth around the world due to factors

such as disappointing growth in the United States and the uncertainty surrounding the U.K.'s Brexit vote.

However, our historic signing of the comprehensive economic and trade agreement, the most modern and progressive trade deal on the planet, shows that even in uncertain times hard work and perseverance can lead to results that will create middle-class jobs.

I want to recognize the passionate and dedicated work of the Minister of International Trade in getting this agreement over the finish line.

• (1520)

[*Translation*]

The world is now looking to Canada as an example to follow because of our investments and our inclusive agenda aimed at helping the middle class.

We have the most enviable position of all G7 countries in terms of our debt-to-GDP ratio. We will maintain this advantage and maintain the fiscal anchor that we committed to in the last budget, while continuing our plan responsibly.

[*English*]

Slow growth at home and around the world means our plan is more important than ever. It is time to take the steps toward middle class progress.

Because our challenges and opportunities are long term, I am announcing measures that invest more dollars over a longer period of time, so we can create good jobs now and set our workers, businesses, and communities up for success in the future.

Over the next 11 years, the Government of Canada will invest an additional \$81 billion in public transit, green infrastructure, social infrastructure, and in transportation that supports trade and smart cities. This includes a specific commitment to build up and build out Canada's rural and northern communities.

In recognition of unique needs that require a more targeted approach, we are investing an additional \$2 billion in our rural communities to ensure they can succeed and share in Canada's overall success.

Government Orders

In all, combined with existing funds, we will invest more than \$180 billion over the next 11 years in our towns, our cities, and trade corridors to provide cleaner air and water, better neighbourhoods for our kids, and smarter, more connected communities. This is unprecedented in Canada's history, and it comes at a time when the need is great.

Our communities need to keep people and goods moving. Our most vulnerable citizens need housing. Our kids need and deserve clean air and clean water. Our country needs long-term economic growth.

To solve these challenges, we need to think even bigger. We need reliable partners. Canada's pension funds and institutional investors around the world have world-leading expertise and they are eager to make big, long-term investments in Canada.

I am happy to announce that the Government of Canada is establishing a new Canada infrastructure bank, through which at least \$35 billion will flow to help us undertake transformative projects that might not otherwise get built. This bank will allow us to create thousands of jobs, get more projects built, and attract \$4 to \$5 in private capital for every tax dollar invested. That is progress.

[Translation]

The new infrastructure bank will allow us to identify a pipeline of projects on which we can base our long-term investment decisions. In short, the bank will change how we plan, fund and carry out large infrastructure projects in Canada. That is progress.

[English]

To prosper in the future, we will need to hone Canada's competitive edge. Canadians are highly educated and skilled. We have what it takes to succeed. That is the story potential investors do not hear often enough around the world.

I am announcing today the creation of a new institution, the invest in Canada hub, whose job it will be to go out and sell Canada to the world.

• (1525)

[Translation]

In a world in which some think that it is best to close borders, Canada stands out as an example to follow in terms of inclusion and managing diversity.

We have an enviable fiscal position, and an educated, skilled and, in particular, a resourceful population. Investing in Canada will allow us to redouble our efforts to create good jobs for the middle class by attracting foreign investment.

[English]

To create good Canadian jobs, we need strong global partnerships. Our global skills strategy will further support Canadian companies by making sure that they can attract top talent and can have timely access to the specific skills and international expertise that will allow them to scale up, create good Canadian jobs, and thrive right here at home.

Thanks to the stellar work of the Minister of Immigration, Refugees and Citizenship, Canada is also taking full advantage of our diversity to support long-term economic growth.

Just last week, *The Economist* magazine remarked about Canada:

The warmth of the welcome is as striking as the scale of the intake.

That is progress.

It is not just what we are doing, it is also how we are doing it. We listen, we partner, and we collaborate. Those are not just words. They are at the very core of who we are as a government.

That is why our fall economic statement also contains measures to provide greater accountability for government spending, to put an end to secrecy at the Board of Internal Economy, and to ensure the independence of the chief statistician and the parliamentary budget officer. That is progress.

Decades from now, when my kids tell the story of when their dad was finance minister, I want them to be able to look back and see our government's first year in office as the year Canada began on the path towards a new, modern economy. We are well on our way.

Compared to one year ago, nine million middle-class Canadians pay lower taxes. About 3.2 million families receive the Canada child benefit, which by 2017 will have helped reduce child poverty by about 40%. If there is one number I want Canadians to remember today, it is the 40% reduction in child poverty.

Nine hundred thousand single seniors will be more financially secure.

Fourteen on-reserve boil water advisories have been lifted in indigenous communities since budget 2016.

[Translation]

We have built or improved 2,700 dwellings on reserves. Across the country, infrastructure projects are creating good jobs and also making communities more dynamic.

[English]

However, we are not done, not even close. We will continue to do what confident, ambitious countries do: invest in our own future. We will work with others to do it as well.

As members know, the Advisory Council on Economic Growth has provided me with invaluable insights on the challenges and opportunities ahead. I thank them for their great work and advice.

Our work is also informed by all those who have taken time to participate in pre-budget consultations, by our municipal, provincial, and territorial partners, and by international partners.

We also rely on the great work of the finance committees and all members of both Houses of Parliament, who we know wake up every day looking for ways to leave a better Canada to the next generation. I thank them for their service, and I look forward to working with all of them towards a strong middle class and a better tomorrow. Merci.

[Translation]

Mr. Gérard Deltell (Louis-Saint-Laurent, CPC): Mr. Speaker, we will shortly have the opportunity to conduct an in-depth study of the government's proposal and to show how the government is continuing to do poorly what it has been doing very poorly for a year, hurting the Canadian economy very badly in the process.

The minister talked about a figure that someone wanted to recall concerning the Canada child benefit. Perhaps we should remind him that he forgot to index it when it was presented and that he made a \$3.4 billion mistake when he tabled it.

The next figure that I would like to hear the Minister of Finance quote is the one for future expenditures, the one he had not planned for. Nearly \$32 billion more will be spent over the next five years. Six months ago, he had not thought about it. Today, he is thinking about it.

How will we be able to trust him?

• (1530)

[English]

Hon. Bill Morneau: Mr. Speaker, we are very pleased to present this economic statement to this House.

[Translation]

We are very proud of our economic statement. It is an excellent opportunity for us to explain to Canadians how we will be able to grow our economy in the future, for the middle class and for those who want to join the middle class.

Our investments, including those in infrastructure, will help our economy in the future. We have added two years to our investments. This way, we can plan infrastructure investments more effectively. At the same time, we have added trade corridors, to be sure that we will have an economy that works for the country's businesses.

Lastly, as I said, we have added \$2 billion for rural communities. We know that, thanks to our investments, Canada's middle-class families will have a better future.

Mr. Guy Caron (Rimouski-Neigette—Témiscouata—Les Basques, NDP): Mr. Speaker, the Liberals said they were going to have more transparent and more open accounting. However, we see that they are still using accounting tricks in an attempt to cover their tracks.

You will recall that, last year, it was absolutely essential to have \$6 billion in the contingency fund. It has since been eliminated. The reason is quite simple: an attempt is being made to hide the fact that the government will not achieve the public accounts goals it set.

The infrastructure issue is even more important. The government is boasting about establishing a Canada infrastructure bank. However, what it is not saying is that not only is it privatizing current infrastructure assets, a task it will delegate to the provinces

Government Orders

and municipalities, but it will also privatize the revenue flows from those infrastructure assets, which means tolls and user fees.

I would like the minister to tell me where the Liberals' promise was, during the election campaign, to privatize our public infrastructure.

Hon. Bill Morneau: Mr. Speaker, we are very proud to introduce our Canada infrastructure bank, which is very important to the future of our country. With this approach, we will have \$35 billion to invest along with our partners, pension funds, which want to see infrastructure investments in this country. This approach will enable us to boost our investments, which will have a greater impact on our economy, now and in the future. That is very important. We have enough capital in this bank to get things done. We have no other plan for our assets. It is important to begin with the money we do have in the bank and with our assets. We are currently doing a preliminary analysis of the situation, and nothing has been finalized.

[English]

Mr. Dan Albas (Central Okanagan—Similkameen—Nicola, CPC): Mr. Speaker, I appreciate the finance minister's speech.

Einstein said that the definition of insanity is doing the same thing over and over and expecting a different result.

The finance minister, six months ago, put forward a budget and in it, obviously, the Liberals broke their promise of \$10-billion-a-year deficits. Now we see that they have added an extra \$31.8 billion over the next five years, without any credible indication of returning to balance.

During our pre-budget consultations across the country, the Chamber of Commerce of Metropolitan Montreal said that this was a credibility test for the minister.

What does the minister have to say to those Canadians out there who are looking for confidence, when he can show no confidence in his own ability to close that gap?

Hon. Bill Morneau: Mr. Speaker, I want to say that Canadians proved something in the last election. They proved that they do not meet the definition the member spoke about. They chose correctly to make investments in their future as a confident country.

We made a decision to invest in the future. We had a period of low growth. Canadians said that it was time to make investments in the future. That is exactly what we are doing.

We started with a very important first step: making life better for middle-class Canadians and improving the situation for Canadian families through the Canada child benefit and through tax reductions. We are now moving forward with a long-term plan that will improve our rate of growth over the long term, because that is what we know we need to create the good jobs Canadians need to be successful in the future.

We are moving forward with confidence, because we are confident in our country, and we are confident in Canadians' choice.

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• (1535)

[*Translation*]

Mr. Xavier Barsalou-Duval (Pierre-Boucher—Les Patriotes—Verchères, BQ): Mr. Speaker, in its economic update today, the government announced \$81 billion in new investments, 90% of which is old money it already has.

This means we will not see any new money for at least five or ten years, which is a very long time; the government might have been elected by then, or not, depending on the election promises it makes.

What we were asking for was an increase in health care transfers for patients who are eating powdered potatoes in our hospitals, which cannot make ends meet. Hospitals need money now, not in five or ten years.

Why did the government not increase health care transfers?

Hon. Bill Morneau: Mr. Speaker, we know that it is very important to have an economy that works. This is important for middle-class families all across the country, including in Quebec.

What we have done today is explain clearly to Canadians our current situation, and what we are going to do to improve our level of growth in the future. That way, we can do what is necessary for Canadians all across the country. We are now taking steps that are going to improve their situation in many sectors, and we need to start with an economy that works, so that we have the capacity to act for Canadians.

[*English*]

Mr. François-Philippe Champagne (Parliamentary Secretary to the Minister of Finance, Lib.): Mr. Speaker, the Minister of Finance made a great speech about how to invest in the future of Canada. One thing he said that caught my interest was about the invest in Canada hub and how we can attract more people to invest in our country to grow our economy and create Canadian jobs.

I would like to hear more about that from the Minister of Finance, because this is going to be transformational for this country.

Hon. Bill Morneau: Mr. Speaker, the member points out something that we have realized. We have realized that we in Canada have a great country, a place where people would like to make investments, a place where we can encourage people from other countries to come, make investments, and create jobs for Canadians. We know that is something we are capable of doing.

Our Prime Minister has led the way this year in many activities that have brought investors to this country. We know that we can continue to do better by doing it systematically. Our invest in Canada hub will do exactly that. We will work with the people who are currently working on these efforts to ensure that people around the world can see the potential of investing in our country and of helping our people have great jobs.

Mr. Todd Doherty (Cariboo—Prince George, CPC): Mr. Speaker, while Canadians are tuning in to hear this economic update, there are record numbers of job losses right across Canada, a record number of job losses in the oil and gas sector. We do not have a signed softwood lumber agreement. We have more uncertainty in the forestry industry.

What Canadians want to know from the government is what it is doing to get Canadians back to work today. They do not need more EI assistance. They do not need more platitudes or what have you and promises for 11 years down the road. They need jobs today.

I would ask the minister what he is doing to get people back to work today in small communities.

Hon. Bill Morneau: Mr. Speaker, I would say that Canadians appreciate the significant investments we have made in employment insurance that have helped them in challenging times. If Canadians look at the transparency of this economic statement, they will see where we spent money this year. People in Fort McMurray received money we moved because they have been dealing with very challenging times. I think they want that.

I can say that the tax breaks we have given Canadians, such as the Canada child benefit, are the sorts of things that are helping Canadians be successful today while we make investments for tomorrow to create the jobs we need.

Mr. Gérard Deltell (Louis-Saint-Laurent, CPC): Mr. Speaker, a year ago, the Liberal Party was elected on a platform of a small deficit, a modest deficit of \$10 billion in the first year. That was its promise, and what did it do? It did exactly the reverse.

• (1540)

[*Translation*]

For a year now, the Canadian economy has been going from bad to worse. No permanent jobs have been created here in Canada since this government came to power, and here is the Prime Minister abandoning his responsibilities, not to mention other things, when he ought to be here responding directly to Canadians' needs, especially since what they need is a strong economy.

Today we see the government spending without any common sense. It does not have control of its spending. It has devised new taxes that collide head-on with our businesses, that is, our entrepreneurs, our job and wealth creators. What is more, for a year now this government has been cancelling tax reductions that taxpayers had been promised, which were designed to help them make their personal choices with more money in their pockets. On the contrary, however, the government has raised taxes and income taxes. So it has failed in its task.

That is why it is today presenting us with an economic update. This was a perfect opportunity to straighten out the situation and admit that it had tried something that did not work. But the government is doing just the opposite.

[*English*]

This is what is so sad. It is quite normal to see a minister of finance doing an update six or eight months after a budget just to be sure to steer the economy on a good track and with good sense. Unfortunately, the government has failed to take this opportunity to get the Canadian economy back on track for the Canadian people.

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[*Translation*]

The Liberal plan, which consists in borrowing senselessly and creating colossal deficits, is not working. A hundred thousand new jobs had been predicted for 2016, but none have been created. I want to remind the Liberals that there are still two months left before year-end, so they should pick up the pace a little. The opportunity has been missed.

Instead of giving the kick-start needed to get the Canadian economy and management of public finances back on track, the government keeps doing exactly the same thing—hitting the gas and crashing straight into the wall. That is what today's economic update is from the Liberal government. It is very bad for the Canadian economy and for all Canadians.

As I mentioned earlier in my question, the key figure in this update from the government is \$31.8 billion. Let's round that off to \$32 billion. That's \$32 billion in additional expenditures over the next five years that had not been budgeted six months ago. What improvisation, what lack of vision, what lazy management!

It would have been nice if those people realized that managing the public purse and the Canadian government calls for a long-term vision that gives taxpayers' wallets the respect they deserve. Unfortunately, those people keep spending as if it were no big deal. That is what worries me.

The documents they tabled are very interesting, but some essential information is missing. What is the Liberal government's game plan to pay back the \$32 billion in additional expenses over the next five years? Will it raise sales and income taxes? Will it place an additional burden on workers who get up every morning and work so hard? Will it place an additional burden on the businesses that create jobs and wealth, as it has been doing for the past year? Not a word about that.

The easy way out, the lazy way out, is to borrow the money and get our grandchildren to pay up. I have a lot of respect for the Minister of Finance. Earlier, he ventured onto thin ice when he talked about how proud his children will be down the road. Unfortunately, I have to remind him that his children and grandchildren, along with mine and those of all Canadians, will have to pay for bad Liberal management later. That is the Liberal Party's legacy.

I want to remind everyone that this government was elected on its promise of a modest \$10-billion deficit and that it gave us a \$30-billion budget. Today's plan offers no strategy for setting things right. That is what really worries us as Conservatives, but it is also what worries us as Canadians, because we are the ones who are going to have to pay for this later.

This economic update does include a few worthy elements, or at least, elements that show us where we are heading. One of those is the government's plan to create an infrastructure bank.

● (1545)

[*English*]

My only question about this new structure is why? Why did the government table and propose a new structure for the Canadian economy? We can earn money from offshore without any difficulty.

We can invest public money and private money in infrastructure without any difficulty. We have the tools for the that. We have PPP Canada for that.

Why create a new structure? Why create new red tape? Why create something new? The minister should consider things like that. Is it for friends of the Liberal Party, or whatever? Is that the case? Why create this new infrastructure? We have all the tools we need to attract new money from offshore. Now the Liberals are talking about the Canadian hub. That is not bad, but we still have the tools for that.

Is it true that the government has just discovered that offshore money can be brought into Canada? I have some news for the Liberals. It is not new. They have seen some offshore money come here, and maybe that is a big surprise for them. In the last 150 years this country has had an open market. That is why we welcome foreign money. This country needs to welcome foreign money with open arms to create wealth and jobs here in Canada. We do not need another Liberal government to do that. We still have that.

Here is another funny thing. I had the privilege of reading the books and all of the minister's updates. Maybe I was not aware, but the minister did not talk about the parliamentary budget officer in his budget speech. That is quite interesting because he talked about him in his economic update.

[*Translation*]

The minister wants to give even more powers to the parliamentary budget officer. I found the following statement on page 34 to be quite ridiculous, to put it mildly: "...the parliamentary budget officer will report back to Parliament and parliamentarians with research and analysis..."

[*English*]

Wow. Big deal.

[*Translation*]

I would just like to remind our friends that the parliamentary budget officer already prepares reports. The problem is that the Liberals refuse to acknowledge them. Just last week, the member for Carleton wanted to table two reports by the parliamentary budget officer that gave Canadians the facts on management of public finances. However, the Liberals refused to allow it to be tabled. They have the right to disagree and to challenge the report, but they refused to table it.

Now they are crowing over their fine principles and say they want to give more powers to the parliamentary budget officer. They should start by showing him respect. That would be a good start.

I can perhaps understand why he would be a little embarrassed to talk about the parliamentary budget officer. This man has very good resources. I should have said "this person". It just so happens that he is a man, but it has nothing to do with gender. These days we have to be careful. Mr. Speaker, you can count on me to be very careful.

