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(HANSARD)

Tuesday, January 27, 2015

—

Speaker: The Honourable Andrew Scheer

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HOUSE OF COMMONS

Tuesday, January 27, 2015

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

• (1005)
[English]

PETITIONS

AGRICULTURE

Hon. Michael Chong (Wellington—Halton Hills, CPC): Mr. Speaker, I have a petition here from about 150 constituents in my riding of Wellington—Halton Hills. They are calling on the Government of Canada and the House of Commons to adopt policies that will aid small family farmers in developing countries and will protect the right of these small family farmers in the global south to use and exchange seeds.

GENETICALLY MODIFIED ALFALFA

Mr. Ted Hsu (Kingston and the Islands, Lib.): Mr. Speaker, I have four petitions today.

The first one is asking Parliament to impose a moratorium on the release of genetically modified alfalfa.

HEALTH

Mr. Ted Hsu (Kingston and the Islands, Lib.): Mr. Speaker, the second petition is calling on the federal government to rescind its cuts to the interim federal health program.

AGRICULTURE

Mr. Ted Hsu (Kingston and the Islands, Lib.): Mr. Speaker, the third petition is asking the federal government to adopt international aid policies that protect the right of small family farmers in the global south to preserve, use, and freely exchange seeds.

CENSUS

Mr. Ted Hsu (Kingston and the Islands, Lib.): Mr. Speaker, the last petition is from Canadians who are appalled that we spent an extra \$22 million on the national household survey to collect data that was of poorer quality than the data collected through the last long-form census.

The petitioners are asking for the restoration of the long-form census.

PRESCRIPTION DRUGS

Ms. Kirsty Duncan (Etobicoke North, Lib.): Mr. Speaker, each year in Canada, 10,000 people die from prescription drugs taken exactly as prescribed, and some 3.5 million Canadians have inadequate drug coverage or no coverage at all.

The petitioners call on the Government of Canada to establish a committee with the necessary authority, mandate, expertise, and funding to make recommendations to reduce the number of deaths by prescription drugs; to work with the provinces and territories to ensure that all Canadians have a drug plan that covers the cost of prescription drugs; and to expand catastrophic drug coverage for all Canadians.

AGRICULTURE

Mr. Ray Boughen (Palliser, CPC): Mr. Speaker, I rise today to present a petition on behalf of the residents of Moose Jaw and the surrounding area. The petitioners would like to bring to the attention of the House that multinational seed companies are threatening the ability of family farmers to produce the amount of food required to feed their families and communities.

The petitioners are calling upon the Government of Canada to adopt international aid policies that support small family farmers, especially women, and recognize their vital role in the struggle against hunger and poverty. They want the government to ensure that Canadian policies are developed in consultation with small family farmers.

* * *

QUESTIONS ON THE ORDER PAPER

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

The Speaker: Is that agreed?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[English]

BUSINESS OF SUPPLY

OPPOSITION MOTION—THE ECONOMY

Mr. Nathan Cullen (Skeena—Bulkley Valley, NDP) moved:

Business of Supply

That the House call on the government to (a) immediately present an Economic and Fiscal Update to Parliament outlining the state of the nation's finances in light of the unstable economic situation, including job losses, falling oil prices, and declining government revenues; and (b) prepare a budget that addresses the economic challenges facing the middle class by creating more good-quality full-time jobs, and by encouraging economic diversification.

He said: Mr. Speaker, at the outset, I thank my colleagues. I will be splitting my time with my hon. friend from Beauport—Limoilou.
[*Translation*]

I want to thank him for his work and the work we will do together in the future.

[*English*]

Today we present our first opposition day motion of 2015, which we think comes at a critical juncture for this country and our economy. Our expectation is that the government would actually support this motion, because it clearly addresses the needs of this country in response to the moment we are in.

Let us take that moment for what it is. The last time the government came to Canadians with its economic update, the world oil prices were at \$86 for world and \$81 for WTI. Those prices have subsequently dropped to \$48 and \$46 respectively. That is a \$4.3 billion hit to the current government's treasury, as estimated by the OECD.

Calling for accountability and action is the job of all parliamentarians, and New Democrats take this job incredibly seriously. We have seen over the last number of weeks serious job losses in the retail sector, the energy sector, and other sectors across the economy. The TD Bank has concluded the following:

The conclusion is unambiguous. In the absence of new measures to raise revenues or cut spending, TD is projecting budget deficits in fiscal 2015-16 and 2016-17 as opposed to the surpluses expected at the time of the [last fiscal] Update.

The government needs a reality check. It needs to address the situation that is in front of it rather than the one it wishes to see. It is important, because we have seen this movie before from the Conservatives. Canadians will remember that on the eve of the last global recession, as the world was dipping into negative territory, that rather than paying attention to the facts in front of them, and the indications were clear from the private sector economists, the World Bank, and the OECD that Canada too was falling into a recession, the Conservatives chose to ignore that and brought in an austerity budget. This made the Conservative government unique in the developed world, a uniqueness we did not wish to enjoy, in not responding to the reality in front of us. Only at the threat of losing their government did the Conservatives reassemble a budget that was in fact a stimulus budget in response to the times of the day.

The Minister of Finance recently sent a letter to us asking for ideas and solutions to help fix the economic weakness in Canada.

Let us take a snapshot of the Canadian economy in 2014, a year that was meant to be a year of recovery and coming through the global recession. The population in Canada grew faster than the number of jobs in Canada in 2014. The youth unemployment rate remained twice the national average, a rate seen during the worst times of the global downturn. Canadian youth are still experiencing those very difficult times.

Canadian individuals are carrying more debt than they ever have in our history. We carry this debt, and that is a great encumbrance on the economy, and the Governor of the Bank of Canada has rightly pointed out that this is a concern and adds greater weakness and fragility.

In these long nine years since the Conservatives took power, Canada has lost 400,000 manufacturing jobs alone. These are good-paying jobs that support families. These are jobs that add value to our natural resources. All that time, we never heard a whit of concern from the Conservatives. With their all-eggs-in-one-basket approach to the economy, it was all pipelines all the time. So much of our effort in our relationship with our greatest trading partner, the United States, fixated on one job-exporting pipeline, namely Keystone. There was a loss of social licence with Canadians with regard to natural resources as Conservatives tried to force through job-exporting pipelines to the west coast.

● (1010)

This has been the fixation of the government. We have seen that it built a house of cards, and it spent a surplus in the fall before it had it. What did the government spend it on? It spent it on a \$2.5 billion income splitting scheme that would do nothing for 85% of Canadians and that would skew proportionally toward the wealthiest Canadians, those who have a large income and a spouse that has very low or no income. That is what income splitting supports.

The Conservatives called it a lie, but I remember that it was Jim Flaherty who stood in the House and other places and said that his problem with income splitting was its deep unfairness. His problem with income splitting was that 15% of Canadians who do not need the help were suddenly getting \$2.5 billion in help from the Conservatives in the last budget.

That is what the Conservatives chose to spend their now illusionary surplus on, and now they are talking about dipping into their rainy day fund, the emergency fund, to paper over their mistake. They had better hope that there are no floods or natural disasters, because that is what it was originally set aside for. It was for unforeseen circumstances. Well, this was not unforeseen. This was a choice the Conservatives made. They chose to dig a \$2.5 billion hole in their budget that they thought they could pay for, and now they cannot.

An intelligent and responsive government would say that the circumstances have dramatically changed and that maybe this unfair tax cut for the wealthiest Canadians is not timely, because it would do nothing for job creation, which is something that every private sector economist and the Governor of the Bank of Canada is calling for right now.

Business of Supply

Is it spending on infrastructure? No, not at all. The Conservatives did not choose that. Does it create jobs in small and medium businesses in this country? No, it does nothing like that. It is a political effort to buy votes on the eve of an election, clearly and simply. That is why they rushed it and backdated it. It was to help their electoral fortunes come next fall.