[*English*]

So we have to be very careful when we are talking about the person.

Government Orders

The parliamentary budget officer talked about so many things that the Liberal government has failed to recognize. We are not talking about doing something. We are just talking about recognizing something. The government has failed to recognize the reality of the facts. I will give the House some examples.

[Translation]

Since the minister mentioned the Canada child benefit in his speech, let us talk about that. The Liberals' speeches bring a tear to my eye. They are saying that they are going to help individuals, families, and everyone. However, in their election platform, the Liberals promised to implement this program at no cost. That is not true, because the parliamentary budget officer's report, which the Liberals refused to table, indicates that the Canada child benefit will create a \$3.4-billion deficit. They were only off by \$3.4 billion. That is what helping families looks like.

However, what is really incredible is that they forgot to index. They simply forgot that, in four or five years, the cost of living might go up. I had the opportunity to talk about this on Friday, but seriously, this does not make any sense. Any lowly administrative technician in any company who forgot to index would immediately be shown the door.

• (1550)

[English]

In every business when someone forgets about indexation and inflation, that person would be told to get out, but the minister is still in his chair, even if he forgot about inflation and he missed the target by \$3.4 billion.

[Translation]

The Liberals are also talking about revenue-neutral tax changes.

[English]

We are not talking about zero cost. We are talking about the deficit of \$1.8 billion. This is totally unacceptable. The Liberals were elected in the hope of no deficit. They were elected, in this case, with no surplus. Now, they are talking about \$1.8 billion.

The same project, the same plan, does not directly touch 65% of Canadians. Why?

[Translation]

There will not be any changes to the taxes of Canadians who earn \$45,282 a year or less. Sixty-five percent of Canadians will not be affected by these tax adjustments. What is worse is that the main beneficiaries of the Liberal's approach are those who earn between \$140,388 and \$199,999 a year. Are people who earn \$190,000 a year part of the middle class? I am not sure, but they are the ones who will benefit the most from this measure.

We did not get these numbers in a Cracker Jack box. The parliamentary budget officer gave them to us. These new measures to create jobs and wealth have done nothing. According to the parliamentary budget officer, no new permanent jobs have been created under this government. I laugh when I hear the Liberals saying that they want to give the parliamentary budget officer more authority and control. Maybe they should start by respecting and

accepting the figures he gives them in an neutral and objective manner.

[English]

There is absolutely nothing in this update for the hard-working entrepreneurs of Canada. On this side of the House, are concerned about entrepreneurs because they are the backbone of our economy. We pay them a lot of respect, and the government should respect them. These are the people who create wealth. These are the people who create jobs. It is not the government that creates jobs.

The government should give the tools to create jobs to the creators of wealth, the entrepreneurs. It is not the government that is doing that. It is the entrepreneurs.

What do we find in this update today for small business? Absolutely nothing. There is absolutely nothing for those who work so hard, who wake up every morning and risk a lot to create jobs. They risk a lot, and there is nothing for them in this update.

Let us talk about mortgages. A month ago, the finance minister, without any notice, introduced new rules for mortgages and a new way to calculate them. It is very difficult. We all recognize there is a problem in Vancouver and Toronto. However, to fix this problem in Vancouver and Toronto, the government is applying new rules from coast to coast to coast.

That is not exactly the way to do things. The reality is that for young families just starting a life, whose dream is to have a house, it will be more difficult thanks to the Liberal government that introduced a new way of doing things without consulting people and without prior notice.

[Translation]

In this unfortunate situation for the Canadian economy, the example comes from on high. When a government gets itself elected on a promise of a small \$10-billion deficit and then proudly, shamelessly, signs off on a \$30-billion deficit, they may think that it's party time, they can spend as they wish and there are no more restrictions. This is not a realistic or a responsible way to manage the budget. A deficit is a bill that we pass on to our grandchildren, who are going to have to pay for today's mismanagement.

Furthermore, Canadians never voted for uncontrolled budgets; Canadians never voted for a government that was going to spend heedlessly; Canadians never voted for a government that was going to run a deficit three times what it predicted and then six months later was going to review that amount so as to heighten the deficit and spending even more. Canadians have been swindled by the Liberal party, and we are now suffering all of the consequences. That is why a radical call to order is needed for this government, which has failed in its job.

Canadians know and believe that the government has lost control over public spending. Canadians can see day after day that this government is not keeping its commitments, that it is spending wildly and leading Canada to a medium- and long-term budget impasse. I want to point out that our children and our grandchildren, as well as those of the finance minister, who broached the same subject himself, are going to have to pay for the mistakes that are made here. The road ahead is absolutely worrying.

Government Orders

I believe that, in the end, what we have to retain from this budget update is that the government is headed down the wrong road, onto which it first turned nine months ago when it tabled its budget. After getting itself elected on the promise of a minimal deficit, today it has lost control over spending.

• (1555)

[English]

It was a tremendous opportunity today to get back on track, to pay respect to hard-working Canadians, because what we are talking about today is taxes. We are talking about the money Canadians and entrepreneurs send us. Every morning millions of Canadians wake up, go to work, work hard, and see half of their salaries go to taxes. At the very least we should respect them and respect what we have been elected for.

The government was elected to run a small deficit. That is not the case. What it is doing is all wrong. Unfortunately, this is a cost that all of us here and all Canadians will have to pay.

[Translation]

To conclude, as Albert Einstein said: “Insanity is doing the same thing over and over again and expecting different results.” Unfortunately, this government is doing the same thing, and we are going to hit a wall because of it.

Mr. François-Philippe Champagne (Parliamentary Secretary to the Minister of Finance, Lib.): Mr. Speaker, we all enjoy listening to the member from Louis-Saint-Laurent's rhetorical flourishes, but let us get back to the facts.

Today the minister has been very clear. We have laid out the next stages of our plan for economic growth in the country, a plan to generate jobs here in Canada.

[English]

I will be very brief in asking my question to the member. What we have announced today is transformative. We are going to invest \$81 billion more into infrastructure. That money is going to go to public transit, green infrastructure, social infrastructure, and our transit corridors to bring more goods to our ports and airports to export them. It is going to invest in rural communities. We are going to create the “invest in Canada” hub, which is going to attract more investment.

Therefore, my question for the member, for whom I have enormous respect and he knows that, is this. Why did he vote against reducing taxes for nine million Canadians? Why did he vote against the Canada child benefit, which is helping nine families out of 10? Why did he vote against enhancing the Canada pension plan? Why is he voting against all measures that would help Canadians and bring growth to our country?

[Translation]

Mr. Gérard Deltell: Mr. Speaker, I would also like to say that I truly like my colleague and to sincerely say how much respect I have for the minister, sorry, the Parliamentary Secretary to the Minister of Finance. It was a slip of the tongue. Everyone knows it was a slip of the tongue, and it wouldn't be a first for me. A slip of the tongue is saying what you are thinking. So it was a slip of the tongue.

One day, perhaps the Member for Papineau will open his eyes all the way. It is called respect.

Now, let's get to the heart of the matter. Our parliamentary team is very proud to have voted against a budget that will lead to a \$30 billion deficit, when the government had committed to a deficit a third that size.

Canadians know that when you are unable to manage properly and you are living on credit, you cannot do so for very long. But worse still, today's update aggravates the situation, since the plan now is to impose \$32 billion in additional spending on Canadians over the next five years; the Liberals were a little off six months ago. However, we believe that is not the right approach.

We are in favour of investing in infrastructure; we are for those investments. Do I need to remind my colleague that two years ago, the hon. member for Roberval, then minister of economic development, was head of a department with an \$80 billion investment plan? The big difference is that we did it with a balanced budget.

• (1600)

Mr. Matthew Dubé (Beloeil—Chambly, NDP): Mr. Speaker, I thank my colleague for his speech.

Indeed, he used the word “swindled”, and that is putting it mildly when it comes to the infrastructure file. The Liberals passed themselves off as progressives who were going to invest state resources to improve infrastructure and finally give the municipalities and the provinces the resources they need.

However, we are finding out today that they are taking the path of privatizing public infrastructure so that they can take credit for it and put taxpayers at risk for the profits of private corporations and then say that that was investing. So they are creating deficits for the sake of private companies, and they will make taxpayers pay for it.

What does my colleague think of this broken promise and the fact that the Liberals are unable to give us more details on the famous infrastructure bank and the privatization of infrastructure?

Mr. Gérard Deltell: Mr. Speaker, I wish to acknowledge my colleague, whom I also respect. We enjoy debating with one another even though our views are diametrically opposed. We agree on maybe two things: that the sun rises in the east and sets in the west. Aside from that, we disagree on everything.

As far as the investment bank is concerned, the thing that surprises us about the Liberals' approach is that there are tools in place already. Our government created PPP Canada, public-private partnership Canada, which allowed private investment to play a role in infrastructure development, which is quite logical. We do not have a problem with private investment.

I know that the NDP has a socialist philosophy, which I have a great deal of respect for, and they may have some concerns about this, but we are not afraid of private investment. In fact, we welcome it, but the tool already exists.

Why is the government creating a new mechanism when one already exists? That is our question.

Government Orders

Mr. Xavier Barsalou-Duval (Pierre-Boucher—Les Patriotes—Verchères, BQ): Mr. Speaker, in response to the last question I had the opportunity to ask my colleague from Louis-Saint-Laurent some time ago, he had the nerve to acknowledge the economic expertise of Quebec separatists, who were deeply concerned about Quebec's finances, among other things.

Let us talk about Quebec's finances. In the government's economic update, on page 29, where it talks about the establishment of the Canada infrastructure bank, we find a line that explains how it would be used. It could be used for:

Facilitating an interprovincial clean energy grid project through the provision of a loan guarantee to lower risk and reduce financing costs for the proponent;

Sounds like Muskrat Falls to me. Knowing that my colleague thinks it is important to manage government expenditures carefully, is he not concerned to see the government jump headlong into the money pit that is Muskrat Falls?

Mr. Gérard Deltell: Mr. Speaker, perhaps it is because we have a different view of things, but personally, the first image that came to mind was that of the energy east project. We are talking about the transportation of energy from one province to another. That is what energy east is about.

For us, there is no question of rushing headlong into the project. The member is quite right: we have to be prudent when dealing with public investments. For that reason, when at other times I saluted the efforts of the indépendantistes, I was talking more about free trade, in which they played a major role, for which we commend them by the way.

With regard to the specific question of private investments, I would like to reiterate that, where we live, we have no problem with private investment, as long as it is done properly and especially as long as the risk is shared. For us, it is not investing when all the risks are borne by the taxpayers and all the benefits go to private business. The risk and the benefits must be shared by all parties.

[English]

Mr. Randy Hoback (Prince Albert, CPC): Mr. Speaker, the Liberals talk about attracting foreign investment and that they are going to attract all this money into Canada, yet if we look at their actions, we see them increasing taxes and creating higher deficits and more regulatory burden.

Can the member maybe school them on what really needs to happen in order to get foreign investment to come here to Canada?

Mr. Gérard Deltell: Mr. Speaker, my colleague's question reminds me that I forgot one paragraph in my speech.

The point is that we live in a big world. We live in North America and beside us is the United States of America. Does it have a carbon tax? No, but we will have to. It is not good for attracting foreign money, if every business will be punished with the Liberal carbon tax. It is not good for our economy. It is not good for entrepreneurs. It is not good for the creation of wealth and jobs.

I hope the government will get back on track and be sure to not impose too much tax on our creators of wealth and jobs, the entrepreneurs.

• (1605)

[Translation]

Mr. Steven MacKinnon (Gatineau, Lib.): Mr. Speaker, I enjoyed the speech made by my colleague from the Standing Committee on Finance.

The member tried to sell us the same song he was unable to sell in the Quebec National Assembly for a number of years. He did not succeed today, either.

However, he came here with a platform. After leaving us a country with anemic growth, after leaving behind a \$180 billion debt accumulated over 10 years, the Conservatives made a commitment to achieving a zero deficit.

Faced with anemic growth and the collapse of the price of oil and other natural resources, what choices would this member make today? Would he cut services to Canadians and to families? Would he raise taxes? How would he achieve a zero deficit, which he was unable to sell Canadians in the last election?

Mr. Gérard Deltell: Mr. Speaker, where should I begin?

First of all, I will say that I am very proud of the seven years I spent in the Quebec National Assembly as the member for Chauveau.

Furthermore, I would like to remind the member, who is starting his career in the House of Commons, that one does not have to be in power to be proud of representing one's fellow citizens. Personally, I am very proud to have represented the citizens of Chauveau for seven years in the Quebec National Assembly. There is a reason I was elected three times.

Incidentally, I always had 52% or 53% of the vote, an absolute majority. And I also won by an absolute majority a year ago, in the federal election. If the member wants to go there, good luck to him. He will not go unchallenged.

With regard to substance, the member is talking about our budget. I would like to remind him that when we were in power, we faced the worst economic recession in history since the Great Depression. Canada was the country that fared best. It was the first G7 country to come out of recession.

We like to compare ourselves to the best, and we were the best.

[English]

Mr. Guy Caron (Rimouski-Neigette—Témiscouata—Les Basques, NDP): Mr. Speaker, let me read from the Liberal electoral infrastructure announcement of August 27, 2015. It states:

A Liberal government will make the largest new infrastructure investment in Canadian history. Our plan will:

Nearly double federal infrastructure investment to almost \$125 billion—from the current \$65 billion—over the next decade, reaching an additional \$9.5 billion by year ten....

Page 15 of the Liberal Party platform, on the subject of infrastructure, states that the infrastructure bank would “provide low-cost financing for new infrastructure projects” and “provide loan guarantees and small capital contributions to provinces and municipalities to ensure that the projects are built.”

Government Orders

I understood from this that the Liberals were committed to massive public investments to update our infrastructure and that they would do this through their deficits. Canadians also understood this. The reason is simple. Never did the Liberals mention anywhere in their platform that their intention was to privatize public assets. Never did the Liberals mention anywhere in their platform that their intention was to privatize the revenue streams of assets, and never did the Liberals mention anywhere in their platform that their intention was to allow for tolls and user fees to become the rule for public assets.

However, this is where we are in this so-called economic and fiscal update.

[*Translation*]

I wonder how Liberals in the House, especially those who proclaim to be progressive, feel about the direction their own party is taking.

The Liberals' master plan has become clear: they want to privatize everything. That became clear on October 20. That is when we found out that the Liberal government contracted the Credit Suisse investment firm to study the benefits of privatizing Canadian airports.

Never mind the fact that the Liberals never uttered a single word about privatizing airports during the election campaign, which is a huge problem in and of itself. Is there not a single Liberal MP in the House who has a problem with the fact that the Liberals are contracting a firm whose *raison d'être* is to buy infrastructure, including airport infrastructure? Is there no conflict of interest when the government asks that firm whether it should sell it its infrastructure? Is there not a single Liberal member in the House who can see the obvious conflict of interest in the awarding of this contract?

I will explain this to the House in simple terms. Credit Suisse has a vested interest in the privatization of Canadian airports because it buys airports, and now the Liberals are asking this company if they should privatize their airports. This is a troubling trend because the Liberals also stacked the so-called advisory council on economic growth with infrastructure privatization proponents. One of them is Dominic Barton of McKinsey & Company. He is the chair of the council. He has been with McKinsey & Company for five years, and in that time, he has been a proponent of infrastructure privatization around the world.

In June, once he had begun his intensive research to determine what the Canadian government should do to grow the economy, he wrote an opinion piece that was widely disseminated and features the following thought right in the middle of the piece:

In some cases, funding can be found without raising taxes: governments can create revenue streams by instituting user charges, capturing increases in property value, or selling existing assets and recycling the proceeds.

Asset recycling: how green.

Governments can also do much more to encourage private investment, starting by providing regulatory certainty and the ability to charge prices that produce an acceptable risk-adjusted return. Even more broadly, they can take steps to create a market that more efficiently connects institutional investors seeking stable, long-term returns and projects that need financing.

It looks like Mr. Barton reached his conclusion before the good old advisory council on economic growth even completed its report.

• (1610)

Michael Sabia is also a member of the advisory council. He is from the private sector and for the past few years has headed up the Caisse de dépôt et placement du Québec. He is also a strong advocate for the privatization of infrastructure. Once again, here is something he said in a speech given to the Toronto Board of Trade:

For long term investors, infrastructure offers something that's not easy to find today: stable, predictable returns in the 7% to 9% range with a low risk of capital loss —exactly what we need to meet our clients' long term needs.

Those are Mr. Sabia's own words.

The privatization of infrastructure is therefore definitely in the interest of the Caisse de dépôt et placement du Québec. It wants a piece of the pie.

Mark Wiseman is also a member of the advisory council. He is a senior managing director of investments at BlackRock, a private investment firm with \$4.7 trillion in global assets under its management. This firm is even larger than the Caisse de dépôt et placement du Québec, which is a big deal in its field.

BlackRock has a vested interest in privatization. It seeks out assets and infrastructure. Mark Wiseman is part of the advisory council that is advising the Prime Minister on economic growth.

Once again, that is a conflict of interest, and they do not even try to hide it. How can people like Michael Sabia and Mark Wiseman, not to mention Dominic Barton, be included in this group that is supposed to make recommendations to the government, when those very individuals stand to benefit?

Worse still, on October 20, 2016, they did indeed table a report with recommendations that, if implemented, would bring their firms billions of dollars in returns, and would probably also earn these individuals millions of dollars in bonuses.

[*English*]

What does the Minister of Finance think of all this? He was quoted in *The Globe and Mail* on October 20, after the release of the Barton report. He said:

As we think about how best to amplify our impact on infrastructure investment in this country, we need to create ways for institutional investors to invest in our country...So we'll move forward in a way that will allow us to attract institutional money and it's not conditional on any other government activity around government assets.

His last sentence in that quotes means, "We will bring in the private sector to take over and control our highways, our ports, our airports, our water treatment plants and we will move the public sector out of the way". That is exactly what it means.

With the economic and fiscal update, it becomes clear that it was the plan all along. Now with the Canadian infrastructure bank, which I will call the Canadian privatization bank, that will be funded to the tune of \$35 billion by the federal government, the Liberals are hoping to leverage \$165 billion from the private sector.

Government Orders

As the Canadian Federation of Municipalities suspected, \$15 billion of the funds promised to municipalities and communities will be hijacked to be put in this bank.

Now there is a \$200 billion question. How can we give these private investors a 7% to 9% return, and this is what Michael Sabia would like to see, on their investment on highways, on ports, on airports and on water treatment plants, on power distribution and other public infrastructure? Those private investors, and yes, we are talking about pension funds but we are also talking about private equity firms, will not invest out of the goodness of their hearts. There are maybe some generous people and companies, but their investors will be looking for a return, and a high return.

The math is simple. We will have to impose tolls and user fees in places where there are none. Where there are currently user fees, we will need to jack them up to get the return the investors want.

The next question is this. Who will invest in this privatization bank? To hear Liberals talk, we would think it would only be pension funds. We will ask the CPP and the Caisse de dépôt et placement to invest.

As I said, BlackRock is a private equity fund worth more than \$4,700 billion in assets under management, and by a strange coincidence, it will actually be hosting a meeting of interested investors in Toronto in two weeks. That is strange coincidence.

•(1615)

It is as much of a coincidence as seeing Mark Wiseman of BlackRock being a part and a member of this advisory council on economic growth.

Not only will pension funds be part of this privatization bank, so will private equity funds and banks. Obviously, if it is opened to private equity funds, to banks in Canada, it has to be opened outside of the country as well. Therefore, welcome funds from all over the world. I really think Canadians were not looking forward to the possibility of Saudi Arabia owning Pearson Airport when they heard Liberals talking about infrastructure during the campaign.

By the way, this economic update also announces that the Liberals will be looking at increasing thresholds for review on foreign investment takeovers to \$1 billion from the current \$600 million. Once again, this is surely a coincidence, but this will mean that even more foreign takeovers will be rubber stamped and merely rubber stamped. There will be no oversight over that, especially on infrastructure. This fits very well with this privatization scheme that we see.

Finally, let us not forget that the search for high returns usually also brings about boondoggles. I will ask my Toronto colleagues to remember Highway 407.

[*Translation*]

I would remind my friends from Montreal everything that happened with CHUM.

How, then, have we come to consider so openly the possibility or the need to privatize our infrastructures? Well, last Thursday, Dominic Barton told the Standing Committee on Finance what he

has been saying for the last five years. I will say it in English, since he said it in English:

[*English*]

“Our view there is we want to leverage private capital because we see the infrastructure gap being about \$500 billion in Canada. There is no way that public money can fill that gap.”

•(1620)

[*Translation*]

I agree with him on the \$500-billion figure for the infrastructure deficit. We can agree on that point. But let us remember that the tax rate on corporate profits has been reduced by the various governments from 28% to 15%, resulting in a minimum annual loss of \$10 billion to \$20 billion. It could be even higher.

In reducing corporate income tax, it was hoped that companies would reinvest that money. That did not work, since the real investment rate has been pretty much constant over about the last 10 years, if not more.

What happened in the end? Certain companies have been enjoying massive tax cuts for the last 15 years. Those cuts have limited the capacity of the different governments, including the federal government, to invest in things like infrastructure. Those companies that benefited greatly from tax relief and made no investments in return are now telling us that they have the money to help us with our infrastructures, because the government can't do anything anymore. Who said that cynicism was dead?

[*English*]

Where was the Liberals' promise of privatization during the election? We never heard a word about it from the Liberals during the campaign. On the contrary, when we talked about tolls and the Champlain Bridge, they said that there was no way they would ever impose a toll on the Champlain Bridge. That might be true, but they will place a toll and a user fee on everything else.

When did the Liberals tell Canadians that instead of the public infrastructure and the public investments that were promised, they would actually pay user fees and tolls instead of seeing their taxes go where they should have gone? Never. I can understand my Conservative friends being frustrated right now, and they have good reason to be. What the Liberals are bringing forth is basically a Conservative scheme. Let us not be blind about it.

In the last Parliament, the Conservatives were not so bold to go that far and now they are doing the job for the Liberals. I can understand why they would be frustrated because that would fit perfectly in the Conservative fiscal plan of years past. Now we have what supposedly is a progressive government. We have a government that tries to convince Canadians that signing onto the trade agreement, which was negotiated by Conservatives, is a progressive trade agreement.

Now the Liberals are trying to convince people that the GHG emission levels, which were set by Conservatives, are progressive targets. I cannot wait to see how they will be able to explain that the privatization scheme they are putting forth now is actually a progressive privatization scheme, because that makes no sense.

Government Orders

Yet the Liberals seem inclined right now to go where Conservatives did not even dare to go. That raises very important and very tricky questions that they will have to answer in the next few years. Setting up this privatization bank will not be done tomorrow, even though we see elements in this budget right now. It will not be done even in the next few weeks or the next few months. It will take a while.

Members can be sure that we will be here, watching what the Liberals are doing and denouncing that, because this is never what they intended to do during the campaign.

Canadians deserve the truth. If they were to have the truth from Liberals during the campaign, they would have been told to expect that the only way, according to them, to invest and fill that infrastructure gap would be to privatize, to bring in the private sector to privatize the revenue stream and eventually to install tolls and user fees. If that had been the case, we can be sure Canadians would have wondered whether they should vote for the Liberal Party.

[*Translation*]

I will say it: this is a betrayal. Canadians will be right to feel betrayed, to feel that they have not gotten the truth from this government. When they travel on highway 20, or the 401, when they see that Toronto's Pearson airport has been sold to a Saudi investment fund, they will be right to wonder if they really voted for this and if they really agreed to the government going in this direction.

It will be the same when they see the government trying to bribe the provinces, who are being fiscally throttled at the moment. The government will offer them an amount of money from this privatization bank, they will be able to privatize their power distribution network, and that way they will have money to invest elsewhere with private sector support. That is precisely what this investment bank is proposing.

I will at least give the finance minister credit for having spoken part of the truth. I will repeat what he said, because it is incredibly revealing of the lack of sincerity the Liberal Party is demonstrating. I did not want to use unparliamentary language.

According to the Liberals, what does this mean?

•(1625)

[*English*]

“So, we'll move forward in a way that will allow us to attract institutional money”, which means pension funds, private equity, and so on, “and it's not conditional on any other government activity around government assets.

[*Translation*]

How could this be any clearer? The Minister of Finance wants to give the private sector a large stake in Canada's infrastructure. In this sentence he is saying that the public sector, namely the government, will get out of the way. That is called privatization. The Liberals are going to have to answer this question many times in the next few days, weeks, months, and years.

The House can rest assured that we are going to challenge the government at every stage of this public infrastructure privatization bill.

Mr. Rémi Massé (Avignon—La Mitis—Matane—Matapédia, Lib.): Mr. Speaker, I would like to acknowledge my colleague whose riding is next to mine.

I would like to say that it must be difficult for my colleague to find negative things in our budget. I know that he is aware of the difficult economic reality that families in our region face every day.

Our government is very proud. In recent months, the Minister of Finance has announced all kinds of important investments that will help our families: the Canada child benefit, enhancements to the pension program and funds, tax cuts, enhanced student loans and bursaries, and the repeal of the Conservatives' 2012 employment insurance reforms. This is all good news.

I realize that his job is to criticize the government. However, from an objective standpoint, does our colleague recognize the work done by our government in 12 months to help families in our region that need a helping hand?

Mr. Guy Caron: Mr. Speaker, I would like to acknowledge my colleague and riding neighbour.

He promotes his party and his government, which is something that I understand very well. He speaks about employment insurance and the employment insurance reform, for example. However, the government only went half the distance with the employment insurance reform. It did not go all the way.

Changes were made that will eliminate some of the harmful measures that were implemented in the 2012 reform. However, to claim that they did away with the reform is completely untrue. I invite the member to talk to the various groups that represent unemployed workers in the Lower St. Lawrence region, starting with Action Chômage Kamouraska. That organization will tell him that such is not the case and that the government took a few steps in the right direction but did not go all the way.

When it comes to other decisions that the government has made regarding the regions, I have two words for him: diafiltered milk. There have been many protests in his riding. Personally, I regularly speak with farmers who have been promised that the matter will be resolved quickly. However, it is clear that the government is making all sorts of excuses for its inaction on this file and this is costing dairy producers tens of thousands of dollars a year.

Mr. Gérard Deltell (Louis-Saint-Laurent, CPC): Mr. Speaker, we know that the NDP and the Conservative Party have totally opposite views on many issues. However, there is one thing we agree on. During the last election campaign, the NDP put forward a bold but realistic and responsible platform in which they promised not to run a deficit. However, we know that the current government was elected on the promise of running a small deficit. Today, that deficit is out of control.

My question is this. There was no mention of the investment bank during the election campaign, but it will have a major impact on Canada's economic future. What are the NDP member's concerns about the creation of an investment bank?

Government Orders

•(1630)

Mr. Guy Caron: Mr. Speaker, the Liberal platform promised an investment bank or an infrastructure bank.

My colleague can read about that on page 15 of the Liberal platform:

[The] Infrastructure Bank [will] provide low-cost financing for new infrastructure projects. [It] will provide loan guarantees and small capital contributions to provinces and municipalities to ensure that the projects are built.

Reading that, my understanding is that the government wants to set up an infrastructure bank to prioritize various pieces of infrastructure across the country so it can decide to invest more. That is what the Liberals promised: \$120 billion over 10 years. Now we are looking at a little bit of investment, \$35 billion, \$15 billion of which was previously committed, to attract \$365 billion in private capital in a bank that will therefore be largely controlled by private capital, which will be looking for high returns.

I am not necessarily in favour of privatization. Far from it. If the Liberals had been honest, they would have explained the plan to Canadians from the get-go, but that did not happen.

Mr. Alexandre Boulerice (Rosemont—La Petite-Patrie, NDP): Mr. Speaker, I want to congratulate my colleague from Rimouski-Neigette—Témiscouata—Les Basques on his excellent speech. I think he did a great job highlighting the new dangers that have emerged in relation to the privatization of our public infrastructure.

I wonder if he could talk specifically about what is missing from the Liberal Party's economic statement, particularly regarding Quebec. We are seeing a rise in precarious work among youth, and the Minister of Finance says we should get used to it. Household debt continues to rise, but the government has done nothing to address it. This statement says there will be no compensation for our dairy producers, nor will there be any assistance for Bombardier, the forestry sector, key sectors of job creation in our regions all across Quebec.

I would like the member to comment on that.

Mr. Guy Caron: Mr. Speaker, to that I would add that there is nothing on softwood lumber and nothing on diafiltered milk. The economic update was a big zero, because all it does is postpone and defer everything, which is what the Liberal Party does with all its promises and commitments.

If we look at infrastructure funding, for example, from which Quebec could in fact benefit, two-thirds of the new envelopes promised, new infrastructure funding, will be spent two elections from now. Today the Liberals are boasting about creating the privatization bank. However, when we talk about diafiltered milk and assistance for the aerospace industry or softwood lumber, the federal government has nothing to say. This is despite the fact that a crisis is happening right now, and producers want assistance from Ottawa, such as loan guarantees.

Even more importantly, a week ago the minister even had the audacity to tell young people that they should just get used to more precarious jobs. There is nothing in this economic update to indicate that he understands their situation or is trying to improve it.

Mr. François-Philippe Champagne (Parliamentary Secretary to the Minister of Finance, Lib.): Mr. Speaker, first, I would like to

thank my colleague for his speech. He knows how much I respect him. He is a member of the Standing Committee on Finance, and he does a lot for that committee.

Let us get back to the facts. Today, the minister announced the next steps in our plan to invest in economic growth and job creation in Canada.

I invite my colleague to carefully review the numbers that the minister announced. In the fall economic statement, we announced an additional \$81 billion for infrastructure this year, over 11 years. That is \$180 billion in total for infrastructure. Of that amount, we are taking \$15 billion from the infrastructure bank. Why? Because we want to build more infrastructure and we want to do it more quickly. The rest of the money will be invested by this government. We spoke about social infrastructure and green infrastructure.

I have the following question for my colleague: why is he opposed to building more social infrastructure in Canada?

Mr. Guy Caron: Mr. Speaker, the answer is one word: privatization.

I attended the in camera meeting. I analyzed the economic update this afternoon before coming here. The Liberals are not taking \$15 billion from the infrastructure bank to invest it. They are taking \$15 billion that was promised to the municipalities, to the communities, and putting it in this infrastructure bank. Incidentally, the government is going to add some other poorly-defined elements to the infrastructure bank, like property or a stake in existing infrastructure, in order to attract private investors.

That money will not be there to spend. It will be there to attract private investors who will once again want to use this privatization bank to earn predictable returns of 7% to 9% on their investments, as Mr. Sabia said.

I would like my Liberal friends to tell us why they never mentioned that they would be taking this approach during the election campaign. Why did they not mention the huge investment that the private sector would make in infrastructure in exchange for what they expect will be good returns?

•(1635)

Mr. Gabriel Ste-Marie (Joliette, BQ): Mr. Speaker, I thank my colleague from Rimouski-Neigette—Témiscouata—Les Basques for his speech. I have a rather technical question for him.

In its budget, the government announced that it was abolishing PPP Canada. We were glad about that. We felt it was high time for that to happen.

Does my colleague not think that this new Canada infrastructure bank is just a more powerful version of a PPP Canada strategy?

Mr. Guy Caron: Mr. Speaker, further analysis of the implications is required, but I would say yes indeed, that seems to be the case.

Government Orders

In fact, I recently read an article by Joël-Denis Bellavance, who said that the government seemed interested in following the lead of the Caisse de dépôt et placement du Québec and what it is doing with the rail line from Montreal to the West Island. This is a small project with a contribution from the federal government and a major contribution from the Caisse. Obviously the Caisse is after what it hopes will be some interesting returns.

We are seeing that here multiplied by 50 to 100. There are all sorts of examples, not just rail projects, but water treatment plants, distribution networks, airports, and ports.

Indeed, that seems to be the case, but again, further analysis is required.

The Deputy Speaker: It is my duty, pursuant to Standing Order 38, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Drummond, Official Languages; the hon. member for Desnethé—Missinippi—Churchill River, Indigenous Affairs; the hon. member for London—Fanshawe, Veterans Affairs.

Mr. Gabriel Ste-Marie: Mr. Speaker, I would ask the consent of the House to speak.

The Deputy Speaker: Does the hon. member for Joliette have the unanimous consent of the House to speak?

Some hon. members: Agreed.

Some hon. members: No.

[*English*]

Mr. Kevin Lamoureux (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.): Mr. Speaker, like other members of this chamber, I had the good fortune today to listen to the Minister of Finance's announcement, and I believe it is a happy day for Canadians. We should all look at what was presented a little earlier today as a positive thing for all regions in Canada.

Just before I got under way, my colleague from Quebec asked me to make sure I emphasized one of the gold nuggets in this announcement, which is a \$2 billion commitment for rural development. Once again, this reinforces the government's commitment to rural economic and social development. This is something we as a government take very seriously.

It is a good day today. We see once again the Government of Canada emphasizing the importance of our middle class. If members read the title and the book itself, they will find it is a good read. I highly recommend that members across the way, in fact all members, read the paper supporting the speech from the Minister of Finance. Members will find that it talks about the wonderful things from within that are going to advance or see progress within Canada's middle class and those who are aspiring to be a part of it. This is why I say it is a good thing in terms of what we heard today.

A special emphasis is on infrastructure, which we saw in the comments from members of the official opposition, and also from my friends the New Democrats when they talked about infrastructure. Allow me to point out the difference between the three political entities in the chamber, which is not to disregard the Greens

or the Bloc, but I suspect they are supportive in general of the investment in infrastructure.

I sat for years in opposition, as a number of my colleagues did, and we saw a Conservative government talk about infrastructure. There was a great deal of frustration from the opposition as to why the government did nothing more than just talk about infrastructure. The Liberal caucus at the time recognized the value of the Government of Canada investing in infrastructure, to actually see shovels in the ground, to see projects being green-lit and moving forward, and to see progress. We genuinely believe that, by investing in infrastructure, we are investing in Canada and the future of our country. However, for years, we saw very little being done on that particular file.

It is no surprise, and I am glad, that the opposition critic for finance and the New Democrat critic both brought out the Liberal platform book. One of them made reference to the just over \$100 billion to which the Liberal Party committed during the election. Well, good news, not only are we maintaining or doing that policy platform, but we are actually increasing the amount of money going toward Canada's infrastructure. I see that as a positive thing.

At the end of the day, I think there are some things we may have in common with the New Democrats. They tend to believe in the importance of infrastructure, contrary to some of the things they might have said in the last campaign, but we have been consistent on it. The Liberal Party was the only party that said it was going to invest in Canada's infrastructure even if it meant we would have to incur a deficit situation, which makes us stand out from what the New Democrats had said. However, if we want to see the separation in terms of the Conservatives and Liberals, we need only look at the Stephen Harper government to clearly see it.

It was interesting that, earlier today, we had a member from the Alberta Conservative caucus stand up and ask what the Liberal government had done in the province of Alberta, and it was kind of baiting a little in its terms. I had the good fortune to ask the member a question in regard to his speech.