This is not about the Conservative Party anymore. This is about the Canadian economy, and it is time for the Conservatives to adapt to the reality in front of them.

Today's motion calls for them to simply bring us a fiscal update and tell us what the books say and to then bring forward a budget that responds to the reality in front of Canadians.

According to the Governor of the Bank of Canada, Canada has low or zero job growth recovery. That should be concerning to everybody. Even in the midst of a recovery, the Canadian economy right now is not creating jobs. That is according to the governor of the bank.

The governor acted last week with one of the major tools available to the bank. He lowered interest rates. It is unprecedented. Over the last almost five years, there have been more than 30 opportunities for the Bank of Canada to do this, and it was just last week that the governor chose to act, to move more money into the economy to stimulate growth because of the concern the bank had about Canada's future.

The finance minister yesterday was bragging that we may achieve as much as 2% growth this year, compared to more than 3% in the United States and almost 4% globally. Those guys are patting themselves on the back rather than acting. When it comes time to actually deliver the budget, the Conservatives have said that they are going to cross their fingers, hide under the covers, and hope that things just get better in a few months' time. They have said that maybe in April they will bring it. Maybe after April they will bring it, but do not worry; they have plan B. After years and years of plan A, which was \$50 billion in corporate tax cuts that have contributed to almost \$600 billion in dead money in this economy, Canada has one of the lowest reinvestment rates in research and development and one of the lowest rates of job growth, and this does not seem to concern the Conservative government.

Solutions are required, and New Democrats are offering those solutions to the government and to Canadians. We are offering \$15-a-day affordable child care for all Canadians, not the 15% the Conservatives are focused on at the top. We are offering a \$15-an-hour minimum wage for federal workers. We recognize that since 1974, adjusted for real dollars, people at the lowest end earning minimum wage have received exactly a one penny raise in all of that time. Yet the Conservatives think they concern themselves with average Canadians. Hardly.

We have brought forward ideas on the small business hiring tax credit, which for a couple of years the Conservatives picked up and then cancelled, a hiring tax credit that was connected to a company actually creating a job.

We have connected the idea that when the government acts on the economy, it should focus on creating jobs, not simply focus on partisan activity and trying to buy votes just before an election.

The motion presented today is clear. It is acceptable. It is smart. It asks the government to bring forward an update, level with Canadians, show us the books, and then for heaven's sake, bring forward a budget that actually responds to the reality that Canadians and our economy face today.

● (1015)

Mr. Kevin Lamoureux (Winnipeg North, Lib.): Mr. Speaker, the Liberal Party would ultimately argue that it is a fundamental responsibility of the federal government to provide a sense of confidence in our economy. One of the tools by which it provides that is a federal budget brought in a timely fashion. This is something that has escaped this particular Prime Minister and Minister of Finance. It is something of critical importance on many different fronts.

Provinces are making up their budgets today and are very much reliant on some of those national figures that would be incorporated into the federal budget. I wonder if the NDP critic for finance might want to provide some comment on the need for a national budget, which has an impact on other budgets in Canada.

Mr. Nathan Cullen: Mr. Speaker, I thank my friend for his comments. First, with the Conservatives, who pride themselves in being somewhat disciplined about the messaging, almost robot-like at times, there has been nothing but confusion not only with respect to this budget that is meant to come at some point in the spring—maybe toward the summer; we are not sure—but there has been utter chaos. One minister gets up saying they are going to bring in a budget that will likely bring in more cuts to services that Canadians need, like food inspection, rail inspection, and veterans affairs. We have seen that already. They are going to cut again. Then we have another minister saying no, not at all. We have another minister saying we have to spend our rainy day fund to make up for the wasteful promises they made. Then the next minister says no, not at all.

With respect to timing, we have seen the government download more than \$36 billion in health care cuts to the provinces. It has just recently announced that disaster programs are going to be cut by hundreds of millions of dollars more to the provinces. Now Conservatives are saying, for their own political fortunes and their own political timing, that the provinces are just going to have to wait and guess what contributions may be coming from the federal government. These are provinces that are struggling to make ends meet, much like Canadian families.

The responsible thing, the right thing to do is react, act, and take some leadership when it comes to responding to our economy right now.

Mrs. Cathy McLeod (Parliamentary Secretary to the Minister of Labour and for Western Economic Diversification, CPC): Mr. Speaker, the NDP, for the last four or five years, since I have been in the House, has consistently talked down the Canadian economy and the great work we have done in terms of seeing ourselves through a global recession and seeing the largest number of net new jobs.

Business of Supply

We see New Democrats on the picket lines protesting against every resource project out there. Really, their plan is absolutely a plan that will not move Canadians forward. It is a plan that is anti-resource and anti-job and includes massive government spending.

I would like the opposition member to talk about the massive government programs they plan to bring in and where they intend to get the revenue for them when they are against every project and almost every job I have seen come forward.

● (1020)

Mr. Nathan Cullen: Mr. Speaker, it would be like a Canadian going to a doctor and getting a health check and the doctor saying, “You should cut down on fats a little bit, and we’re worried about this” and the person saying, “Well, don’t talk down my health”. This is the reality check that Conservatives need. They can choose to ignore it, like they did in the last global downturn in 2008. It was not that long ago. It is recent memory.

We are not anti resource development. We are anti stupid resource development. When it comes up that the Conservatives think they can bulldoze their way through Canadian communities doing whatever it is they want and gut environmental laws and run over the rights of first nations, that somehow that is a resource plan, well, that plan ends up in court.

Congratulations on the energy superpower that the Prime Minister promised Canadians in 2006. How is it going for him? It is an absolute unmitigated disaster. There are tensions with our largest trading partner, the United States, no pipeline is getting approved, and there is increasing public opposition to their plans, because there they go again with all their eggs in one basket. This is all they know.

When we ask for help for the manufacturing sector, where are the Conservatives? With the value added sector, where are the Conservatives? They are nowhere. This motion is asking for an action plan from the government, finally, not the billion dollars the Conservatives spent on self-promoting ads, but a real action plan that will help Canadians get back to work.

[*Translation*]

Mr. Raymond Côté (Beauport—Limoilou, NDP): Mr. Speaker, I thank my esteemed colleague from Skeena—Bulkley Valley for sharing his precious speaking time with me because I am sure he could have made good use of his 20 minutes to touch on other subjects. There is so much to say about our motion.

My colleague read the motion, so I will not reread it. However, I will begin my speech by saying that the Conservative government has been setting Canadians up for some hard times for quite a while now. I am not just saying that. That statement is based on well-established, well-documented facts. I can point to a source that I hope my Conservative colleagues will not dispute: the Bank of Canada’s “Monetary Policy Report”, which was released a few days ago. This is the January 2015 report.

I am going to focus on issues that directly affect the middle class, specifically, labour market issues. In this report the Bank of Canada indicates that the labour market index has been held back by other developments, such as long-term unemployment, which is still close to its post-crisis peak. Not pre-crisis; post-crisis. The situation has clearly not improved.

In addition, the number of hours worked remains low, and the proportion of involuntary part-time workers continues to be elevated. The government needs to face this distressing fact. It has nothing to do with the present circumstances, which are related to plummeting oil prices. This situation is the direct result of the current Conservative government’s policies. It cannot hide from that fact. The Governor of the Bank of Canada wrote it right there in black and white.

To that I will add another very troubling bit of information. I think it is probably the most troubling part of all and what makes our debate today so urgent and important. The participation rate is low relative to what would be suggested by purely demographic forces. The report indicates that the participation rate of prime-age workers, those aged 25-54, fell substantially in 2014, suggesting that at least some of the decrease in labour force attachment is unrelated to demographic forces. It is therefore not related to the normal changes we might expect in the labour market or to the changes in Canadian demographics. This is the result of the conditions created by the measures adopted by the Conservative government. The Conservative government is to blame for the current state of affairs, for putting us on the brink, perhaps not of a perfect storm, but of a very worrisome turbulent situation where Canadians, families and the middle class will pay a high price in various parts of the country.