● (1640)

In my response to the member I indicated that the Minister of Infrastructure, who happens to be a member of Parliament from Alberta, works closely with all members of our caucus. We have a loud and strong group of members of Parliament from Alberta. Seventy-two projects have already been approved.

We recognize the efforts put into this by many municipalities and the provincial government. The Government of Canada recognizes the importance of the situation in Alberta. We have demonstrated our caring attitude by the way we have reacted to the crisis. As an example of that caring attitude one only needs to look at the 72 infrastructure projects. The cumulative total by other levels of government coming into it is close to \$3 billion. That is probably more than what the Conservatives did in their entire 10 years and we have been in government for less than a year. I do not say that lightly, because I know the frustration that many of the municipalities in the Prairies had, as well as the City of Winnipeg, in trying to get approval and a shovel in the ground with the former Conservative government.

Government Orders

Now we have enhanced the infrastructure program. We need to really look at why the Government of Canada has put so much emphasis on infrastructure. The time to borrow and to invest in infrastructure is when interest rates are low. There is a valid argument to be made for that. I personally love the argument in terms of the employment issue. If we invest in infrastructure, we are creating jobs. Jobs are important. That is why I used the Alberta example with respect to infrastructure. Investing in infrastructure is an investment in jobs and we need valuable jobs.

Investing in infrastructure is important. By investing in infrastructure we are investing in long-term economic and social benefits for Canada as a whole. If we have the right infrastructure, we are better able to get our products to market, for example, and we have healthier communities and a cleaner environment. If you look at where the government has put its emphasis, there is a lot to be said about the fact that we are getting our priorities right but also that our priorities are reflective of what Canadians really and truly believe in and want to see the government move towards. Let me give the House some specific examples of that.

Canadians are concerned about public transit. They want a government that is prepared to invest in public transit. Our commitment to expanding public transportation is the single largest commitment toward infrastructure in Canada's history. We are doing this because it is what Canadians want to see done and because it would also be better for our environment. It would provide jobs and improve the overall performance of Canada's economy. Expanding public transportation would get students to school quicker, would get people to their jobs quicker, and would give us a healthier environment.

We can talk about the social benefits of infrastructure spending. There are many different needs and they vary greatly. We can talk about investing in the betterment of our communities, whether they be rural or urban. We can talk about investing in shelters for individuals who have suffered domestic abuse. There is definitely a serious need for shelters and a need for places for people to go when they leave the shelters. We need to develop a halfway system.

There is an amazing demand for infrastructure dollars.

● (1645)

I remember being on the opposition benches and asking a question about infrastructure in the city of Winnipeg, about how the streets and sidewalks were in desperate need of attention and that the money the Harper government at the time talked about was nowhere near what the city of Winnipeg needed. I do not think we really have an understanding of just how deep the need for infrastructure is.

I suggest that what we heard from the Minister of Finance was a progressive step forward in the way to deal with infrastructure financing. We should not fear what the minister put on the table today. I know that New Democrats typically in Ottawa, virtually exclusive to Ottawa, are now going to use the mantle of privatization as a fear factor so that they come across as the only party that has concerns about privatization.

I would remind my New Democratic colleagues across the way that I was in the Manitoba legislature where there was a great deal of discussion about how the private sector could contribute to the

development of infrastructure. In fact, the New Democratic government brought in legislation to ensure there would be more transparency and accountability in that regard.

The reason I bring that up is that it should not be a partisan issue as to how we can ensure, as much as possible, that the demands on the building of Canada's infrastructure be met. We should be looking at ways to best meet that demand and I suggest one of the best things we can do is to not take the private sector out of the equation. In fact, it would be a disservice.

If we were to check with some municipalities where this has occurred, there are examples of success stories that are very real and have actually saved taxpayers considerable amounts of money. At the end of the day, all we are really saying is that infrastructure demands are of such magnitude that we need a strong, national leadership that is prepared to work with the different stakeholders, specifically referring to the provinces and municipalities, to try to come up with a comprehensive, holistic approach to deal with those needs, which are very real and tangible. That is what we are seeing from this government. It is called leadership.

I appreciate the efforts of the Minister of Finance and the cabinet in recognizing just how serious an issue infrastructure really is. We should be listening to what the provinces and municipalities are actually saying. If provinces or municipalities are saying they want the private sector to have a role or that pension programs could invest in infrastructure, why would we shy away due a fear factor that some might espouse? It would be a shame, given the demand for infrastructure that exists.

Suffice it to say, I could speak at length on infrastructure, but there was another aspect to the update that was provided by the minister earlier today, and that is the invest-in-Canada hub. I believe attracting foreign investment is long overdue in Canada. In the last year, we have witnessed a government that has been not only progressive but aggressive in bringing investment to Canada and ensuring that trading corridors are as open as possible in order to generate the jobs that Canada's middle class needs and wants and that we are prepared to deliver on.

● (1650)

Therefore, with respect to that foreign investment, we have an agency of sorts that will ultimately be a focal point to allow for better coordination to ensure that we are maximizing on potential investment from around the world so that companies look at Canada as a favourable place to invest, which is something that is long overdue.

For many years, the province of Manitoba looked at different ways to achieve this. For example, there was an investor component in the provincial nominee program. I suggest that there is likely a half dozen or so different agencies in the province of Manitoba, both non-profit and for profit, that are looking at ways to draw in investments because they know something that we should be proud of and should be boasting from the top of this Hill, which is that Canada is a great place to live and invest. What we must do is communicate that message.

Government Orders

Today, we heard from the Minister of Finance and the Government of Canada that we will develop that hub so that the rest of the world will know what we already know, that Canada is a great and safe place to invest. There are many different opportunities. I knew that when I was the immigration critic by just the level of interest that had been expressed by some countries that were prepared to invest hundreds of millions of dollars into our country. I see that as a positive.

It is not just the investment that excites me, and many of my colleagues within the caucus, but the fact that we go far beyond that. From the Prairies, let us look at how the government dealt with the issue of canola and China. That saved hundreds of millions of dollars in potential exports. The government went in directly and resolved that issue. We can talk about the issue of beef, the signing of the Ukraine-Canada trade agreement, or the fantastic work that the Minister of International Trade did on getting the Canada-EU trade agreement signed and getting it across the goal line, which is of great significance for all Canadians.

I believe that people as a whole understand the importance of trade. This is a government that is committed to not just getting trade but to getting the best deals we can in order to ensure that Canada continues to grow and prosper into the future, by looking at investment and trade as ways in which we can generate the jobs of the future. It will be those jobs in the future that will help feed our middle class and those who are aspiring to be a part of the middle class.

There are other initiatives taken by this government. The Minister of Finance made reference to a few that I talked about yesterday. We have spent a lot of time talking about Canada's middle class and about the tax break that was given to our middle class, where nine million-plus Canadians are receiving more money today as a direct result of that tax cut. That is something that is there. That is more money in the pockets of Canadians. We also put in the tax on the one per cent, on Canada's wealthiest, to help compensate for that commitment.

The Minister of Finance also made reference to what I believe has been a tradition of the Liberal Party, that caring attitude of social programming. We see that in terms of the increase to the GIS, the increase in student loans for our young people, and the increase in the Canada child benefit program. These are programs that will ultimately assist our young people and lift tens of thousands of single seniors and children out of poverty situations. This is something that is taking place today because we have a Minister of Finance and a government that understand the importance of advancing Canada's middle class, that does not forget about those who need that extra hand from the government, and that focuses special attention on issues such as infrastructure and investing in Canada.

That is why I am suggesting to all members that they should be supportive of the motion put forward by the Minister of Finance today.

• (1655)

Mr. Harold Albrecht (Kitchener—Conestoga, CPC): Mr. Speaker, I want to recap a few of the things my colleague mentioned.

He mentioned rural development, the middle class, investment in the Canada hub, and public transportation. Then he talked about

attracting foreign investment. He said that Canada is a great place to invest. It is a safe place. I could not agree more.

However, I would like to ask my colleague why his transport minister, for nine months, has been sitting on a report, the Emerson report, which clearly recommended that we increase foreign ownership levels for low-cost carriers to come into Canada to provide transportation to secondary airports, one of them being the Region of Waterloo International Airport in my riding.

I wrote a letter in June and have asked questions in the House why we are sitting on this report and not allowing foreign investors to invest in Canada to provide better service for Canadians, to provide low-cost service for Canadians. There is radio silence on this issue.

My request is this. Just get out of the way and allow these private industries to create the jobs they want to create and provide better service in Canada.

Mr. Kevin Lamoureux: Mr. Speaker, it is important that we recognize that the minister the member is referring to is doing his job, and he is doing a fantastic job.

We have airports scattered all over the different regions and all sorts of discussions take place. The minister has a responsibility to listen not just to one individual member of Parliament, but also to the different municipalities and other stakeholders to get a better understanding of all of the different aspects. It does not necessarily happen overnight.

I would like to assure the member that, for the first time in many years, we not only have a cabinet minister but also a government as a whole that understands that the best way to move forward is to make sure that we are doing our homework and getting the job done right. A part of that means that we should be working with the different stakeholders before we make a decision that could backfire if we acted as quickly as the member might like us to work. We want good, sound decisions to be made.

• (1700)

[*Translation*]

Mr. Guy Caron (Rimouski-Neigette—Témiscouata—Les Basques, NDP): Mr. Speaker, my colleague from Winnipeg North is entertaining as usual. He is not really addressing the concerns or answering the questions that I put forward in my speech.

We know that this infrastructure bank, Canada's infrastructure bank, was never mentioned by the Liberals in their election campaign. They deliberately led Canadians to believe that they were going to invest public money to improve infrastructure. Canadians believed that \$120 billion in public money would be invested. They thought that the small deficit promised by the Liberals would pay for the new infrastructure.

On the contrary, they are trying to privatize our infrastructure. I would like to know if the member from Winnipeg North and his Liberal colleagues believe that they would have been elected had they promised to privatize not only infrastructure but also their revenue streams.

Government Orders

[English]

Mr. Kevin Lamoureux: Mr. Speaker, I actually did listen to the member. One of the things he indicated is that he read from the Liberal platform, which includes a commitment of \$125 billion toward infrastructure, I would point out.

I thought the member would be standing and applauding the government because not only did we meet that requirement and that promise of \$125 billion, but we have actually expanded it to \$180 billion-plus over the next 11 years.

I thought the member would appreciate that we are listening to the many different stakeholders that are saying, “Are there other alternatives?” Why would we have to say, “Absolutely not” to different cities or municipalities, or “Absolutely not” to different provinces that want us to explore other avenues?

The issue of infrastructure and investing in infrastructure is far too important to stay on one narrow scope that the NDP wants us to do. After all, we are spending more money than the NDP would have spent.

Ms. Elizabeth May (Saanich—Gulf Islands, GP): Mr. Speaker, I have a question that I wanted to pose to the Minister of Finance. I hope my colleague, the parliamentary secretary, will not mind if I put it to him. It is a concern I have about where government spending will occur.

On page 67 of the projections, it says that “Compared to Budget 2016, direct program expenses are projected to remain largely unchanged in 2016-17 but are projected to be higher over the remainder of the forecast horizon”, because of “employee future benefits”.

My concern is this. The previous government cut deeply into many programs. We have not reversed the pain and the loss of those cuts. For instance, 10% was lost from Parks Canada's budget. It is not as though everything is okay and we build from here. We have damage to repair, and I do not see the damage being repaired.

Mr. Kevin Lamoureux: Mr. Speaker, I wish I could give the leader of the Green Party a more precise answer. I know there were a lot of people who wanted to ask the Minister of Finance a question after he delivered his speech, but there was limited time. Obviously, we could pass the question on to the Minister of Finance so the member might get a more fulsome answer. But suffice it to say that through the Prime Minister and the mandate letters, I suspect that many of the issues mentioned in them refer to areas that were cut by the Conservatives, and that the cabinet would in fact be reviewing them, and where those could be rectified, they would be.

Mr. Adam Vaughan (Parliamentary Secretary to the Prime Minister (Intergovernmental Affairs), Lib.): Mr. Speaker, I have heard several times today, particularly from the NDP, how we never mentioned this during the campaign. Even as they quoted from the campaign platform, they said it was somehow not mentioned, even though it is right here in black and white. I can read it again because I ran on this and talked about it endlessly in the riding I represent. Here is what it says:

We will direct the Canada Mortgage and Housing Corporation and the new Canada Infrastructure Bank to provide financing to support the construction of new, affordable rental housing for middle- and low-income Canadians.

One of the most spectacular projects in the city of Toronto is a public-private partnership that is rebuilding Regent Park, a project started by a New Democrat. The same thing is happening in Alex Park in my riding. In these projects, they take public assets and partner with the private sector. As a result they get more affordable housing. There is a user fee. It is called rent.

When we have such a successful model, why would we abandon it and try to build less, that is, unless the goal is not to build housing, which is exactly what that party did when it collapsed the 2005 budget for housing under Mr. Martin?

• (1705)

Mr. Kevin Lamoureux: Mr. Speaker, it is a very good question, and I would suggest to my friend that there seems to be a difference between the national New Democratic Party and what New Democrats do elsewhere throughout the country.

I referred to the NDP government in Manitoba and how it did not seem to have a problem with some role being played by the private sector in infrastructure. In fact, it brought in legislation to ensure that there would be more accountability and transparency and so forth on the issue. I think it is more exclusive. The attitudes of the provincial government might change upon new leadership. It is hard to say.

Mr. Todd Doherty (Cariboo—Prince George, CPC): Mr. Speaker, I want to go back to our hon. colleague's speech. He talked about investment in Canada and the historic investment they are making to make Canada more attractive for foreign investment, and getting goods and services to other markets. I want to talk about the investment the member said never happened in his own riding in Winnipeg, and how hard it was.

I want to take the member back to 2009 when the Harper government committed over \$1 billion to the Asia-Pacific gateway. As a matter of fact, it was 2006 to 2015. Over \$218 million was spent in that member's riding alone for the Asia-Pacific gateway's CentrePort. It was through the Asia-Pacific gateway and corridor initiative that Canada was back on the stage, because we signed over 43 trade agreements.

However, I want to ask this of the member. Today's announcement would do nothing for the tens of thousands of Canadians who are out of work today. It would do nothing. They do not need more EI; they do not want that. They want jobs. This is nothing for them today. Investing in infrastructure over 11 years will not help them today.

Mr. Kevin Lamoureux: Mr. Speaker, if they were in government for 10 years, they were bound to spend some money on infrastructure. I do appreciate the monies that were spent, but the point is that never before have we seen this type of investment in infrastructure as we have under this particular government.

Government Orders

There are lots of things in this budget that are helping people today. I referred to the 72 projects that have been approved in the province of Alberta, which are going to generate jobs today for individuals. The tax cuts are actually in place. They are benefiting people, and that is money in the pockets of the middle class today. The Canada child benefit plan is taking tens of thousands of children out of poverty today. The GIS increase is taking tens of thousands of single seniors out of poverty today. There is a lot of good news in this budget. The member should support it.

Hon. Pierre Poilievre (Carleton, CPC): Mr. Speaker, today I begin my speech with an admission that I was wrong. When the finance minister presented his budget in the spring and said he was going to add \$113 billion in new debt, I thought that not even this profligate group of over-spenders could achieve something so monumental as that. I went out and said they were simply trying to inflate the numbers so they could come back later and say that it was not as bad as they had said, that they had beaten their outrageously terrible expectations. Today, I admit I was wrong. Not only are they adding every bit as much debt as they said they would, but they are adding even more.

I am here today to talk about the enormous debt and the higher taxes they are burdening Canadians with. However, before I do, let me address the logic on which they base all of that debt and spending. That logic is that if we borrow enough and tax enough, we can use the money raised to stimulate enough economic activity that they will be able to pay it all back from. To paraphrase Winston Churchill, trying to borrow and tax our way to prosperity is like trying to lift ourselves into the air by standing in a bucket and pulling up on the handle. Every bit of force upward on the handle is matched by increasing force downward on the bottom of the bucket. As a result, we do not get anywhere, even though we expend all kinds of energy doing it. That energy of course is represented by the monetary value of all the taxes and debt the government is adding to the burden of Canadians.

Let us review the facts. In the last election, the Liberals promised \$26 billion worth of deficits over their mandate. Today's numbers show that the total debt accumulated over their mandate will be more like \$143 billion. They are not tripling their deficit projections. They are actually quintupling the amount of deficit they promised they would burden Canadians with during the last election.

They said the annual deficit would be \$10 billion. We now know it will be \$30 billion. They said in the budget that there would be a \$6 billion contingency fund. Remember, the budget was only in spring. They added a \$6 billion contingency in spring, and in fall, they have already blown it. In fact, they have eliminated that contingency for the rest of their mandate. Let me quote from the former parliamentary budget officer. Kevin Page said just today, "We lost the contingency.... Now it's gone, we spent it. And we have this \$130 billion of additional debt". A government creates a contingency and blows it within six months.

Finally, they said their budget would be balanced within the mandate, that there would be small, short-term deficits in the early days of a Liberal government, but by the time Canadians go back to the polls in 2019 they would have a balanced budget. Now we have a document before us today, presented by the finance minister, which does not even promise to balance the budget, ever. There is not even

a target date to return to balanced budgets. The furthest date out for which we have any numbers is 2021-22. In that year, they are still projecting a \$14.6 billion deficit. That is what they project now, without any additional spending they will add in the next five budgets. Does anyone believe that in the next five budgets, the next four budgets, the next three budgets, the Liberal government will add no new spending at all? If the Liberals did not add any new spending, the best we could hope for is that in 2022 we would still have a \$14 billion deficit. That is the track they have put us on, and for what?

They told us that all of this spending was going to stimulate the economy, that all the money would go into our neighbourhoods and communities, and that people would spend more and build more and hire more and there would be more growth and more hiring. What has happened?