Mr. Preston: That is false.

Mr. Raymond Côté: Mr. Speaker, I hear my colleague saying that is false. He is therefore saying that the findings of the Bank of Canada’s “Monetary Policy Report” are false. I would ask him to read that report and then tell me the facts are false. I am not making this up. I am just quoting the Bank of Canada report.

The job market has not been this unstable since the end of the economic crisis. I would describe it as a sink-or-swim job market, which is really too bad for a country as wealthy as ours.

Canada is well positioned with its natural resources, its human resources, its expertise, and its extraordinary and renowned industries with a number of a leading-edge sectors. There is also the tourism industry, which made Canada a leader. That leadership has been lost because we are in the middle of the pack with truly dismal tourism growth rates. Despite all these assets, we have been falling behind for years now.

● (1025)

Now the context has changed drastically, since there has been a massive drop in oil prices. Indeed, the price per barrel on global markets has dropped by 50%, and in just a few months’ time, which is really brutal. There is no other way to describe it. I do not think anyone in this House would challenge me on that.

Business of Supply

With that in mind, it is clear that the government has basically abandoned the middle class, and we are going to have to change course completely. This change in course should come from the Government of Canada, which is in the best position to do it, as it has the best tools to fix the situation and ensure that the middle class can reclaim its rightful place. This means getting back to real prosperity, the long-term security it no longer has because of the precarious nature of the labour market, and to conditions that allow middle-class Canadians to hope for the same for their children, since this is no longer a sure thing.

Over the holiday break, many of my colleagues probably had an opportunity not only to take a few days or weeks of vacation, but also to talk to people who are still very worried for their children. They worry about what will happen to them, even when their children are getting an advanced education. The labour market is not very strong; in fact, it can no longer really accommodate most young people after they finish their studies.

Furthermore, the monetary policy report was very clear on that. The situation did improve somewhat for young people, but only a little. We are lagging so far behind that we cannot actually talk about good opportunities for young people entering the workforce. These observations apply to the situation right now, which is already distressing, so what are we passing on to future generations?

Right now, the House has the wonderful opportunity to discuss and debate the legacy that we are going to build and pass on to future generations. However, no such legacy exists. The only legacy that we are passing on is a legacy of liabilities or a social debt on the labour market that is going to haunt us long after the budget is balanced. Even a balanced budget is rather unlikely given that the ministers have made contradictory statements on the issue and we have no idea whether the budget will be balanced within the timeframe that the government set for itself. The government is seeking to balance the budget, but we do not know whether it will do so in these conditions, which are even more terrible than what we have been living through over the past 10 years.

The reality—and this is why the NDP is positioning itself to become the next Government of Canada—is that we already need to be sending strong signals in order to improve the situation and build this legacy. As my esteemed colleague said, we can do this by implementing rather simple, but strong and practical, measures, such as a \$15 minimum wage. Obviously, this will be implemented gradually so as to not disrupt the market, but we will set an ambitious, yet realistic, timeline.

Clearly, setting up \$15-a-day child care is important. Canadian families are struggling to make ends meet with low incomes and part-time jobs, and yet they still have to pay astronomical child care costs, which vary across the country from hundreds of dollars to even a thousand dollars a month. That is truly ridiculous. It is absolutely unacceptable, and the government is not doing anything to stop it.

However, the most serious problem—and likely the most important point in the debate about our economic future—is that the Bank of Canada has taken action to address the upheaval we are experiencing but has been left to fight alone because the government has not given any indication that it is prepared to support the Bank of

Canada's plan. That is completely unacceptable because the Bank of Canada should not have to bear the burden of trying to remedy the situation. On the contrary, we need direct action from the government in order to weather this storm while ensuring that people have better living conditions and get through this difficult situation under reasonable conditions.

• (1030)

[*English*]

Mrs. Cathy McLeod (Parliamentary Secretary to the Minister of Labour and for Western Economic Diversification, CPC): Mr. Speaker, I listened with great interest, but again the NDP is not reflecting on the facts. The facts are that we have the best job-creation record in the G7 and that in spite of the challenges of oil prices, our growth rate is predicted to be in the 2% of GDP range, so we will continue to be on a positive track. We have a low-tax plan that will continue to support businesses and encourage growth in all sectors of our economy. In my riding, it looks as though the low dollar will have a positive impact on the tourism industry. Therefore, I think we have to recognize that there is some balance here and that we are on the right track.

What I hear from New Democrats are plans for a \$15 minimum wage and universal child care that will maybe only help 10% of the population. I hear a lot of plans in which they intend to take money out of the pockets of Canadians, but I have not heard anything that would actually support growth in Canada.

[*Translation*]

Mr. Raymond Côté: Mr. Speaker, I have the impression that my esteemed colleague missed part of my speech. My presentation was about the labour market. I did not give my own estimates or assessments, but the facts presented by the Bank of Canada.

I invite my colleague to consult the Bank of Canada's January 2015 Monetary Policy Report, where she will find the quotes and data pertaining to the precarious labour market that I described. It is not even a question of opinion. She can refuse to accept reality if she so wishes and if those are the instructions from the PMO. However, the reality has been laid out by the Governor of the Bank of Canada. That is not debatable.

[*English*]

Mr. Kevin Lamoureux (Winnipeg North, Lib.): Mr. Speaker, I would like to pick up on a commitment by the Prime Minister to give hundreds of millions of dollars—I believe the total is \$2 billion—in a tax break to some of Canada's wealthiest people, less than 15% of the population. This is the income splitting. It is a commitment that needs to be reversed. The government is in essence taxing Canada's middle class, with \$2 billion going to support less than 15% of Canada's population.

Would the member like to comment and put on record very clearly that the NDP would in fact reverse the income-splitting tax commitment.

Business of Supply

• (1035)

[Translation]

Mr. Raymond Côté: Mr. Speaker, I thank my colleague for the question. He is right: income splitting is a very bad idea.

I would simply say that over the past 20 years Liberal and Conservative governments have practically been in lockstep as they have benefited the wealthiest by lowering their taxes and especially by eliminating some tax brackets. Furthermore, large corporations have had their taxes cut in half.

For 20 years we have been promised a brighter future and forced to wear rose-coloured glasses. That brighter future has not materialized. In fact, the record of the Liberal and Conservative governments is clear. According to the Bank of Canada's Monetary Policy Report, the current labour market is very precarious. In fact, the future of our workers is uncertain at this time. With the pending turbulence, people will suffer a great deal. What hope is there for our young people who want to enter the labour market, given the conditions created over 20 years by the Liberal and Conservative governments? That is my question.

[English]

Ms. Elizabeth May (Saanich—Gulf Islands, GP): Mr. Speaker, I appreciate the official opposition choosing today to have a special debate on the current economic situation and the absence of an economic update.

Going to first principles in this debate, I would put it to my friend that fundamental to our form of democracy is that Parliament controls the public purse. The first parliamentary budgetary officer, Kevin Page, has made it clear that is no longer true. Since I entered this place, none of us, as members of Parliament, have received sufficient information to vote on any budget. In the last number of years, the budgets have been missing something. They are generally referred to as “budgets”, but there have been no total statements of revenues, no total statements of expenses, and no bottom lines. In other words, I think the so-called spring budget should be called the “annual thick brochure”. It contains a lot of political promises, but none of the information that the finance minister claims he needs to present a budget.

[Translation]

Mr. Raymond Côté: Mr. Speaker, I thank my colleague for her comment.

As the member for Beauport—Limoilou, I experience that same lack of transparency when trying to deal with my constituents' issues with the dust coming from the Port of Québec. Unfortunately, this is a trend we have been seeing for decades from our governments in Canada. They care less and less about transparency. This trend has become more prevalent and has really picked up steam under the Conservatives' rule these last nine years. This trend is so strong that it has become quite worrisome. There is a lot that will have to change so that the books can be opened back up and people can know where they stand for the future and are aware of topics that should be public.

[English]

Mr. Andrew Saxton (Parliamentary Secretary to the Minister of Finance, CPC): Mr. Speaker, in my time today, let me reassure all

hon. members that our government remains focused on the economy and the next budget.

As our finance minister recently said:

Given the current market instability, I will not bring forward our budget earlier than April. We need all the information we can obtain before finalizing our decisions.

If the members opposite can practise some patience, we will certainly provide them with our vision for the future in due course.

However, let me start by describing where we are and how we got here. Canada was able to weather the recent recession relatively well, but that recession's impact is still weighing heavily on the global economy. After the most severe global recession since the Great Depression has come the weakest global recovery. In the eurozone, the recovery remains elusive and inflation has fallen significantly, reaching -0.2% last December. The continent's three largest economies, Germany, France and Italy, all saw their economies contract in the second quarter of 2014 and have remained weak in the third quarter as well.

Just last week the European Central Bank significantly expanded its bond-buying program or quantitative easing, which it is estimated will now reach \$1.1 trillion euros, plus possible extensions in an attempt to resuscitate a struggling eurozone economy.

Beyond Europe, the growth rates of key emerging economies, China and Brazil, are slowing as well. Geopolitical conflicts in Ukraine, Iraq, and Syria have complicated the economic recovery and fuel global uncertainty.

However, after a weak start last year, the outlook for our American neighbours has strengthened considerably and bodes well for Canada. Still, the International Monetary Fund warns that economic risks remain elevated. The global economy is still very fragile and we are not immune from global shocks. We have been saying this for years and it remains valid today, perhaps more so than ever.

Many countries face difficult decisions ahead, yet in these challenging global times Canada has fared much better than most. A downturn that did not originate here hit us later than most and affected us less. Moreover, we emerged from the downturn more quickly and in better shape than other developed economies.

How, one might ask? With a prudent and long-term plan for economic growth and job creation, Canada has recovered all of the jobs lost during the great recession and more. In fact, over 1.2 million net new jobs have been created since the depths of the recession, jobs that are overwhelmingly full-time, high-paying, private sector jobs.

Business of Supply

Since taking office in 2006, we have been carefully crafting a more confident Canada. That confidence is shown in the fact that Canadians are wealthier. A recent *New York Times* analysis found that after-tax middle-class incomes in Canada are higher than those in the United States. That is the first time that has happened. In fact, the Canadian middle class is among the richest in the developed world. The median net worth of Canadian families has increased by 45% since we took office and our government has been committed to taking less of that hard-earned money away with the lowest federal tax burden in over 50 years.

We have also put an emphasis on free trade, which is tremendously valuable and important to the state of the Canadian economy. When our government took office in 2006, Canada had free trade agreements with only five countries. We now have free trade deals with 43 countries, a network that touches every corner of the globe.

Let me be clear: we are not in a crisis. In fact, Canada has performed better than other G7 economies over the recovery. Both the IMF and OECD are still expecting Canada to be among the strongest economies in the G7 in 2014-15.

As the Prime Minister has repeatedly said, we have a choice: act to create jobs, growth, and resilience in a competitive global economy or risk long-term economic decline. As has been evident since our government came to power, we have been choosing long-term prosperity and are achieving results through our low-tax plan for jobs and growth.

At the end of the day, the Canadian families I have talked to are concerned about jobs and economic growth, and rightfully so. However, our economic action plan is working and we are doing that by keeping taxes low.

●(1040)

The Liberals and the NDP would both institute high-tax and high-debt agendas, which would be devastating for the economy, killing jobs, and undermining all the work we have done so far.

Our government's plan does not include raising taxes or slashing transfers to the provinces like our predecessors did. To the contrary, we have cut taxes 180 times and have increased transfer payments by 55% since 2006, reaching \$65 billion this year, the highest ever. These transfers are used for key priorities, such as health care and post-secondary education. We remain committed to keeping taxes down and increasing transfers as the economy grows. We controlled government spending, something that few nations have done in decades, and we have done it while maintaining the programs and services Canadians rely upon. Contrast that to the opposition, which would drive the economy into deeper deficits with bureaucratic and inefficient spending schemes.

With this plan, we have been able to provide even more direct support for hard-working Canadian families. The opposition will tell us today that it should be trusted to help the middle class, that it knows what is best for Canadian families. Our government's track record speaks for itself. We have always been committed to putting more money back into the pockets of hard-working Canadian families. Our new family tax cut would benefit 100% of families with children under the age of 18, at a time when the cost of raising a

family is at an all-time high. This alone would work out to an average of over \$1,100 per year for families to spend on their own priorities.

We will not apologize for building on our record of historic tax relief for Canadians. It is our Conservative government that increased the amount Canadians can earn tax-free. We introduced the tax-free savings account, the most popular savings vehicle since RRSPs. We introduced pension income splitting for seniors. Combined, these measures are saving Canadian families, on average, over \$3,400 per year.

What would all this mean for over four million Canadian families with kids? Every one of them would benefit. Take for example, a two-earner couple with children aged seven and three. One spouse earns \$95,000, and the other earns \$25,000. For the 2015 tax year alone, such a family would be better off by \$2,835. Or take a single mom earning \$30,000, with a four-year-old and an eight-year old. She would receive \$1,224 in additional benefits this year alone.

Here is an important point that I am proud of, namely that two-thirds of these benefits would go to low- and middle-income Canadians, with 25% going to families earning less than \$30,000. We are providing families this financial relief for a simple reason. Across Canada, Canadians are telling us the same thing, that costs are going up. It is our government that understands that for a more affordable life, Canadians need a more affordable tax burden.

The fact is, according to a Fraser Institute report released last August, Canadians are paying, on average, about 42% of their income in taxes to all levels of government, which is more than on food, clothing, and lodging combined. On this side of the House, we just do not believe that government needs more of that money.

However, we know what the opposition would do. It would take these benefits away, cancelling the tax breaks and increasing taxes on those very same people. It said it would do precisely that. Everything we have learned from the post-recession history proves that the opposition's policies would be damaging to the Canadian economy and hurt the very people the NDP and the Liberals claim to stand up for, which brings us back to the economy.

One thing I can tell the opposition today is that we will be presenting a balanced budget to Canadians. We promised Canadians that we would return to a balanced budget, because it is important for Canadians and our economy. It would mean that more funding would be available for important programs that Canadians need, and it would keep the debt burden low. This is another way that our government would be protecting Canada from international shocks.

Business of Supply

While the opposition ignores these basic economic principles, our government will keep our promises and commitments to the Canadian people.

In the worst of the recession, Canada's deficit stood at over \$55 billion. Today, it has been reduced by over 90%, to just over \$5 billion, and it is still falling.

• (1045)

Yes, crude oil prices have fallen since last year, and this will impact our government's flexibility. However, we have noted that lower oil prices do have benefits for consumers at the pumps, for example, and they also mean lower energy prices for the manufacturing sector. Despite this volatile market, our government is confident that the fluctuation in oil prices will not stop our government from achieving a budgetary balance in 2015. This is truly a remarkable achievement when so many other countries are still locked in deep deficits.

It is not easy to return to a balanced budget. Contrary to what some may believe, budgets do not balance themselves. Balancing a budget requires a plan and the discipline to follow that plan. It is why the Minister of Finance has said that we are using the next months to hear from Canadians, hear from private sector economists, and gather all the information to make an informed decision. Given the current market instability, we will do everything necessary before we finalize our decisions.

With all of the pessimism and negativity emanating from the opposition, it may be hard for some people to get a good grasp of the real economic situation we are faced with today. Let me assure Canadians that now is not the time to be pessimistic. Canada has a diverse economy and is not solely driven by the oil sector. Federal revenues are equally diverse; Canada has a highly diverse economy. That is why our government supports jobs and growth by connecting Canadians with available jobs; fostering job creation, innovation, and trade; and providing record investments in manufacturing, infrastructure, and transportation.