● (1710)

According to these documents, growth is actually down since this deficit spending binge began. In the last year, since the Prime Minister took office, we have not seen the creation of one net new full-time job. In fact, it is worse than that: 6,000 fewer people are working full-time than when the Prime Minister took office. There are 20,000 fewer manufacturing jobs, despite a low dollar. That runs against the expectations of everyone: the Bank of Canada, the finance minister himself. I even believed that despite the government's policies, a low dollar would mean a resurgence in manufacturing, but 20,000 fewer people work in that sector today. That does not even touch on the 40,000 fewer jobs in our energy sector.

The blue collar working family in this country is being clobbered right now. They have been devastated, despite the fact that we have a government that claims that its deficit spending is specifically designed to create jobs for those very people.

We have added more debt. The Liberal government has increased taxes on the people who create jobs, and the Liberals are spending money they do not have on things that we do not need. The result is that fewer people in Canada are working than when they took office.

They will claim that it is not their fault, that it is all external factors that led to these terrible outcomes. Well, they cannot blame it on the previous government, because the numbers I am citing are all numbers that come from the year in which the current government has been in power. Nor can they say that it was just the trajectory of things when they took office. According to the parliamentary budget officer's report, the last five years of the previous Conservative government saw an average annual net increase in jobs of 200,000, and almost 100% of them were full-time.

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We have seen about 100,000 jobs created in the last year, and 100% of those are part-time. As I said at the outset, there has not been a single net new full-time job created in the country since the Prime Minister took office.

They cannot blame it on a faulty trajectory, where things were headed in a bad direction and the Liberals inherited it and are trying their best to turn it around. In fact, the trajectory was in the opposite direction. There had been over one million net new jobs created in the last six years of the previous Harper government, and under the current government, there has been no full-time job growth. Nor can he say that it is just the way things are going around the world. The trend line of Canada's job growth is worse than in the United States, the G7, and the OECD, according to the parliamentary budget officer's recent report. As a nation, we are underperforming compared to our peer group over the last year. Job creation was chugging along up until the Prime Minister took office, and then it slammed straight into a brick wall.

However, I do not want to be strictly negative, because I believe that there is nothing wrong with Canada that cannot be cured by what is right with Canada. What is right with Canada? Our entrepreneurs are right with Canada. They are the ones we know will generate the jobs Canadians need. Scotiabank came out with a report just two weeks ago demonstrating that basically all the job growth Canada saw in the previous half decade was from small and medium-size enterprises. How can we empower them to further create opportunities for our people?

First, we can honour our commitments to them. The previous government announced reductions in the small business income tax rate. The Liberal Party said it was a great idea. They were going to put it in their platform. When they took office, they cancelled those tax cuts. There is still time to do the right thing, get back on track, and reenact those tax reductions so that our job creators have more money with which they can hire.

Second, we can lower the cost of hiring. How can we do that? We can cancel planned increases to payroll taxes. Payroll taxes by definition are an increased cost in hiring.

• (1715)

In fact, a briefing note supplied to the finance minister when he was in the development phase of his planned CPP payroll tax increase said that such an increase would do two things. One, it would make it more expensive to hire, and two, it would make it less rewarding to work, and the combined impact of these things would lead to less employment. It makes sense. Tax hiring and work, and there is less hiring and work.

The positive corollary of that is that if we cut taxes on work and hiring, there is more work and more hiring. That is what we propose the government do.

There is still time, before all these new payroll taxes kick in, to cancel them and proceed with reductions in employment insurance premiums, which had been budgeted by the previous government. It was a major reduction from about \$1.80 on \$100 earned to \$1.40, which is a very large reduction. It is a 20% reduction in the EI payroll tax. That reduction would help small businesses afford a larger payroll. More of their money would be dedicated to paying

wages for hard-working people and less would be for paying government. I think we all agree that working-class employees are more deserving of that money than are the voracious appetites of government.

Cutting payroll taxes is a second hopeful idea we can pursue to empower our entrepreneurs to hire more.

Third, we can continue to reduce red tape. Under the previous government, we brought in something called the red tape reduction action plan. That found that there were 400,000 rules the federal government alone was imposing on small business. Let us imagine that. We eliminated 80,000 of those rules. We systematically got them out of the way working with business groups, like the Canadian Federation of Independent Business.

We relieved much of the federal paper burden, but there is still more work to be done. I pledge to work with the government to do it. Let us all commit to relieving businesses of the burden of paperwork so that they can spend all their time creating jobs and delivering the best possible products at the lowest price to Canadian customers.

Those are the things we can do to empower our small-business job creators, who we know are going to supply the jobs that young people, the impoverished, and disabled workers are going to benefit from in the future.

In addition to small business, we can change our tax and benefit systems across this country to make work pay. In various jurisdictions of this country, if people leave social assistance to get a job, they are actually worse off. They end up paying more in tax and losing more in clawbacks than they gain in wages. It is, in effect, having a tax rate of over 100%.

The NDP leader said that it was legalized theft for wealthy Canadians to pay more than 50% of their income in taxes. Frankly, I believe that no one should pay more than 50% in taxes, but most of all, we should never accept the idea that a disabled person or an impoverished person would lose more than 100% of what they gained from working. That is an effective tax rate of over 100%. It means that people are better off financially if they do not work, yet that is the case for literally thousands of people across this country, depending on their particular jurisdiction. The combined burden of federal and provincial clawbacks and taxes punishes work and makes it impossible for people to escape from the poverty trap governments set for them.

I think we, all of us, need to put aside any differences we might have in party line or level of government to solve this problem once and for all. We are currently studying this very problem at the human resources committee as part of an overall study on poverty. Our principle objective there should be to find ways to make work pay.

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Finally, another hopeful idea that would help create more employment is to stop spending money we do not have. We know that increased debt only drives away investment, because it creates an impression of fiscal difficulty, and it signals not only to Canadians but to the world that there will be higher taxes down the road.

• (1720)

Everyone knows that debt today means taxes tomorrow. Whatever we borrow, we have to pay back, plus interest, so why spend money we do not have? Doing so is not only fiscally irresponsible, it is cruel. Every dollar we spend that we do not have will have to be taken away from a much-needed program or taxed away from a deserving worker or small-business person down the road.

Let us get our spending under control. Return to the balanced budget we had just a year ago so that we can lead the world again as a beacon of fiscal responsibility and investors from around the world can come to create jobs and opportunity for our people.

At the end of the day, we have to recognize that government cannot give people anything without first taking it away. There is no free money. There is no money tree. There is no source of dollars the government has that no one else has. It only gets money from the people who work hard and pay taxes.

At the end of the day, these are the people for whom we should work and fight every single day in this House of Commons. They are the people who pay the bills, who take care of their families, and who build our communities. If we leave a dollar in their pockets, they do more and better with it than politicians and bureaucrats could ever do.

I take that message of hope, of opportunity, of free enterprise to our friends across the way in the government and ask them to embrace these ideas, which we know work and which we know can make our country stronger and better for the future.

• (1725)

Mr. Steven MacKinnon (Gatineau, Lib.): Mr. Speaker, I had the opportunity earlier to congratulate the finance critic for the official opposition on his address, and I thank this member for his address as well. Hopefully I will do better with him than I did with the finance critic.

When we arrived in office, we inherited a technical recession. We inherited anaemic growth, or among the most anaemic growth rates in the western world. We inherited over a hundred billion dollars in cumulative borrowing from that government, which took a structural surplus from Paul Martin and turned it into debt. Yet that party ran on a platform of balancing the budget at all costs.

We ran on a platform of investment in the economy. I would ask this member, as I asked the finance critic before him, if he can be very specific. Given the state of the economy that was left to us, what would they do to balance that budget? Would they cut, and where would they cut, or would they tax, and who and what would they tax?

Hon. Pierre Poilievre: Mr. Speaker, the hon. member accuses the former Conservative government of wanting to balance the budget at all costs. He is part of a government that is determined to run a deficit at all costs and that has exerted extraordinary effort to achieve it.

What is the result? There are fewer jobs. Where are the jobs this deficit was supposed to buy? We have 6,000 fewer people working today in full-time work than when the Prime Minister took office.

He talked about the middle class. He said they inherited a terrible situation for the middle class. Actually, under the previous Conservative government, medium incomes were worth more than under the previous six governments combined. Where did I get that fact? It is in the very first chart of the very first Liberal budget. I encourage him to read that chart.

Mr. John Barlow (Foothills, CPC): Mr. Speaker, I respect the hon. member's work and his insight.

To address the comments from the member across the floor, we had the best growth in the G7, 1.2 million net new jobs, tax-free savings accounts, the children's fitness tax credit, and a tax credit for arts, and we did all that with a balanced budget in the last budget.

We keep hearing about all the investment in infrastructure, but today during question period we heard that there is one project, one shovel in the ground.

There is nothing in this presentation today about rural Canada and about rural Canadian communities. I ask my colleague how devastating this announcement today, with the additional spending, will be for some of the rural communities across the country.

Hon. Pierre Poilievre: Mr. Speaker, the government has announced that it will impose a \$50-a-tonne carbon tax on Canadians. We know that will be devastating for our entire economy, but it will hit certain people particularly hard.

First, it will hammer low-income people. Why? Because they spend a third more of their income on the things that will go up in price: fuel, food, electricity, etc.

Second, it will hurt people in rural communities, to speak to the member's question. I know he represents a proud rural southern Alberta community that believes in and elected him with a massive majority. People in his community will suffer from this carbon tax, not only because it will hammer the energy industry that employs people, but because they will have to travel long distances to get to their work, because they have to drive combines in order to cultivate our food, and because they have to expend energy in order to create wealth and opportunity in their communities.

These people will be devastated, but not if we can help it. We will stand up every day and fight against this carbon tax to defend people like his constituents.

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• (1730)

[*Translation*]

Ms. Marjolaine Boutin-Sweet (Hochelaga, NDP): Mr. Speaker, in his speech, my colleague from Rimouski-Neigette—Témiscouata—Les Basques told us that infrastructure privatization could be one of the consequences of creating the proposed infrastructure bank. That could translate into user fees and toll roads.

Does the member agree with me that tolls and user fees would be an added burden for the poor in our society?

[*English*]

Hon. Pierre Poilievre: Mr. Speaker, private sector involvement in public infrastructure is nothing new. It has been done around the world and in Canada, in fact. The Canada pension plan has invested in highways in Canada.

[*Translation*]

The Caisse de dépôt et placement du Québec is involved in a major public transit infrastructure project in British Columbia.

[*English*]

The Canada Line is partly owned by the Quebec pension plan. Therefore, this is nothing new.

What is new is this bank. I have a lot of questions, quite frankly, about how this bank is going to turn out. The government is talking about loan guarantees for foreign investors and investment bankers. Therefore, the profit of these infrastructure projects will go to the private sector company and all of the risk will go to Canadian taxpayers. If the project does not generate the revenues promised, taxpayers foot the bill. However, if the project is profitable, then these international investors will get all the money. That is what the Liberals mean when they talk about public-private partnerships. The public gets the costs and the risk and the private sector gets all the profit.

In a true free enterprise economy, risk and reward go together. Any attempt by businesses to put the risk of their investments on the backs of taxpayers should be aggressively resisted.

Mr. Adam Vaughan (Parliamentary Secretary to the Prime Minister (Intergovernmental Affairs), Lib.): Mr. Speaker, the Conservatives piled \$150 billion onto the debt, so it is curious to hear them talk about how bad debt is when they were so good at producing it. Even without a recession, they went into deficit before the meltdown of 2008.

I have a question on the infrastructure bank. I think we all recognize that a bad deal is a bad deal and should be avoided at any cost. However, is the Conservative Party really saying that it is going to oppose this initiative to create an infrastructure bank, even though we know that in many cities across the country it has generated even more infrastructure than the initial spend would indicate? In other words, are Conservatives going to fight the infrastructure bank or are they going to support it?

Hon. Pierre Poilievre: Mr. Speaker, the devil is in the details, and because the hon. member is afraid of the devil, he avoids the details altogether.

We do not know exactly what this infrastructure bank is going to look like. He says that it is already creating jobs, but it is not even set up yet, so I am not sure exactly how that is possible.

Let us see what the Liberals produce with this new proposal. We will be watching very carefully to ensure that the interests of Canadian taxpayers are protected and that it is not just another Liberal give away to the super rich, which is something they are very good at.

We will also be advocating on behalf of small business people, like Charles Schachnow, who owns a window business in Ottawa. He creates jobs for people right across this city, while providing excellent service to customers. Higher taxes on Charles Schachnow means fewer people working for his window installation company. The reality is that the government is going to hit him and his business with carbon taxes, higher small business taxes, and higher payroll taxes.

I believe Charles is actually better at spending his own money than the Liberal member is at spending it for him. We on this side will keep fighting for taxpayers and small business people like Charles, while the Liberal member across the way keeps fighting for big government.

• (1735)

Mr. Adam Vaughan (Parliamentary Secretary to the Prime Minister (Intergovernmental Affairs), Lib.): Mr. Speaker, one of the most exciting components of today's announcement is this infrastructure bank and the notion of what it might be able to accomplish where traditional spending may fall short.

I represent a riding that has a significant amount of public housing. This public housing is currently being revitalized through a public-private partnership. During the campaign, a number of New Democrats started to criticize this model, only to be told by the low-income residents to get out of the neighbourhood, that if they would not support revitalization, why should they even be talked to as candidates?

The challenge was this. We know there are public assets that lie dormant in land. We know there are public dollars that can only go so far in paying for the total revitalization of communities with 600 and 700 units. However, we also know that when we reconfigure the land, assemble the public assets, and put the public dollars in play with private partners, magical things can happen.

One of the most magical thing that happens is we end up with new housing for low-income communities and new housing for new arrivals into the city. The city's tax base grows and people are housed properly. What also happens is that the profits are leveraged back into the housing project to deliver more new units of housing. This is being done with great expertise in the city of Toronto, relying on private sector operators to partner with public sector assets to deliver new housing.

*Private Members' Business***PRIVATE MEMBERS' BUSINESS**

● (1740)

[English]

If the infrastructure bank can do it in one project in Toronto, it can do it in dozens of projects right across the country. It is critically important that we not put 100% public dollars into public housing, because it will not build enough quickly enough to accommodate the needs and pressures we face as a society.

There is a user fee attached to public house, and it is called rent. That rent continues to be subsidized by the Canada Mortgage and Housing Corporation to make it affordable for people living in the city. However, what also has happened, as we have continued that subsidy, is that people have a way of moving into better and better housing, and in doing so, they start to participate in the economy in a whole new way.

The member opposite just talked about a window maker. One of the other things we are doing with this infrastructure bank, and we are doing it with the green infrastructure fund in a similarly constructed model, is that we partner, for instance, on the Tower Renewal in Toronto. We take private assets, like 1960s apartment buildings, and we fund, with a loan guarantee, the replacement of the windows to make them more energy efficient.

The private sector, having gotten the capital up front and paid it back with operating savings, does a couple of things. It improves the quality of housing and cuts greenhouse gas emissions, making them more energy efficient as well as reaching out to the private sector and giving jobs to people about whom the member opposite is so worried. There are a lot of new windows being replaced in a lot of old buildings with a one-time expenditure of a loan guarantee, and that delivers the economic opportunity we are looking for.

Therefore, I am very proud to say that during the campaign we ran on this. We promised it, we talked about it, and it is in our platform in black and white. Today what we have done is realize it.

We would think the NDP in particular would be happy that additional investments are being made in infrastructure. I cannot for the life of me understand why those members would want to collapse things like Regent Park, Alexandra Park, Lawrence heights, 250 Davenport, which are four projects I can see within shouting distance from my constituency office.

Why would NDP members say that there should be no private sector involvement in projects like that, even though it is alleviating poverty, reducing greenhouse gases, and providing new housing and new housing opportunities? I hope they can see their way through to supporting the new infrastructure bank and stop with the fearmongering.

[Translation]

The Assistant Deputy Speaker (Mr. Anthony Rota): It being 5:39 p.m., the House will now proceed to the consideration of private members' business as listed on today's Order Paper.

FISHERIES ACT

Mr. Fin Donnelly (Port Moody—Coquitlam, NDP) moved that Bill C-228, An Act to amend the Fisheries Act (closed containment aquaculture), be read the second time and referred to a committee.

He said: Mr. Speaker, it is an honour to rise in the House today to formally introduce my private member's bill, Bill C-228, an act to amend the Fisheries Act, closed containment aquaculture.

I would like to thank my seconder, the hon. member for Nanaimo—Ladysmith. I would also like to thank my colleagues who have told me they plan to support my bill.

The bill would protect wild salmon by requiring B.C. salmon farms to transition from harmful open net pens to safe closed containment systems within five years of the bill becoming law. It is silent on the type of technology, but it must meet the definition of a closed containment system.

The bill would require the minister to create a transition plan within 18 months of the bill receiving royal assent.

Wild salmon are in trouble on Canada's west coast, and Canada is uniquely positioned to become a world leader in closed containment salmon aquaculture.

Wild salmon, like so many other species, are under threat from climate change and habitat loss, but wild salmon in particular are under threat from disease, including sea lice, pollutants, and other harmful substances coming from open net salmon farms.

I, like so many other British Columbians, have a personal connection to wild salmon. They are an iconic part of our past, present, and hopefully, our future.

I have been working to protect wild salmon for over 25 years. In 1995 and again in 2000, I swam the 1,400 kilometre length of the Fraser River, one of the world's greatest salmon rivers, to draw attention to the threats facing this mighty river and its salmon.

In 1997, in recognition for my work to protect salmon, the Squamish nation bestowed me with the name Iyim Yewyews, which means black fish, orca, or strong swimmer in the animal world. It is an honour and a huge responsibility that I stand here today to continue the work to protect wild salmon.