However, if the opposition members had their way, they would institute higher taxes and put us back into deficit just as we are recovering from the global recession. We must remember that these tax hikes would have a destructive effect on all sectors of the economy. They would be an unnecessary job killer and would take money away from Canadians that would be better reinvested in the economy. Both the Liberals' and the New Democrats' reckless commitment to raising taxes and spending beyond our means is not an economic plan, and Canadians expect and deserve better.

We simply cannot afford to return to a mindset that assumes governments can tax and spend as they please without economic consequences. We know what has happened in other countries where governments thought that way. We understand these basic truths: no government can tax its way to prosperity, and no government can indefinitely spend more than it takes in.

We cannot take prosperity for granted. Higher debt today means higher taxes and service cuts for our children and our grandchildren down the road. We have a duty to manage our finances responsibly. That is why we will get back to balance and stay there, all the while keeping our promise to provide continuous tax relief to Canadians.

Our government is well on its way to achieving our goal of reducing the federal debt to 25% of GDP by 2021. Indeed, the ratio is expected to fall below its pre-recession level by 2017. The IMF projects that our total government net debt-to-GDP ratio will remain the lowest of any G7 country. In fact, it is about half of the average.

As members can see, our government is delivering, and we are providing the leadership that is required during these challenging times. Now is not the time for risky experiments or a flighty trip back to discarded ideas and failed policies of the past. Canada has come a long way, but we are not in the clear yet. Our government has a plan to meet these challenges, a plan that is working, and we must stay the course. We survived the great recession; now we will take the action necessary to secure prosperity for this generation and the next.

To conclude, Canada is on the right track. Canadians are aware of the benefits our government is providing, and we will soon present our vision for the future in economic action plan 2015.

• (1050)

Mr. Nathan Cullen (Skeena—Bulkley Valley, NDP): Mr. Speaker, I may have missed it, but I do not know if my friend across the way said he was supporting the motion or not.

I like the idea that there is a budget forthcoming—no kidding—but the question is when, and does the government seek to act on and respond to the reality that is facing us in these uncertain times, as the governor of the bank has been able to do? The minister keeps referring to unstable markets. The markets are not just “unstable” in oil; they are low. If they had climbed 60% or 70%, I am sure the government would have enthusiastically presented a budget.

My question is about the choices the government has made. It wants to spend upwards of \$2 billion on an income-splitting scheme that helps 15%, the overwhelmingly wealthiest Canadians, as was pointed out by the new Minister of Veterans Affairs. It is great for him, since he is earning \$180,000 a year. It will help out his situation to the tune of almost \$3,500, yet the government is spending 30 times less on the increase to child support payments, at \$65 million. Then it derides the NDP for having the audacity to propose a universal and affordable child care plan that would actually help boost the economy. Which is the clear choice: \$2 billion on income splitting that does nothing to help put people back to work, or an affordable \$15-a-day child care plan that allows those who want to enter the workforce to do so, which has been pointed out by the TD Bank and others as an excellent way to help the economy when it needs help, which it does right now? Why make such a bad and partisan choice in this time of such serious situations?

Business of Supply

Mr. Andrew Saxton: Mr. Speaker, our family tax plan will help all Canadian families with children under the age of 18. The NDP's plan would only help 10% of Canadian families. Furthermore, its plan would cost over \$5 billion—at least, that is what was projected; it could be much more than that.

Ours is a plan to put money back in the pockets of Canadian families so that they can choose how to invest or spend that money on their own priorities, not those of the NDP or our government. We are putting money back in the pockets of Canadian families, whereas the NDP has said it would take that money back out of their pockets and use it for their own schemes. We do not think that is a prudent way to go. We believe Canadians know best how to spend their own money.

•(1055)

Hon. Judy Sgro (York West, Lib.): Mr. Speaker, I find it fascinating to listen to my colleague when he also talks about the issue of child care and what the \$3,200 would do when it comes to trying to find child care. I suggest the Conservatives should spend a few days out there knocking on doors and looking at just what child care costs today.

The issue I wanted to ask my hon. colleague about is this. Yesterday the Minister of Finance proudly stood here saying in a really blusterous way that the budget would be balanced, that there would be no cuts. He talked about the commitments to small business and income splitting, saying that everything would be in that budget and that everything would be fine.

If that is the case, then why is the government not introducing it today? What are you waiting for, if you have it all figured out? Are you just waiting for June so that you can spin it into an election campaign?

The Acting Speaker (Mr. Barry Devolin): Order, please. Before I go to the parliamentary secretary, I would like to remind all hon. members to direct their comments to the Chair rather than directly to their colleagues.

The hon. parliamentary secretary.

Mr. Andrew Saxton: Mr. Speaker, unlike the Liberal Party, when we make a promise, we keep that promise, and that is what we will be doing with our family tax cuts and keeping taxes low.

As the Minister of Finance stated, we will not bring the budget forward any earlier than April. Declining oil prices will have an impact on the government's flexibility, but we will balance the budget in 2015. Because of the volatility in the oil market, we will not bring forward the budget any earlier than April. It is desirable to have all the information available to make informed decisions.

Our government will proceed prudently. At a time when the global economy is uncertain, Canada is not immune to the economic challenges beyond our borders. That is why it is important that we take the time to listen to Canadians and to the economists before we come out with budget 2015. Members should stay tuned; it will come out after April.

Mr. Peter Braid (Parliamentary Secretary for Infrastructure and Communities, CPC): Mr. Speaker, as the member of Parliament for Kitchener—Waterloo, I am proud to come from a community that has one of the strongest local economies not only in

the province but in the country. It is a local economy with diversified strengths. It has strength in advanced manufacturing, in financial services, and in our technology and innovation sector. When I hear the opposition claim that we as a government are putting all of our eggs in one basket, I laugh out loud.

I want to ask the parliamentary secretary if he could please speak to the important diversification of Canada's economy.

Mr. Andrew Saxton: Mr. Speaker, it is true that Canada does have a highly diverse economy. We are not dependent on just one sector, and that is why our government supports jobs and growth by connecting Canadians with available jobs. It is why we have invested in infrastructure, manufacturing, and transportation.

Unlike the Liberals, who encourage manufacturers in south-western Ontario simply to close up shop, our government recognizes that they are some of the most innovative manufacturers in the world. That is why we are supporting the Canadian economy with lower taxes. There are 780,000 small businesses that will benefit from the small business tax credit. We understand that this is a diverse economy and that it runs on many different cylinders, and that is why we are supporting all of those cylinders with lower taxes and support for Canadian manufacturers and Canadian exporters.

In addition, we have opened up 38 new trade markets for Canadian businesses. We have signed 38 new trade agreements. That compares to just three trade agreements that were signed by the Liberals back in the 1980s and 1990s. We are proud of this record because it gives Canadian businesses the opportunity to expand globally and to grow.

[Translation]

Mr. Dany Morin (Chicoutimi—Le Fjord, NDP): Mr. Speaker, I thank my Conservative colleague for his speech. However, I am not sure that he responded to the question asked by my NDP colleague from Skeena—Bulkley Valley.

Today, the NDP is calling on the government to immediately present an economic and fiscal update to Parliament outlining the state of the nation's finances in light of the unstable economic situation, including job losses, falling oil prices and declining government revenues.

To show how important this is, I want to add that according to Statistics Canada, the unemployment rate in Saguenay is very high—9.6%—which puts my region of Saguenay—Lac-Saint-Jean last among all metropolitan regions in Canada when it comes to job creation.

A region like mine, the riding I represent, needs a message from the Conservative government. It needs investments. It needs to know that the federal government knows what it is doing. We are now living in great uncertainty, in both Parliament and my riding.

Could my Conservative colleague tell me whether the government will present an economic and fiscal update to outline the state of Canada's finances?

Business of Supply

• (1100)

[English]

Mr. Andrew Saxton: Mr. Speaker, we had an economic and fiscal update just nine weeks ago, and as the Minister of Finance has said, we are going to have a full budget sometime after April.

I want to assure my colleague opposite that at the same time we continue to manage the economy and we continue to invest in Canadians' jobs and future prosperity. We have a \$75 billion infrastructure plan to help create jobs across the country, the largest and longest infrastructure plan in Canadian history. At the same time, Canada does have the best job creation record in the G7. Our government will continue to monitor the situation and continue to manage the economy to make sure that our job creation record continues.

Mr. Adam Vaughan (Trinity—Spadina, Lib.): Mr. Speaker, I keep hearing the government tell us to quote the facts. Conservatives continually cite an article in *The New York Times* that talks about Canada's middle class in comparison to the middle class in the United States. The article says that Canada's middle class has never been more frightened than any other time in the country's history. That is because the cost of education is going up, the cost of transit is going up, the cost of housing is going up, and the cost of medical care is going up, yet when the government deals with the budget, nothing changes. No matter what happens to the price of oil, no matter what happens to the economic outlook, no matter what changes, the ideology stays the same.

If everything the Conservatives promised to do is no different than it was last week, regardless of the facts, why are we not discussing a budget?

Mr. Andrew Saxton: Mr. Speaker, we recognize that costs are going up, which is precisely the reason we are putting money back in the pockets of Canadian families. In fact, we put over \$3,400 back in Canadians' pockets this year alone. We are proud of our low-tax plan to create jobs and long-term prosperity. We are proud of the fact that the Canadian middle class is doing better now than it ever has in Canadian history.

Hon. Scott Brison (Kings—Hants, Lib.): Mr. Speaker, today I will speak about the Canadian economy and the challenges faced by middle-class Canadian families.

Conservative government mismanagement and also its lack of vision for the Canadian economy and its future has dashed the hopes of middle-class Canadian families. I would like to take a moment to reflect on the reality of Conservative management of the economy.

[Translation]

When it came to power in 2006, the Conservative government inherited a decade's worth of balanced budgets from Liberal governments as well as an annual surplus of \$13 billion. It took the Conservatives just two years to turn that surplus into a deficit, and that was before the recession hit.

[English]

The Conservatives actually put Canada on the edge of deficit prior to the global financial crisis in 2008. Even in the most recent economic update, the government forecast shows that the economy's

rate of growth would slow from one year to the next. That is the latest forecast from the government.

The economy is facing long-term structural challenges. These structural challenges existed before plummeting oil prices. The Bank of Canada has forecast that the economy's growth will decline in 2015 to 2.1% from the previously forecasted 2.6%. The TD's forecast is actually even lower, at 2%.

The Conservatives like to take credit for the country's favourable performance relative to other industrialized economies in weathering the 2008 recession, and it is true that we did get through the 2008 financial crisis better than other countries. However, the *Economist* magazine tells us that there are three principal reasons for that: first, Canada's banking system and the decision made by Prime Minister Chrétien and Finance Minister Martin not to follow the global trend of deregulation in the 1990s; second, with the fiscal management of the previous government, having taken more than \$80 billion off the national debt, the Conservative government inherited the best incoming fiscal situation of any incoming government in the history of Canada; and third, oil, gas and minerals. Those are the three factors that helped Canada get through the 2008 financial crisis, and they have one thing in common: the Conservatives actually are not responsible for any of them.

It is important to realize that the more time has passed since the recession, the less robust Canada's economic recovery has been, especially in comparison with the U.S. In fact, the *Economist* magazine's article was "Canada's economy, Maple, resting on its laurels. Canada's post-crisis glow is fading". That article was from last spring, a long time before plummeting oil prices.

Now it is clear, with the recent collapse of oil prices, that we cannot simply rely on fossil fuels, pipelines and minerals to be the sole drivers of the Canadian economy. The Conservatives have had a three-prong strategy. It has been oil, oil and oil. They have actually shortchanged other sectors, totally ignoring the manufacturing sector, where we have lost almost half a million jobs under the government.

Mr. Speaker, I will be splitting my time with the member for Markham—Unionville.

Again, even before plummeting oil prices, Canada faced significant challenges, slow growth and a soft employment market.

The number of Canadian jobless for over a year or more had actually doubled since 2008, and that was before plummeting oil prices. Even before plummeting oil prices, there were 200,000 fewer jobs for young Canadians than in 2008. More young Canadians with good educations were unable to support themselves and were living at home with their parents. More Canadian parents and grandparents were going deeper in debt, in fact record levels of personal debt, because of their direct financial support of children and grandchildren. This was, again, before plummeting oil prices.

Business of Supply

•(1105)

The reality is that the Conservative government has also raised taxes. It imposed a \$330 million increase in Canadian tariffs in the previous budget implementation act. In fact, that took effect this month.

Now the government's fiscal position is eroding. The TD Bank has forecast a potential \$4.7 billion deficit if oil prices do not recover. Similarly, the Conference Board of Canada has issued a report saying that the drop in oil prices will reduce government revenues by \$4.3 billion.

These economic circumstances call for vision and leadership from the federal government, and certainty. In fact, we have had anything but certainty from the Minister of Finance or the government. The Minister of Finance postponed the tabling of a budget to April, at the earliest. Even in the best case scenario, where a budget is tabled in April, there will be a lack of parliamentary scrutiny as the House of Commons is due for a two week break in April.

[Translation]

Also troubling is the apparent rift within the government when it comes to how to cope with the budget surplus that is now evaporating.

[English]

The Minister of Employment and Social Development said:

We won't be using a contingency fund. A contingency fund is there for unforeseen circumstances like natural disasters.

On the other hand, the Minister of Finance said:

The contingency fund is there for unexpected and unavoidable shocks to the system [like] the oil price decline—which was a dramatic one—would fall in that category.

The fact that two senior Conservative economic ministers have two totally separate and different positions on something as fundamental as the budget does not inspire confidence among the investment community or among consumers.

The dilemma over how to avoid a fiscal deficit would not have presented itself in the first place if the government had not recklessly painted itself into a corner with pre-election commitments to income splitting and other tax expenditures. This was the opposite of leadership. The government was pandering to its base for political advantage. It was doing everything it could to create a notional surplus on the eve of an election to fund its pre-election spending. It took no account of the potential volatility of commodity prices.

It is plain and simple. The government mismanaged the fiscal situation. It let Conservative ideology and politics take priority over the practical demands of governing and fiscal responsibility.

The government should now prepare and table a budget that acknowledges the uncertainty and provides some level of leadership. It should not wait until April to do this. The government should retreat from its income splitting commitment because it is costly and it would benefit only 15% of Canadians. We heard from the former minister of finance, Jim Flaherty, on this, and he expressed concerns that it was unfair.

Before plummeting oil prices, income splitting was unfair. After plummeting oil prices and its fiscal impact, it is unaffordable. It is important to realize that any tax cut like income splitting, which only benefits 15% of the richest families, and deficit financing will require all Canadians to pay higher taxes in the future.

The Bank of Canada has shown leadership. It recognized the turbulence faced by the Canadian economy and it cut the key interest for the first time in almost five years.

Despite the warning from economists, the TD Bank and others, the Minister of Finance said, “the Canadian economy is in good space”. This is out of touch with the emerging reality, and out of sync with the concerns of middle-class Canadian families. It is also indifferent to the needs of average Canadians.

It is important to realize that the Conservative government has not provided certainty to Canadians, and it has not provided a plan for jobs and growth. A plan for jobs and growth was needed before plummeting oil prices. We need a plan for jobs and growth even more today.

A Liberal government would invest in plans for jobs and growth in three principle ways. It would invest in infrastructure. We have never had a better time to invest in infrastructure than today. We would invest in people and skills. We would invest in innovation.

•(1110)

A Liberal government would invest in jobs and growth. Canadian families are looking for leadership and investment in jobs and growth, a real plan.