Wild salmon are a keynote species in B.C. to our economy, our environment, and our culture. Commercial fishermen, sports fishers, and first nations fishermen depend on salmon for their economic livelihood. Recreational and sports fishing contribute hundreds of millions of dollars to our economy and provide unforgettable experiences that so many families cherish. Salmon feed our incredible forest. Grizzly bears and eagles drag their carcasses into the forest, nourishing the soil and providing nutrients and nitrates.

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Canadians know the impacts from one industry should not negatively impact another, yet that is happening. Salmon aquaculture, a much smaller industry, is negatively impacting a much larger wild salmon industry. Let us compare.

Wild salmon support a \$102 million commercial fishery on the west coast that employs about 1,400 people. They support a \$325 million recreational west coast fishery that employs about 8,400 people. They also fuel a \$780 million west coast wilderness tourism industry that employs more than 40,000 people. That is over \$1.1 billion and about 50,000 employees. Compare that to the B.C. aquaculture industry, which the Canadian Aquaculture Industry Alliance says is responsible for some 5,500 jobs, with only 2,400 of those being full-time. The industry generates about \$475 million in exports.

There was a day when the number of salmon was so great they could not be counted. It was said that one could walk on the backs of salmon to cross rivers. Now the returns are greeted with fear and anxiety.

Historically, Fraser River salmon runs topped 100 million. Now a run of 20 million is considered exceptional. In the last few years, we have witnessed some of the worst returns in recorded history. In 2009, just over a million Fraser River sockeye salmon returned to spawn, triggering a judicial inquiry led by Justice Bruce Cohen. Sadly, this trend has continued, with indicators showing the 2016 salmon run will most likely be the worst return in recorded history.

Justice Cohen concluded:

...the potential harm posed to Fraser River sockeye salmon from salmon farms is serious or irreversible. Disease transfer occurs between wild and farmed fish, and I am satisfied that salmon farms along the sockeye migration route have the potential to introduce exotic diseases and to exacerbate endemic diseases that could have a negative impact on Fraser River sockeye.

Canada is not alone in experiencing the harsh realities of impacts from open-net salmon farms. Norway, Chile, and Scotland have all had problems with impacts of the salmon farming industry on their wild fisheries, leading to a decline in wild salmon populations and in some instances aquaculture collapse. The problems include: diseases from sea lice like infectious salmon anemia, ISA, and heart and skeletal muscle inflammation, HSMI, spreading to wild salmon; feces and waste feed damaging ecosystems; and escaped farm salmon interbreeding with wild populations.

● (1745)

Sea lice are naturally occurring parasites, but they are intensified by open-net salmon farms. In B.C., many of these open-net salmon farms are located right on the wild salmon migration route, creating the perfect storm for transmission of sea lice and deadly disease. As wild juvenile salmon leave the mouth of the Fraser River, they swim by these farms. Parasites from the farms latch onto them, sucking the life out of them and hindering their growth. This makes them more susceptible to be picked off by predators, thus continuing their decline. If we continue on this path of open-net salmon farms, scientists say it is only a matter of time before disease spreads to our entire wild salmon population.

Earlier this year, DFO scientist Dr. Kristi Miller confirmed the presence of HSMI by testing Atlantic salmon samples collected between 2013 and 2014 from a B.C. fish farm located in Johnstone

Strait. The finding further raises the alarm that action must be taken to prevent the spread of this deadly salmon disease.

While I commend the government for its endorsement of the precautionary principle and its renewed commitment to implementing the Cohen commission recommendations, I call on the government to turn its words into actions. The precautionary principle recognizes that, in the absence of scientific certainty, conservation measures can and should be taken when there is knowledge of a risk of serious or irreversible harm to the environment and/or resources, using the best available information. Under this principle, the trigger for government action to protect wild salmon is for the science to demonstrate the existence of more than a minimal risk. The science is clear, the risks are real, and the diseases are present. It does not make much sense to let a much smaller industry, open-net salmon farms, destroy the much larger wild salmon industry. This was recognized by Justice Cohen in his report. Recommendation 3 reads:

The Government of Canada should remove from the Department of Fisheries and Oceans' mandate the promotion of salmon farming as an industry and farmed salmon as a product.

We cannot sit back and continue to watch the decline of wild salmon, especially when we have such clear scientific evidence showing us the problem and such promising technological innovation showing us the solution. The solution is closed-containment technology, and if we act now, we can become a world leader.

Closed-containment systems involve a physical barrier, a solid wall between wild and farmed salmon, eliminating the negative impacts of open-net salmon farms. By transitioning to closed-containment technology, the industry would eliminate its impacts on wild salmon, allowing it to grow and the wild salmon economy to thrive. We are making strides across Canada in closed-containment salmon production, with Kuterra leading the way in B.C. and Sustainable Blue in Nova Scotia. In fact, in B.C. there are already more than 70 licensed closed containment finfish farms growing salmon, tilapia, crayfish, and trout.

Kuterra, which is 100% owned by the 'Namgis First Nation, is a fully operational closed-containment fish farm on northern Vancouver Island. Kuterra produces 400 tonnes per year of antibiotic-free, hormone-free, and non-GMO Atlantic salmon. It employs five local people full-time, plus contractors, and it supports fishing, processing, distribution, and sales jobs in Port Hardy and in Richmond, B.C.

In Burlington, Nova Scotia, Sustainable Blue is a privately funded, world-leading facility. It is now ready for the production of 100 tonnes of closed-containment salmon this year, aiming to expand to 150 tonnes or more next year. As with Kuttera, the fish are free from infection, so there is no need for antibiotics or chemicals. Sustainable Blue's waste-management system recycles what open-net farms dump into the ocean. It collects and stores the fish feces on the farm, which are later transformed into fertilizer for agricultural production.

The federal government needs to act now to encourage this trend. It must stop allowing the harmful open-net salmon farm industry to use the ocean as a toilet, a dumping ground for chemicals, toxins, and disease. Other countries are already taking up the challenge. We cannot afford to be left behind by not mandating a transition to closed containment.

In Norway, which is the largest producer of open-net salmon in the world, the government is investing in closed containment, in collaboration with industry. They have already begun to make the switch.

● (1750)

In Denmark, Danish Salmon is capable of producing 2,000 tons of closed containment salmon annually. Langsand Laks, in Denmark, is supplying customers with weekly harvests year-round. This year, it plans to harvest 2,000 tons, and next year, it is aiming for 4,000 tons. Danish investors are now exporting this technology to the United States. They are building a massive closed containment facility south of Miami, Florida, aiming to produce 30,000 tons of farmed salmon annually.

We cannot let other countries get ahead of us. We have a golden opportunity here in Canada, but we need to act now, be bold, and realize the potential of closed containment salmon aquaculture. We can start by supporting Bill C-228 and mandating the transition to closed containment on Canada's west coast.

Why would it be on Canada's west coast? It is because we are ideally located beside the ocean, with excellent growing conditions for salmon, and we have a well-trained workforce. I have consulted and sought support from industry, the commercial and recreational fishing sectors, first nations, academics, scientists, business leaders, labour groups, environmental organizations, the B.C. government, and the public for my bill. Thousands have rallied behind this bill. They have signed petitions online and on paper. They are contacting their members of Parliament, asking them to vote their conscience and protect wild salmon.

Endorsements continue to come in, and the list is as diverse as Canada itself. It includes business leaders like Yvon Chouinard, the founder of Patagonia, Jim Lawley of Scotia Fuels, Tony Allard of Wild Salmon Forever, and independent fishermen and chefs right across Canada.

It includes renowned environmentalists David Suzuki, Alexandra Morton, and Mark Angelo; first nations leaders, like Grand Chief Stewart Phillip and Chief Bob Chamberlin; the First Nations Wild Salmon Alliance; the Union of British Columbia Indian Chiefs, the First Nations Summit, and BCAFN.

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It also includes industry associations, like the Sport Fishing Institute of BC, the B.C. Federation of Fly Fishers, the B.C. Federation of Drift Fishers, and the Fraser River Sportfishing Alliance; conservation organizations, like the BC Wildlife Federation, the Steelhead Society of BC, the Atlantic Salmon Federation, Watershed Watch Salmon Society, and the Outdoor Recreation Council of BC; trade unions, like UFAWU-Unifor, CUPE BC and UFCW local 1518; academics and scientists, like Dr. Rick Routledge, Dr. Andrew Wright, Dr. Lawrence Dill, and Dr. Marie Clement, to name a few.

I have even received support from Stanley Cup champion Willie Mitchell, and as many members have seen, an online video endorsement from the captain himself, Canadian actor and icon William Shatner.

This bill offers members a clear choice. They can either stand with wild salmon and the people who depend on them, and stand with progress, technology, and innovation, or they can remain mired in the status quo, impeding progress and putting wild salmon at further risk.

If we ignore the science and do not embrace closed containment technology, we not only risk taking advantage of our opportunity to become world leaders but we endanger a globally significant species. A collapse of wild salmon will lead to further job losses in coastal communities and will undermine first nation culture. That is why the majority of first nations in British Columbia are strongly opposed to open-net salmon farms.

Let us learn from one of the greatest ecological tragedies in Canadian history, the collapse of the northern cod. Let us not repeat the same mistake on the west coast. We cannot afford to sit back, make excuses, and not take action. We cannot let the impact of a smaller industry destroy the much larger wild salmon economy.

We can choose a healthy future for wild salmon and the people who depend on them. We can choose to expand new economic opportunities for rural, first nation, and coastal Canadians by embracing closed containment technology. We can choose to revitalize our salmon by protecting them from the threat of disease from open-net salmon farms.

I ask all members of the House to support this bill.

Mr. Serge Cormier: Mr. Speaker, I am taking this opportunity to—

[*Translation*]

The Assistant Deputy Speaker (Mr. Anthony Rota): Order. I would like to inform the member that we are still on questions and comments for another five minutes. Then the member can give his speech.

● (1755)

Does the member have a question?

Private Members' Business

Mr. Serge Cormier (Parliamentary Secretary to the Minister of Fisheries, Oceans and the Canadian Coast Guard, Lib.): Mr. Speaker, the member opposite is an ardent defender of aquaculture-related issues that affect his region in British Columbia. Like his part of the country, New Brunswick has aquaculture sites in places like the Bay of Fundy, where people raise certain species of salmon. In my riding, we are mainly in shellfish, such as oysters and mussels.

Getting back to salmon, aquaculture is a very important Canadian industry that generates an enormous amount of revenue and creates jobs.

Does my colleague believe that if all aquaculture is done in closed containment systems, that could hurt British Columbia's aquaculture industry? We know the industry is a huge job creator and revenue generator for the province. Does he believe that, with closed containment aquaculture as the only option, the economy in his region and his province will suffer?

[English]

Mr. Fin Donnelly: Mr. Speaker, first, I just want to say I am definitely an ardent supporter of wild salmon. It is a critical issue I have been working on for half my life, a quarter of a century.

I do want to point out that the bill is specific to Canada's west coast, so it is really just focused on British Columbia.

As to the important question about the impacts of transition, yes, there are always impacts when transitioning to a new technology. However, if we look to the world leaders, Norway is the largest open-net salmon farmer in the world. The Norwegians are making a transition to closed containment. What they have recognized is that the costs of keeping the salmon farming industry going, i.e., pesticides and Slice and the toxins that they have to use to combat disease, are getting too high. Therefore, they are seeing the idea of moving to closed containment as the way forward.

I think that Canada can play a significant role by adopting that technology and then, at the same time, not putting the much larger wild salmon economy at risk.

In my speech I spelled out exactly what the problems are with a smaller industry impacting a much larger industry of over \$1.1 billion and almost 50,000 employees. We are talking about a small industry. It needs to make the change through adopting a new technology to stay relevant.

Mr. Mel Arnold (North Okanagan—Shuswap, CPC): Mr. Speaker, I would like to ask if the member has done research into where the industry would end up if we did transition into closed containment, whether it would stay in B.C., whether it would go to an area where land costs were much lower, and what sort of impact that would have on the work, the jobs, the employment that is in British Columbia.

Mr. Fin Donnelly: Mr. Speaker, that is a great question. In fact, I invited all my colleagues, and I know the hon. members for New Westminster—Burnaby and Coquitlam—Port Coquitlam, as well as a number of other colleagues, came to visit Kuttera, which is the leading salmon farm that uses closed containment technology in British Columbia. I wish the member had come to visit, but I know we have busy schedules so not everyone could make it. He would

have seen and heard about how their operation is working. They were very open about some of the issues.

However, one of the things that impressed me was that they said how ideally situated we are on the west coast to raise salmon. We are right by the ocean to use seawater. We have a well-trained workforce, ready to go, and we have ideal growing conditions for salmon.

We cannot say that about other parts of this country. It is possible that, over time, there could be changes once the technology is perfected and it could start to move to other places, but currently, if we are to stay ahead of the Norwegians and Danes and the United States, we need to start implementing that technology right here in Canada, right now, so that we can become and stay world leaders.

• (1800)

Mr. Serge Cormier (Parliamentary Secretary to the Minister of Fisheries, Oceans and the Canadian Coast Guard, Lib.): Mr. Speaker, I want to start by recognizing the good work the member for Port Moody—Coquitlam is doing, his continued dedication to the issues concerning aquaculture on the west coast of Canada, and his good work on the fisheries and oceans and Canadian Coast Guard committee.

I would like to assure him and all Canadian stakeholders that our government takes these issues very seriously as we continue to support the responsible development of a sustainable aquaculture industry in Canada. I also want to thank all my B.C. colleagues who took the time to speak with me and inform me about the aquaculture industry in their province.

[Translation]

The government is absolutely determined to conserve wild Pacific salmon and ensure that our wild salmon populations remain healthy for generations to come.

To show our commitment, the Minister of Fisheries, Oceans and the Canadian Coast Guard went to British Columbia in August to announce that our government would continue to follow up on the recommendations of the Cohen Commission, which include tangible measures to conserve and protect wild Pacific salmon, measures backed by new investments in ocean sciences announced in budget 2016.

[English]

These new investments include research and monitoring in support of sustainable aquaculture and the improved health of fish stocks. We are hiring new scientists, biologists, oceanographers, and technicians to increase the monitoring of salmon populations, better predict where salmon mortality occurs, and increase our investment in fish health. This scientific data is used to inform aquaculture fisheries management and regulatory decision-making.

[Translation]

We have also held extensive consultations with first nations, environmental NGOs, and industry stakeholders on the choice of site for finfish aquaculture in British Columbia.

We are working on having assessments done of the risks associated with the transfer of pathogens between farmed salmon and wild salmon, taking into account the potential repercussions on the aquatic environment, when determining the optimal location and issuing the licence.

Bill C-228 seeks to relocate all the aquaculture finfish in Canadian waters off the Pacific coast to closed containment cultivation facilities.

Closed containment cultivation technology is still not technically viable. The only feasible possibility technically speaking would be land-based recirculating aquaculture systems, which are limited and not necessarily financially viable.

The bill addresses cultivated Atlantic salmon, but many other species would also be affected, including coho salmon, certified organic chinook salmon, rainbow trout, and black cod.

[English]

I would like to remind my colleagues that the aquaculture industry in British Columbia is already under federal regulation as a result of the 2009 decision by the British Columbia Supreme Court. The regulatory changes that were brought in at that time enable me to say with confidence that aquaculture in British Columbia is managed under a comprehensive and robust regulatory regime.

Measures are in place through regulations and conditions of licence to apply evidence-based thresholds and standards to manage environmental impacts. Moreover, the industry is required to report to Fisheries and Oceans Canada on all of its activities. Additionally, a new regulation requiring even more reporting on aquaculture activities was brought into force in 2015.

[Translation]

These regulations and reporting requirements provide a great deal of information about the management and implementation of aquaculture fisheries in British Columbia.

[English]

What does all the data, collected over the course of five years, tell us? Does it indicate that the problems with finfish aquaculture in British Columbia warrant the restructuring of the entire industry? In my view, the evidence tells a completely different story. In fact, the evidence shows an industry that has steadily reduced its environmental impact, mitigated the impacts it has had, and minimized its interactions with wild populations and their habitats.

• (1805)

[Translation]

Let us now take a closer look at these elements. Operators in British Columbia must produce reports on a wide range of technical regulatory requirements from the state of the environment inside and around open-net farms to the number of sea lice on the fish. Operators must report details of any escapes and all illnesses that affect their farmed fish.

Starting in 2017, the drugs and pesticides used by aquaculture operators in Canada, including British Columbia, must be made public. All aquaculture operators are now required to report the steps

they take to mitigate the impact of their activities, and the results will also be made public.

Our country and our government rely on the best scientific advice to inform our regulatory system. We use data to make our decisions. We have no evidence that the environment is sacrificed in order to pursue the economic development of British Columbia's aquaculture industry.

With respect to the state of the environment under and around marine finfish aquaculture facilities, the regulatory requirements ensure that these sites are left empty if they exceed the established threshold and they cannot be cultivated again until levels return to normal.

[English]

Because of the potential impacts an escape of farmed salmon could have, aquaculture operators in British Columbia are required to report any escapes to Fisheries and Oceans Canada within 24 hours. Escape events are very rare. Interestingly, the largest escape happened when a storm damaged an experimental at-sea closed containment facility.

[Translation]

With respect to the health of farmed fish, the Canadian Food Inspection Agency has a list of diseases that have the potential to seriously impact aquatic animal health or the Canadian economy. Anyone who knows of or suspects these diseases is required to notify the agency.

Fisheries and Oceans Canada periodically inspects the health of fish in British Columbia salmon farms. Three incidents involving infectious diseases were reported to the Canadian Food Inspection Agency over the past six years alone.