Mr. Andrew Saxton (Parliamentary Secretary to the Minister of Finance, CPC): Mr. Speaker, the hon. member said that he was so proud that the Liberals balanced the budgets in the 1990s. How did the Liberals balance the budgets? They did it by slashing transfers to the provinces and territories. Those were transfers that were supposed to be used for health care and education. They increased taxes on seniors by forcing them to remove their savings from their RRSPs and RRIFs two years earlier. They did it by raiding the EI fund of almost \$60 billion. Also, they did it by not cancelling the GST, which they promised they would do. They did it by not tearing up the free trade agreement, which they promised they would do as well. That is how the Liberals balanced the budgets in the 1990s.

My question for my hon. colleague is this. Will the Liberals raise taxes on Canadian families by cancelling our family tax plan, or will they get on board and help Canadian families by supporting our family tax plan?

Hon. Scott Brison: Mr. Speaker, we have been very clear. We do not support income splitting, which is unfair because it only benefits 15% Canada's richest. It does nothing for the other 85% of Canadians. However, it puts 100% of Canadian families deeper in debt by putting the government deeper in debt, because it is deficit financing. A tax cut like income splitting, which is highly regressive today, will be paid for through higher taxes in the future, and we do not support that.

Business of Supply

The member spoke of free trade. We agree free trade is very important. The NAFTA is extremely important to the Canadian economy. Our relationship with the U.S. and Mexico are critically important, which is why I find it curious that the Prime Minister would have cancelled the upcoming summit of President Peña Nieto, President Obama and the Prime Minister in Ottawa. Why would he have damaged further our relations with our key trading partners in the NAFTA by cancelling that meeting?

• (1115)

[*Translation*]

Mr. Pierre Nantel (Longueuil—Pierre-Boucher, NDP): Mr. Speaker, since we have been focusing on issues that are closely tied to fossil fuels, I would like to read today's motion again:

That the House call on the government to (a) immediately present an Economic and Fiscal Update to Parliament outlining the state of the nation's finances in light of the unstable economic situation, including job losses, falling oil prices, and declining government revenues; and (b) prepare a budget that addresses the economic challenges facing the middle class by creating more good-quality full-time jobs, and by encouraging economic diversification.

I listened to my colleague's speech, and he is right, those were indeed the days. We can speak of those days nostalgically, but they are the ones who got rid of the federal minimum wage.

Will they at least support our initiative to introduce a \$15 minimum wage at the federal level?

Hon. Scott Brison: Mr. Speaker, in the current situation, it is very important that the government put forward an economic plan. I therefore support the NDP motion in that respect.

At the same time, we need to work more closely with the provincial governments on issues like minimum wage. I agree that middle-class families are having trouble making ends meet at a time when incomes have stagnated while the cost of living continues to rise. This is a problem in Canada and around the world.

The government should be working very closely with the provincial governments to develop post-secondary education programs, for example, in order to ensure that workers have the skills they need for the future. That would be another way to ensure progress for middle-class Canadians.

[*English*]

Hon. John McCallum (Markham—Unionville, Lib.): Mr. Speaker, it is a pleasure for me to speak on this NDP motion, which as my colleague indicated, the Liberal Party will support.

The basic point is that it is the responsibility of a government to lead, and it is especially the responsibility of a government to lead when economic times become tough and uncertain. Therefore, there is absolutely no reason to delay the budget in the way the government has. Indeed, the tougher the economic times, the sooner Canadians want to see resolute action and a concrete plan from the government.

It is not at all clear from an economic point of view what the government will gain from delay. Members can correct me if I am wrong, but I do not think anybody on the planet predicted that oil prices would suddenly collapse from over \$100 a barrel to less than \$50. This was not foreseen by anyone, to my knowledge. Therefore, if that collapse in oil prices was not foreseen by anyone, why should

we believe anyone who claims to know the pace at which oil prices will recover, if indeed they will recover? For all we know, oil prices could drop even lower.

Simply to wait to buy time, because in waiting a month or two one thinks one will have a better idea of what oil prices will do in the future, I think is a fool's game. It is just an excuse for the government not having a plan. The Conservatives did not know what to do, and so rather than present a concrete plan based on the most defensible assumptions they could make in an uncertain world, they just decided to delay. In so doing, they increased the uncertainty felt by Canadians in this time of uncertainty.

I think that is indeed an irresponsible move. Whether the Conservatives present the budget in February, March, April, or May, the world is and will remain a place of uncertainty. Nobody will know, whatever the month of the budget presentation, exactly or even approximately what oil prices or other things will be in a year, two years, or three years from now.

However, the function of the government, the function of a budget, is to present a credible plan. It is to make assumptions as required on these things that cannot be known and to forge ahead with a plan. I think the Conservative government's inaction in presenting its budget shows a lack of a plan, a lack of an idea of where it thinks the economy will go.

I think the Conservatives only had one plan, and that plan was based on oil at \$100 a barrel. Their plan was based on Canada being an energy superpower. However, when that plan collapsed with the price of oil around the world, the government did not have a plan B. It has no alternative plan, and so the Conservatives are delaying and figuring out what to do.

In the meantime, the Conservatives operate on the fly. One of their most senior ministers—if not the most senior minister and certainly the one who is talked about most to become the next leader of the party over there—has said that they would have to make cuts in the near future in order to balance the books, and then he was promptly contradicted. I think that dissension at the highest levels about the budget, which is the most important document for the government in the whole year, is another sign of disarray and disorganization on the part of the government.

• (1120)

[*Translation*]

The budget is important and there is no reason to delay it. The fact that the government has not presented it and has said it plans to wait a few months is not good for Canadians. This shows a lack of leadership, because in two or three months' time, we will not know any more than we do now about what will become of our economy or the price of oil on world markets. Furthermore, the government already announced its tax measures without even knowing what the budget will be. That was also a mistake.

[*English*]

The fact that the government announced this income-splitting measure some time ago and all of a sudden maybe does not have the money to do it is another sign of incompetence and irresponsibility on its part.

Business of Supply

We on this side do not object to the income-splitting plan just because it was incompetently announced before the facts were on the table, but we also object to it because we think substantively it is a bad move. Yes, middle-class families are struggling and they do require measures to support them going forward, and that is the cornerstone of the policy of the Liberal Party. However, the solution to the woes and the challenges and the difficulties of middle-class Canadians is not to present a tax cut that would benefit only 15% of Canadian households.

The C.D. Howe Institute, which is hardly a socialist, left-leaning institute, has come down strongly against this policy, pointing out that only 15% of Canadian households would receive anything at all and those that would receive the lion's share of the benefits are high-income households with children, such as the families of the Prime Minister and the leader of the third party, the Liberal Party. Their families would receive the \$2,000 maximum benefit, and yet they are not the ones evidently in greatest need. This is a wrong-headed policy. It would be a wrong-headed policy even in the best of economic times, but it is doubly a wrong-headed policy when it is presented at these times of great economic uncertainty.

We support the NDP motion in the sense that it is a by-product. Our primary concern is not the NDP motion but the lack of responsibility, the lack of leadership, displayed by the Conservative government in deferring the budget in uncertain times. It is precisely when times are uncertain that Canadians need their government to step up to the plate and present a clear plan to go forward under these difficult circumstances in which we live.

• (1125)

[*Translation*]

Mr. Yvon Godin (Acadie—Bathurst, NDP): Mr. Speaker, I have a feeling of déjà vu when I listen to the Liberals. In 1992—quite some time ago—when they were in opposition, Brian Mulroney was the prime minister and many cuts were being made, the Liberals said that they wanted to get elected so that they could do things differently. They said that they wanted to take care of the middle class.

They made cuts to unemployment insurance and stole \$57 billion from workers to balance the budget. They said that they would not do that. In 1998, they cut CBC's budget by \$357 million, so that it could no longer function. Then, the Conservatives cut CBC's budget by an additional \$115 million. In 1994, the Liberals made such drastic cuts to health care spending that they made our health care system sick.

At the time, the Liberals were saying that they wanted to replace the Conservatives because the Conservatives were not on the right track. The Liberals said that they wanted to do better.