The presence of sea lice is another highly controversial fish health indicator, particularly in British Columbia. Even if the fish are raised in cages in a parasite-free marine environment, farmed fish can catch sea lice from contact with wild species.

To reduce the spread of these parasites, there is a regulatory limit of three lice per fish during the seaward salmon migration. Fisheries and Oceans Canada audits of the last migration showed that, on average, 96% of salmon farms were below that limit.

[English]

As a whole, Canada's aquaculture industry has an exemplary record. The Canadian environmental sustainability indicator shows that the compliance rate of aquaculture operations with Fisheries Act regulations was over 99% each year.

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[Translation]

Based on the data, we believe that the regulatory regime is strong enough to ensure stable, well-paid employment for thousands of people living in rural and isolated coastal communities, as well as first nations, to promote an innovative, world-renowned aquaculture industry, and to protect wild populations and the aquatic environment.

[English]

Therefore, I stand in the House in full support of British Columbia's aquaculture industry as well as the aquaculture industry across the country, in support of our robust regulatory regime, in support of good jobs, and in support of the healthy and nutritious farmed seafood products that feed Canadians as well as people around the world. We recognize the potential of closed containment aquaculture, and as the industry evolves and grows, our government will continue to pursue innovation in salmon aquaculture.

[Translation]

I respectfully oppose this bill because I sincerely believe that we have a solid regulatory regime for aquaculture.

[English]

Mr. Todd Doherty (Cariboo—Prince George, CPC): Mr. Speaker, I rise in the House today to speak to private member's bill, Bill C-228, An Act to amend the Fisheries Act.

First, I would like to commend the member for Port Moody—Coquitlam for having his bill debated at second reading. I know how tirelessly he has campaigned and worked on this. I know how much work goes into getting these bills to the floor of the House, and I would like to recognize his efforts.

Second, I would like to acknowledge the natural beauty of the rivers and lakes in my riding of Cariboo—Prince George, which are chock full of some of the finest fish on the west coast. From salmon to trout to char, Arctic grayling, dolly varden, Rocky Mountain whitefish, and even lean cod, we have it all in the Cariboo.

The fisheries are an important economic driver in the northern regions of our country, but they are struggling. A recent article in the *Prince Rupert Northern View* spoke of salmon being caught in Prince Rupert and shipped to Vancouver or China to be processed. The demand for same day catch or fresh-to-plate fish is high.

Demand for Canadian products is always high. While this is a good opportunity for Canadian producers and our Canadian economy, it does mean that it is putting jobs at risk.

Bill C-228 would ban finfish aquaculture in Pacific waters unless it were carried out in a closed containment facility. It would require that within 18 months cabinet conclude a transition plan for current licence holders, including specific support measures for corporations and workers affected or impacted by these changes. It also mandates that companies would have five years to phase out open-net pens.

British Columbia is Canada's largest producer of farmed salmon. Farmed salmon is B.C.'s largest aquaculture export. The wild and farmed salmon industries provide important economic activity for the province and for communities where families depend on the fishing industry to put food on their table.

Ninety per cent of all direct and indirect jobs in rural, coastal, and first nations communities are supported by fisheries. As a matter of fact, 78% of farmed salmon production comes from traditional territory. Nineteen first nations have joint ventures and partnership agreements in place with salmon producers. The salmon farming sector has become a significant economic driver and source of jobs for first nations communities, who provide an estimated 30% of the workforce in this industry.

If Bill C-228 were to be adopted, it would come at a significant financial and economic cost to our aquaculture industry, and a loss to those communities. This is an issue that has been studied at the fisheries and oceans committee numerous times over the years. Its most recent report was completed in 2013.

Unsurprisingly, the committee witnesses expressed a number of views on the matter of net-pen aquaculture. They pointed out that mandating closed containment and banning net-pen aquaculture without closed containment being economically viable could have a drastic effect on employment, especially in our rural coastal communities who have already been suffering from the lack of significant growth in salmon aquaculture production in recent years.

However, I do not just have economic concerns with this bill. It is worth knowing that environmental impacts are not unique to open net-pen aquaculture production. Closed containment aquaculture carries its own set of environmental impacts that, given the state of the industry, have been and are not well studied. The carbon footprint generated by a closed containment facility drawing in electricity, pumping in water, filtering waste, among other actions, is hugely significant.

Growing British Columbia's production in salmon in closed containment facilities at the current stocking density would require 4.16 billion litres of water just to fill the tanks. That is roughly equal to the water used by 135 million people, and if that were not enough, the current production in Canada alone would require 28,000 Canadian football fields, or 33,719 acres, or 159 square kilometres of land to grow fish in appropriate densities in land-based systems.

When it comes to this closed-pen aquaculture, and the environmental impacts in particular, more studies are needed.

The Conservative Party supports aquaculture development that is both economically sound and environmentally responsible. As it is written, Bill C-228 does not meet these thresholds. In fact, it was the previous government under Stephen Harper that put in place stringent regulations to protect Canada's aquatic species, both farm and wild, from disease. We worked with our provincial partners and developed some of the most stringent regulations in this industry.

• (1810)

A number of important changes have been made to environmental management regimes, including the relocation of poorly sited farms, new farm siting requirements, and the adjustment of stocking, harvesting, and sea lice treatment schedules in order to account for wild salmon migration seasons.

Conservatives made significant investments, which included more than \$465 million per year on salmon alone, of which \$20 million was directly related to activities to support sustainable management of sockeye, such as fisheries science, protection of fisheries habitat, salmon enhancement, and catch and monitoring enforcement. Finally, prior to the 2015 election, Conservatives renewed the sustainable aquaculture program, which would continue to improve the regulatory framework for the sector, support science, and require public reporting.

On the west coast, Abbotsford has a state-of-the-art health facility. It is called the Animal Health Centre. It is one of only three in North America and is probably the only institution in North America with two veterinarian pathologists certified by the American College of Veterinary Pathologists, who work exclusively with fish. That is on the west coast, in Abbotsford.

While Bill C-228 may have received ringing endorsements from Captain Kirk himself, it just doesn't make sense, certainly not from an economic standpoint and certainly not for those whose livelihoods depend on a sustainable aquaculture sector to put food on the table for their families. With more and more uncertainty in our forestry and resource sectors, and with the Trudeau government increasing taxes at every opportunity, communities like those in my riding of Cariboo—Prince George or those just north of us, like Prince Rupert, do not need more uncertainty.

If Bill C-228 were to be adopted, it would essentially be moving aquaculture away from small towns and into larger cities, where they are closer to resources and transportation hubs. I can say from first-hand experience that when jobs are slashed, communities are left without a lifeline. No amount of subsidization can make up for this fact. That is why I am unable to support Bill C-228 today.

It is the aquaculture industry that supports 4,900 direct, full-time jobs in this vast country, with salaries paid out to the tune of \$106.2 million each year, which is 30% higher than other industries. If we want to include indirect jobs in that figure, we can add another 9,600. The industry contributes \$500 million to the B.C. economy alone.

Bill C-228 would have a direct and immediate impact on our rural coastal communities. If we were to move it, based on the number of currently operating marine farms, conversion to land-based systems would result in an estimated lost investment in farm equipment of approximately \$500 million. Capital investment in land-based

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systems for equivalent current provincial production can be roughly estimated to exceed \$1 billion in capital investments alone based on the above figures.

Siting facilities close to urban centres would increase this estimate significantly. We know the price of real estate in the Lower Mainland is among the highest in Canada. We are not quite sure where we would find the amount of land needed to move these facilities.

Bill C-228 would put full-time, well-paying jobs in jeopardy during a time when we are faced with economic uncertainty and layoffs in many sectors across this country. I am not saying there are not benefits to closed-pen aquaculture. What I am saying is that more studies need to be conducted in terms of the impact of closed-containment aquaculture on our coastal communities, which need these jobs the most. Unilaterally banning finfish aquaculture unless it is carried out in closed containment is not the answer, and until the practice can be carried out in an economically and environmentally sound manner, I will be unable to support this bill.

With that, I again want to commend my hon. colleague for putting forth this bill and for the work he has done on it. Unfortunately, it has missed the mark.

• (1815)

The Assistant Deputy Speaker (Mr. Anthony Rota): Before resuming debate, I want to point out a couple of things. One is that we cannot use an hon. member's name. It has to be by the riding. I am sure that slipped out.

I am sure hon. members appreciate it when somebody coaches them from far on the other side of the room, but it makes it very hard for the rest of us to hear what is being said. If members really feel compelled to coach someone, they can come to me; I will tell them who is going to be speaking, and they can talk to the person before the debate, so he or she is prepared when the speech is given.

Resuming debate, the hon. member for Drummond.

[*Translation*]

Mr. François Choquette (Drummond, NDP): Mr. Speaker, I am pleased to rise in the House to support Bill C-228, an act to amend the Fisheries Act (closed containment aquaculture).

I am really pleased to support my colleague, the hon. member for Port Moody—Coquitlam, in British Columbia. I had the opportunity to get to know him in 2011 when I was first elected and I can say that he has been working very hard for years, not only on protecting the oceans and animals, such as fish, but also on protecting the environment in general.

This is not the first time he has raised the issue of protecting wild salmon. He previously moved a motion in favour of sustainable seafood.

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We should be taking a very different approach, not just to agriculture at some point, but also to how we view seafood.

We currently have a very wide-scale, very commercial approach, which is having very serious repercussions on our ecosystem. I am going to elaborate on some very concrete examples of the direct and serious effects on our ecosystems of the current use of nets directly in the sea.

For example, there may be illnesses and parasites that spread to wild salmon. My colleague spoke at length about the economic importance of wild salmon to British Columbia. Unfortunately, there is a great deal of fecal matter on the seabed, which damages the flora and fauna. Moreover, farmed salmon that escape sometimes rejoin the wild population, which, sadly, can lead to illness or other serious consequences.

For all these reasons, it is important to remember that wild salmon is a national treasure in Canada, which, unfortunately, is threatened by the illnesses and pollution that affect open-net salmon aquaculture.

We must take action now to protect the wild salmon economy. My Conservative colleague spoke extensively about the economics of the salmon aquaculture industry. However, his arguments only referred to that aspect of the issue. We also have to consider wild salmon. If wild salmon begins to disappear from the oceans and coastal waters of British Columbia, we will lose even more jobs. We have to take this into consideration as well. In any event, these jobs will not disappear; they will simply be transferred to closed containment aquaculture operations.

Canada could become a world leader in closed containment technology and create a lot more jobs for Canadians in coastal regions and first nation communities, which is why this bill is so important.

When one has been an MP for some time, like me, entering my sixth year, we sometimes have to ask ourselves exactly what it is we are doing here. We think about it. As the days go by, we wonder what this is all about and what our true goals are for our time here.

When one can speak to an issue like this and introduce a private member's bill as important as this one, it is clear why we are all here. We are here to take positive, concrete action that will make a difference in our communities, not only for the people and employers we represent today, but also for our children and grandchildren.

I am thinking of my daughters and the children they may have one day. I am also thinking of my nephews, who are still young, but who will grow up. When you think about it like that, it is extremely important to regularly reflect on the decisions we make.

Once again, I want to congratulate the member for Port Moody—Coquitlam on his bill, which reminds me why I am here in the first place, and reminds me of the importance of our actions today. This makes up for the more difficult times we have here on a regular basis.

• (1820)

Bill C-228 seeks to strengthen the Fisheries Act by banning open net salmon farming. It is a relatively simple initiative that will have many positive effects. Its provisions require all salmon farms in British Columbia to transition from open net pens to safe closed containment systems on land.

As I have already explained, right now, salmon are being raised in nets in the ocean. I have already talked about all of the negative impacts of this method, which is extremely dangerous. The federal government must step in, because salmon farms are threatening the survival of wild Pacific salmon.

People are worried about their jobs and the transition. It is only natural to have concerns when an economic sector makes a transition. That is why my colleague had the wonderful idea of setting out a transition period. In order to support the transition of the west coast's salmon aquaculture industry to closed containment, the minister has 18 months after the bill is passed to create a transition plan. This will help to ensure a proper transition that is satisfactory and beneficial for everyone, as well as make sure that work continues in this industry.

The concept of closed containment farming is not far-fetched. It did not spring from the imagination of a gaggle of oddball scientists. My colleague talked about this in his speech. On the contrary, closed containment systems already exist. This technology is already being used. My colleague talked about Kuterra in British Columbia, a salmon farming operation. This farm already has the support of a number of organizations and scientists. It is a certified "best choice" according to the Living Oceans Foundation and its SeaChoice program.

This technique is already being used and the technology exists. It is being done in an environmentally-friendly and economically sound manner. Consumers are increasingly asking for environmentally-friendly products. As we have already heard, many fishers and people who profit from the wild salmon fishery want action to preserve our fish stocks, including Pacific salmon.

For all these reasons, these practices are crucial. When you think about it, consumers are asking for higher quality products. To make better quality products, better environmental practices are needed. Closed containment farming could help. The example of Kuterra in British Columbia and the SeaChoice program prove that it is possible to do from an economic and sustainable development standpoint.

We also need to think about what we want to leave for our children. Earlier I was thinking of my nephews and the children they may have later. We want to leave them a healthy, sustainable environment. Yes, we want prosperity, but we must still think about the future. That is why this bill is so important and why we must support it. I hope our colleagues will join us.

Private Members' Business

•(1825)

[English]

Mr. Kevin Lamoureux (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I will start off by complimenting the member for taking the initiative to ensure that we have the debate we are having here this afternoon. I can tell the member that the government's caucus, particularly my colleagues from British Columbia, take this issue very seriously.

I have had an opportunity to have discussions on this issue, which I believe goes outside the province of British Columbia, but I recognize the sensitivity to B.C. in particular. My colleagues, who are quite opinionated on the issue, want to make sure that the government gets it right, and that is something this government is committed to doing.

It is not quite as simple as some might try to make it appear. The issue of fisheries is something that a land-locked province can still care about, as well as our oceans and the industry here in Canada. At the end of the day, we want to make sure that the wild salmon is protected and that we do whatever we can do as a national government.

The parliamentary secretary to the minister made a couple of statements, one of which I will repeat in the House, because it is in budget 2016. The Government of Canada has invested \$197 million over the next five years to improve fisheries and aquaculture science and to inform the development of regulations, which will contribute to further improvements to the environmental performance of this sector. This is really important for us to recognize, because the Conservative member made reference to it in his speech.

When we talk about our fisheries industry, whether it is wild or farmed, we have to make sure that not only is it good for Canada's economy but it is also good for our environment. As a government, not only are we talking about that, but we are also walking the talk on it. This is why we have seen a substantial investment in the area of science.

We have heard members in the House talk about the importance of regulation, and we do have some of the most stringent, robust regulation in the world, I would argue, dealing with this specific issue. It is absolutely critical that we do have that regulation. It is ongoing and monitored, because there is always room to improve. As the Prime Minister likes to say often, there is always the opportunity to do better, and this is a government that is committed to doing just that. In listening to the debate this evening, I believe that there are ideas that have flowed through thus far that will allow for more thought on this very important issue.

There is a lot of information on the Internet in regard to this issue. One of the websites I went to was the Watershed Watch Salmon Society. It comments on some basic facts of the salmon farming industry in British Columbia.

For example, one farm can hold 500,000 to 750,000 fish in an area the size of four football fields. The biomass of farmed salmon at one farm site can equal 2,400 tonnes, which equals 480 Indian bull elephants. B.C. has approximately 137 salmon farm tenures with about 85 farm activities at any one time. This information is coming

right from the website, which also indicates that 84 tenures are on eastern Vancouver Island and the mainland coast, 48 on western Vancouver Island, and six are on the central coast. I bring this up because I think it is important that we recognize just how strong the industry really is.

•(1830)

Many years ago when I was first elected in the province of Manitoba, the whole concept of aquafarming was pretty much foreign. We did not really hear too much about that in the public arena because it was just starting. Over the last 10 or 15 years we have seen significant growth in the area. Some countries have really pushed the envelope within the industry.

I can appreciate the need for us to look at the industry here in Canada and realize that it has fantastic potential with respect to growth. The industry has quadrupled in size over the years. It is an industry that not only the Government of Canada or the Province of British Columbia is following, but many of my strong-willed Atlantic colleagues would tell us that there is a healthy, vibrant industry in Atlantic Canada as well and they want to see that industry continue to grow. My colleagues, no matter what region of the country they represent, recognize that we need to foster and encourage that growth but we also need to be sensitive to the environment. We want to make sure that the wild fishery is not negatively impacted.

The essence of Bill C-228, put forward by the member for Port Moody—Coquitlam, would be to impose requirements on the industry for the use of a technology that has not yet been proven to be commercially viable, and we need to be concerned about that. If we are concerned about the jobs and how the industry impacts many communities, particularly communities on the Pacific coast of British Columbia, we should not be overly quick to impose something on that industry that could virtually shut it down in a short period of time.

The responsible thing to do is what the federal government has committed to do and that is to invest the financial resources in the industry to allow the proper science to take place so that the industry as a whole can be protected.

Our indigenous communities have played a positive role in the development of this industry. They are not only providing the workforce in many ways but they are also spearheading growth within that industry. This growth is coming in good part from strong leadership within the indigenous community. We need to be sensitive to that.

Innovation and technology are two areas in which this government has been exceptionally proactive with respect to budgetary commitments. Maybe at some point in time we will see that difference, which will make what is being proposed in the legislation that much more commercially viable.

Adjournment Proceedings

From what we have detected and from what the fisheries standing committee has provided and the expert witnesses have put on the record, today's science clearly indicates that as long as we continue to develop strong rules and regulations, ensure that they are followed and respected, and continue to have an industry that is developing and understands its important role, then we should continue to allow that industry to grow and prosper.

I would emphasize that we are not putting the industry's needs ahead of the environment. When we look at the industry we see it is a complement to the overall community, whether it be society as a whole or the economy. The responsible thing will be done.

• (1835)

The Assistant Deputy Speaker (Mr. Anthony Rota): The time provided for the consideration of private members' business has now expired and the order is dropped to the bottom of the order of precedence on the Order Paper.

ADJOURNMENT PROCEEDINGS

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

[*Translation*]

OFFICIAL LANGUAGES

Mr. François Choquette (Drummond, NDP): Mr. Speaker, I rise in the House once again today to talk about official languages.

I have here a very important report that I was just reviewing. It is a special report to Parliament entitled "Air Canada: On the road to increased compliance through an effective enforcement regime". Some people may be unaware that a number of complaints have been made about bilingual service at Air Canada, and there have been consequences.

Over the years, official languages commissioners have tried to fix the problem. According to the report, every single commissioner has repeatedly made recommendations concerning Air Canada. It is also worth noting that Air Canada has the singular distinction of being the only organization subject to the act that has been taken to court during the term of each of the commissioners since 1988.

Clearly, Air Canada has been having trouble providing services in both official languages across Canada for some time now. The report is damning, and the problem has been around for quite a while.

However, some attempts have been made to improve the situation. In 2005, a bill was introduced to clarify Air Canada's language obligations. However, Parliament was dissolved. In 2007, another bill was introduced, but it died on the Order Paper. In 2008, another bill did not make it past first reading. Finally, in 2011, a bill was introduced just before the election.

Parliamentarians have therefore recognized that improvements need to be made so that Air Canada and other organizations meet their obligations under the Official Languages Act. Unfortunately, no sooner had they made the announcement than these ministers realized they lacked the will to deal with the problem by passing one of these four bills.

The Commissioner of Official Languages is so discouraged that he decided to issue a special report on official languages, and more specifically on the problem at Air Canada. In this special report, he sets out three solutions.

The first solution is enforceable agreements. In June 2015, the Personal Information Protection and Electronic Documents Act was amended to allow the Privacy Commissioner to enter into compliance agreements, which are also known as enforceable agreements. This would ensure that any organization that fails to comply with the Official Languages Act, for example, would be required to comply with the commissioner's recommendations following an investigation. If not, action could be taken against it.

An enforceable agreement would therefore carry much more weight than a report that can easily be shelved and forgotten. As result, this is a very important recommendation. If memory serves, the report was tabled in June 2016. It is now October, and we want the government to implement these recommendations as quickly as possible.

• (1840)

Mr. Randy Boissonnault (Parliamentary Secretary to the Minister of Canadian Heritage, Lib.): Mr. Speaker, I thank the hon. member for Drummond for this opportunity to affirm our government's commitment to official languages.

Since its privatization in 1988, Air Canada has been subject to the Official Languages Act and must serve the public in both official languages. The Commissioner of Official Languages has noted on a number of occasions that bilingual services still represented a challenge for Air Canada and that significant gaps remained, even though technology has helped to improve many passenger services.

[*English*]

As previously stated in the House, the application of the Official Languages Act is a priority for our government and of course we expect Air Canada to meet its obligations under the act. Let us be clear. Air Canada must take the necessary steps to address the gaps and make corrections to ensure that it fulfills its linguistic obligations.

[*Translation*]

We are paying particular attention to the report of the Commissioner of Official Languages to ensure that his recommendations are studied. The same goes for the work of the Standing Committee on Official Languages.

Air Canada is a major reflection of our country around the world and its bilingual services are a must. Canadians who travel with Air Canada expect to be served in the official language of their choice. That is a fair expectation.

Adjournment Proceedings

INDIGENOUS AFFAIRS

● (1845)

[English]

The Minister of Canadian Heritage is working with her colleagues, the Minister of Transport and the President of the Treasury Board, to examine appropriate measures to improve the current situation. This represents very well our horizontal approach to leadership on the matter of official languages. More broadly, the President of the Treasury Board and the Minister of Canadian Heritage will work on issues and challenges related to the compliance of federal services with the Official Languages Act.

[Translation]

With respect to the services provided by federal institutions to Canadians in the official language of their choice, I repeat that the Government of Canada will ensure that all federal services comply with the law. I would like to reassure my colleague, the member for Drummond, in that regard. Our government believes in the importance of promoting the use of both official languages in Canadian society, particularly in public institutions that provide services to Canadians.

Mr. François Choquette: Mr. Speaker, I would like to thank the parliamentary secretary for his answers.

We will continue to monitor developments in this file and, especially, the evolution of the government's response to the report on Air Canada. It is extremely important because the Commissioner's conclusions and recommendations are pertinent, not just for Air Canada, but for any other organization or department that may decide not to abide by the recommendations of an enforceable agreement.

I hope that the recommendations will be implemented. There is no doubt that we will not be satisfied with a response such as the one given by the Translation Bureau. That was a totally unacceptable response. That is why I asked the Minister of Public Services and Procurement to start over.

I believe my time has expired—

The Assistant Deputy Speaker (Mr. Anthony Rota): Order, please.

The hon. parliamentary secretary.

Mr. Randy Boissonnault: Mr. Speaker, as I clearly stated here in the House, the minister is working closely with her colleagues on this issue, and the Standing Committee on Official Languages is also working on this important file.

Canadians expect federal institutions that have been designated bilingual to offer them services in their language of choice. This legitimate expectation is consistent with the Official Languages Act, which has been in force here in Canada for several decades.

[English]

As a government, we are committed to considering appropriate measures to support Air Canada in respecting its linguistic obligations. Our government strongly believes in the importance of promoting the use of both official languages from coast to coast to coast, and particularly in services to which Canadians are entitled.

Ms. Georgina Jolibois (Desnethé—Missinippi—Churchill River, NDP): Mr. Speaker, I rise in the House today to speak about the redirecting of provincial funding for the northern teacher education program, NORTEP, the Northern Professional Access College, NORPAC, and the unwarranted cuts to this program by the previous federal government.

The students, staff and communities in northern Saskatchewan see this issue as a multi-jurisdictional issue. We cannot sit by while witnessing the risk of seeing one of the most valuable educational institutions losing its independence or, even worse, closing its doors. The uncertainty regarding the future of NORTEP-NORPAC is causing great concern in northern Saskatchewan.

NORTEP-NORPAC is an inclusive learning environment where indigenous and non-indigenous students learn and grow together in northern Saskatchewan. This last summer, the program celebrated its 40th anniversary. That was when this successful institution learned that its funding would be redirected by the provincial government in July 2017.

NORTEP-NORPAC plays a crucial role in educating and providing meaningful employment opportunities to Indigenous northern communities. Eighty-four per cent of its graduates are Indigenous, 79% identify as women and 92% of NORTEP's employed graduates are working as teachers across northern Saskatchewan, which includes hamlets, villages, towns, resorts and on first nations.

I feel there has been a premature decision made without reasonable consultation by both the provincial and federal governments. I have written to the hon. minister about this concern and I am waiting for a reply.

NORTEP-NORPAC's graduates, in the last five years, are employed in northern Saskatchewan. This institution is a driving force in the northern economy. This is a positive indicator, particularly for my riding, considering that it is one of the regions with the highest rate of unemployment in the country.

Many of my constituents are wondering why and how could this funding rearrangement happen without the decision makers offering support or even a short window of opportunity for the staff and board of directors of NORTEP-NORPAC to rethink or consider its financial options. This would allow them to continue what is clearly a program that has successfully contributed to education, employment and the economy of northern Saskatchewan for the last 40 years. The uncertainty is causing great concern about the future of this learning environment.

The federal government cannot stand idle and silent while proven educational and employment opportunities are in jeopardy. NORTEP-NORPAC is a pivotal entity that could be better utilized to effectively deliver culturally relevant educational programming. The government has committed to first nation and Métis post-secondary education, to a nation-to-nation relationship, and to the TRC's calls to action. We need to see action on these commitments.

Adjournment Proceedings

The future of NORTEP-NORPAC is unknown. The program is important to northerners, the economy, and future generations of students, particularly in light of the recommendations for education made by the TRC.

While I believe that there has been unwarranted cuts of federal funding for this important institution and that NORTEP-NORPAC has been besieged by chronic underfunding and now is threatened by not having a current funding commitment from the Saskatchewan government, will the government ensure that NORTEP-NORPAC receives funding that strengthens the vision, sustainability, and high quality that northerners seek in their education services?

● (1850)

Ms. Yvonne Jones (Parliamentary Secretary to the Minister of Indigenous and Northern Affairs, Lib.): Mr. Speaker, I am pleased to respond to the question that has been posed by my colleague this evening, and I recognize that we are on traditional Algonquin territory.

The government believes in investing to improve indigenous students' access to more and better educational opportunities at every level. This is fundamental to opening the door to a brighter future for first nation, Inuit, and Métis students, and the communities in which they live.

I am quite sure I do not need to explain how greater educational opportunities lead to greater life opportunities. This is why I want to refer the hon. member to examples such as the historic investments in elementary and secondary education on reserve that were found in budget 2016. The \$2.6 billion over five years will help a new generation of first nation students prepare to secure post-secondary dreams. That includes all first nation and indigenous students across Canada, including those in Saskatchewan.

In addition to this new budget funding, investments are being made each year through the post-secondary partnership program, which is administered by Indigenous and Northern Affairs Canada. This program provides funding to post-secondary institutions to design and deliver programs that are tailored for first nation and Inuit students. It will deliver some \$18.5 million in support to nearly 100 post-secondary courses and programs in all parts of Canada this fiscal year alone, including the province of Saskatchewan.

We are also committed to working with indigenous students, communities, and leaders, as well as indigenous education institutions and personnel, to ensure that post-secondary students' support programs properly support first nation students pursuing post-secondary education by providing them with financial assistance.

We have a lot of students who are taking advantage of this particular program. The government currently invests over \$310 million a year in this program and that is part of the \$340 million that we provided for support for indigenous post-secondary students last year, as well.

Further, we have adopted a whole-of-government approach to improving access to these and other post-secondary programs for indigenous students. That includes financial support. For instance, we have increased the Canada student grant for full-time students

from low- and middle-income families, as well as the Canada student grant for part-time students, by 50%.

We are working with students, with parents, with educators, and with indigenous groups to ensure that eligible first nation students are aware of these funds and are fully able to avail themselves of them.

I would like to assure the House and the hon. member that we are going to continue to work with indigenous groups to ensure that indigenous students have the resources and the supports they need to pursue and achieve their post-secondary goals. That is what we aim to do, that is what we are investing for, and that includes all first nation students across Canada.

● (1855)

Ms. Georgina Jolibois: Again, Mr. Speaker, I would like to reiterate that despite the important role it plays, funding for NORTEP-NORPAC is a continuing challenge. The institution underwent a complete federal funding cut under the previous government, and despite a recently-signed five-year agreement with the Province of Saskatchewan, there is now a decision on the redirecting of the institution's funding.

The organization, its staff, students, and community at large are grappling to understand these imposed program challenges, cuts, and changes, which are proposed to take place as early as 2017. They are counting on the federal government to do everything in its capacity to ensure that NORTEP-NORPAC remains independent and continues to offer the high quality that northerners seek in their education services.

The students, staff, teachers, and communities in northern Saskatchewan have made it clear: keep the north strong and save NORTEP-NORPAC.

Ms. Yvonne Jones: Mr. Speaker, I certainly understand the concerns expressed by the member opposite on behalf of her constituents and riding.

The Government of Canada is fully supportive of indigenous students in post-secondary education. We are making historic investments to ensure that indigenous students right across Canada are able to access and afford post-secondary education.

We have some 23,000 indigenous students who are already benefiting from investments we have made, such as the post-secondary student support programs, and we will continue to work with indigenous communities, indigenous groups, and first nations and Inuit students to reach their post-secondary and educational goals.

This is why this year the Government of Canada has again made record investments to ensure that indigenous students have access to a great and affordable education in Canada.

VETERANS AFFAIRS

Ms. Irene Mathyssen (London—Fanshawe, NDP): Mr. Speaker, back in September, I asked the Minister of Veterans Affairs about the report from the National Defence and Canadian Forces Ombudsman calling for significant changes to the process of transition for medically releasing members of the Armed Forces.

Adjournment Proceedings

Many medically released veterans are falling through the cracks as they transition out of the military. Paperwork is not completed because of its complexity, veterans may be unaware of the services available, new approvals need to be sought, new doctors need to be found, and new medical assessments need to be done. Mistakes in the paperwork end with rejection and no indications of how or what went wrong. Just a letter is sent in the mail.

Contact with case managers continues to be challenging. It is very frustrating for veterans to use a 1-800 number when trying to get answers.

On top of all this, the Liberal government made clear promises to veterans in the last election. Now a year later, these promises are being delayed, ignored, or even broken. These promises included re-establishing lifelong pensions; hiring 400 new service delivery staff, thereby doubling the numbers already committed to by the Conservatives; two new centres of excellence in veterans care, providing greater education, counselling, and training for families; increasing the veteran survivor's pension amount from 50% to 70%; eliminating the marriage after 60 clawback clause; and doubling funding for the Last Post Fund.

We are a quarter of the way through the government's mandate and the minister has let veterans down. To add insult to injury, the government is taking veterans back to court and arguing that the government does not owe veterans a sacred obligation.

If the government is not interested in fulfilling the commitments made to veterans only a year ago, perhaps it will be willing to at least listen to the ombudsman who is speaking in favour of fixes for veterans that will improve the lives of medically releasing military members.

The ombudsman recommends three things, and I quote from his testimony before the Standing Committee on Veterans Affairs:

My report recommends that the Canadian Armed Forces retain medically releasing members until all benefits and services, including Veteran Affairs, have been finalized and put in place prior to releases; that one point of contact be established—if you will, a concierge service—for all medically releasing members to assist in their transition; and that the Canadian Armed Forces develop a tool that is capable of providing members with information so that they can understand their potential benefit suite prior to release.

These are three simple initiatives. They are not costly and would help the veterans who need it most, namely, those who are wounded and very much need our help and assistance on the road to recovery and becoming civilians again.

Will the government take concrete steps to help veterans, in particular those who have been wounded during their service? Will the government fulfill its promises? Will the Minister of Veterans Affairs implement the ombudsman's recommendations?

• (1900)

Mrs. Karen McCrimmon (Parliamentary Secretary to the Minister of Veterans Affairs and Associate Minister of National Defence, Lib.): Mr. Speaker, I am very pleased to rise today to answer my colleague's questions about how we are addressing the needs of Canada's veterans. I appreciate her concern for veterans.

We owe a huge debt of gratitude to the brave men and women who have served Canada so well in times of war, in times of conflict,

and in times of peace. The debt is even greater when a member of the Canadian Armed Forces becomes disabled as a result of doing his or her job. There is no doubt that we can always do better for them and their families, and we shall.

To be clear, in addition to implementing new benefits for veterans, Veterans Affairs processed over 37,000 claims last year. The 11,500 claims referenced in the report are in the process of being addressed. Some of them have actually come in very recently.

In the last year we have seen a 22% increase in the number of new applications for disability benefits. This is a good thing. It means that our efforts to reach out to veterans and encourage them to ask for the benefits they so rightly deserve are working.

Currently, of those applications in the queue, there are a few, 3,500, that are taking longer than we would like. We are taking action to resolve this. So far we have hired 250 new front-line staff to provide service to our veterans, and we are working on adding 150 more to improve our service level and thus reduce waiting times.

We are also streamlining both the process for applying for disability benefits and the decision-making process so that Canadian Forces members and veterans are approved faster for certain common conditions. In the past year, we have processed 27% more disability claims than in the previous year.

We have many initiatives under way to improve the services veterans and their families receive, and we are going to make them even more veteran-centric.

We are conducting a review of the financial benefits offered to veterans to determine how best to meet their needs and the needs of their families and to ensure that they have access to the right programs and services at the right time.

We will continue to work with the Department of National Defence to address closing the seam and addressing the transition period, because that is something we see as absolutely critical to their future.

In closing, we are working hard already to make sure that veterans and their families get the benefits they need when they need them. There is a lot of work to do. We have done a lot of work already. We are going to just keep going until we get it done.

• (1905)

Ms. Irene Mathysen: Mr. Speaker, I want my colleagues to know that veterans are tired of hearing empty promises. They want action now.

Four hundred new workers are not enough, because so many of those service workers were either dismissed or left VAC.

Adjournment Proceedings

Our veterans deserve respect and dignity. Sadly, many injured veterans receive neither. They feel tossed out of their careers and left without an identity. They have been abandoned by the government that asked them to serve in the first place.

We can and must do better for the men and women who put their lives on the line and for their families, who have sacrificed so much. By implementing the ombudsman's recommendations, the government can take an important first step in repairing the damage done through years of neglect of our veterans.

Will the government commit now to implementing the ombudsman's recommendations and to ensuring that our injured veterans and their families have a smooth transition to civilian life?

Mrs. Karen McCrimmon: Mr. Speaker, this issue needs to be addressed, but it is not just Veterans Affairs on its own that can

address it. We need to work with National Defence to close that seam to create that seamless transition to civilian life.

There are lots of improvements that need to be made to benefits, to pensions, and to services. We need to make sure that they are already all lined up, easing that transition to civilian life that will prevent the kinds of challenges we are seeing today.

We are going to continue to make things better for all veterans and their families, ensuring that they get the right benefits, in a timely manner, when they are needed.

The Assistant Deputy Speaker (Mr. Anthony Rota): The motion to adjourn the House is now deemed to have been adopted. Accordingly the House stands adjourned until tomorrow at 2 p.m. pursuant to Standing Order 24(1).

(The House adjourned at 7:07 p.m.)

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