My question for the Liberals is this: are they still the same Liberals or have they changed? After all that, there was the sponsorship scandal. I think that the Liberals need to be honest with Canadians and tell them that if they are elected, they are going to forget all about Canadians six months after the election, like they did in 1993.

Hon. John McCallum: Mr. Speaker, I think that if the member has to go all the way back to 1992, he is feeling desperate. I can tell him that I am very proud of the Liberal Party's performance at that time. The member is forgetting that the Liberals inherited a

\$43 billion deficit from the Conservatives and that something had to be done.

We eliminated that deficit in just a few years, and we reduced the debt for 10 years. The Canadian government's fiscal position was a thousand times better under the Liberals than under the Conservatives. As a result, we were able to reduce taxes and increase health care spending by 6% per year for 10 years. I am therefore very proud of what the Liberals did in the past. I am also proud of what we will do in the future.

[*English*]

Mr. Adam Vaughan (Trinity—Spadina, Lib.): Mr. Speaker, the only thing funnier than watching the finance minister bolt from the House yesterday and head off in all directions at once, not knowing which way to go—which is probably poetically symbolic of the government's position on the economy right now—is watching both sides of the House in this debate look at the Liberals with amazement because we balanced the budget: the government side that never encounters a problem that it does not respond to with a cut, and the official opposition that never encounters a problem that does not require spending more.

The question for my colleague is this. Somehow this budget is going to be balanced with a combination of both cuts and expenditures, and I am curious to hear his perspective as to how to nuance that so that we end up with a balanced budget but also support growth, the creation of jobs, and the middle class in this country.

Hon. John McCallum: Mr. Speaker, I thank my colleague very much for his question. For those who may have forgotten, he is the newly elected member for Trinity—Spadina and has a passion for housing. Therefore, let me answer that question in terms of how to address the concerns of middle-class families by talking about the member's own field of interest, which is housing.

I have conducted round tables across the country, and I have spoken to mayors across the country, and all of them are passionately concerned about the lack of affordable housing. Let us take the income-splitting tax cut, which does nothing for ordinary families and is particularly limited to those at the top end, and compare that with the member's proposals on affordable housing, which would do great good for middle-class Canadian families and seniors across the country. Yes, we have to live within our means. We in the Liberal Party have learned that and we have taught the Conservatives that. The NDP will never learn that, but we have done it. While we have to live within our means, the kinds of things we want to do to support middle-class families are the kinds of things my colleague from Trinity—Spadina has proposed in the area of affordable housing.

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●(1130)

Ms. Jinny Jogindera Sims (Newton—North Delta, NDP): Mr. Speaker, it is my pleasure to speak to this opposition day motion today because after spending more than a month away from this place, almost exclusively in my beautiful riding of Newton—North Delta, I heard a pattern of comments from my constituents. They are very worried about the harmful effects of the Conservative government's economic mismanagement.

Our economy is damaged. Middle-class families are working harder than ever, yet falling further behind. The people of Surrey want to know where the police are that the government promised our community in 2006. They want to know why they have so much difficulty bringing siblings and parents into Canada to say goodbye to dying relatives and to attend their funerals.

People want to know why the government made cuts to literacy programs when half of the adult Canadian population right now does not have sufficient literacy skills to read the prescription on a bottle of pills. They want to know why community groups fear closure and loss of services for the most vulnerable, when the government does not bother to inform them whether their skills link funding will be renewed.

People want to know why it will be five years before they can get a hearing on their appeal before the social security tribunal. They want to know why the government has not yet fixed the temporary foreign worker program. They want to know why the government is doing nothing to make day care more affordable for families.

People want to know why the Conservative government is pushing an income-splitting scheme that would give billions to the wealthy few and absolutely nothing to more than 85% of Canadian families. Honestly, I would love to know, too.

I love representing Surrey and North Delta here in Parliament. Right now, I am hurting for my constituents.

By the way, I forgot to say that I will be splitting my time with the member for Abitibi—Témiscamingue.

Too many constituents in my riding are struggling to make ends meet. Income inequality in our country is spiralling out of control. The incomes of the top 1% have been surging for decades. It is embarrassing. The typical Canadian family has seen their income fall over the last 35 years. How is that fair?

High levels of income inequality and slow growth have hurt communities like Surrey-Newton and North Delta, preventing millions of Canadians from achieving their full potential. It is no surprise, sadly, that when the data is examined, 94% of the increase in inequality over the last 35 years occurred under federal Liberal governments.

The Conservative government and the Liberal governments that preceded it have taken our country in the wrong direction. Billions of dollars of cuts to social programs by Liberal and Conservative governments have made things worse by reducing services to all Canadians.

The NDP motion today calls on the Conservative government to release an economic update. Canadian taxpayers deserve an honest

account of how the drop in the price of oil has impacted the state of this country's finances.

Budgets are about making choices, and the Conservative government has chosen to make cuts at every turn, cuts to programs and services that Canadians rely on. The government has also gutted Canada's fiscal capacity to help families in need through tough times. Meanwhile, it is worth noting the government is proceeding with reckless handouts to the wealthiest Canadians.

The NDP wants an economy that is fair to the middle class. We want a budget that focuses on diversifying the Canadian economy, rather than putting all our eggs in one basket. We find it wasteful to spend hundreds of millions of dollars on government advertising to advance a political party's interest. Indeed, just last week I submitted a letter to Advertising Standards Canada, asking them to investigate the government's apprenticeship ads.

We find it wasteful to spend tens of millions a year on an unelected, unaccountable, and under investigation Senate. We find it wasteful to give away billions in subsidies to oil companies and handouts to the most profitable corporations.

●(1135)

The former parliamentary budget officer, Kevin Page, said recently that "In the last 10 years, we have virtually made no progress on all our big issues, long-term economic challenges. We have not closed innovation gaps in our country, dealt with an aging demographic that will put pressure on health care, nor dealt with environmental sustainability. We have not even had the discussions or proposals from this government."

While my New Democrat colleagues and I continue to roll out concrete proposals to support working and middle-class Canadians, the Liberals are continuing to cower with no ideas to propose other than their same old feeling of entitlement to power. New Democrats have a plan for the middle class, including a \$15 minimum wage and child care that costs no parent more than \$15 a day. We are ready to make the economy work for average hard-working Canadians, not just the rich few. We have a practical plan that would repair the damage the current government has done to our social programs, our environment, and our economy.

I came to this country in my early twenties with very little. I started to teach immediately and have not stopped working yet, many years later. I know what it is to work hard, and I know the anxiety and stress that surround job losses, and serious illnesses and precarious employment within families. Under the current Conservative government and previous Liberal governments, too many families have lived through this kind of stress.

Not only do I have the immense privilege of representing people of Newton—North Delta, but I am also very proud to act as an opposition critic for employment and social development. In this capacity, I see first hand, on an almost hourly basis, the impact of the current government's fiscal mismanagement on Canadians all over the country. The Conservative government has both driven down wages and reduced support for unemployed Canadians through its cuts to EI, a fund that most Canadians pay into and which only about four in ten people can now access. The current government has expanded the temporary foreign worker program, even though youth unemployment is at an all-time high, and it has failed to fix it. As well, the Conservatives have totally ignored the importance of keeping current labour market information. They have introduced a “job creator tax cut” that would only create 800 jobs at a cost of half a billion dollars. I need help to wrap my head around that one.

In real terms, the average minimum wage in Canada has increased by just 1% over the last 40 years. Do the Conservatives honestly believe that someone who works 40 hours a week should be left living below the poverty line? Without action to boost minimum wages for workers in federal jurisdictions, that is essentially what the Conservatives are telling us.

What do we tell our youth about this government? What do I tell young graduates who cannot get a job? What do I tell someone whose job application was not even considered because it was cheaper for the employer to use the government's temporary foreign worker program? I would like to be able to tell them something.

I would like the Conservatives to vote in favour of our opposition day motion and immediately present an economic and fiscal update to Parliament that outlines the state of this nation's finances in light of the unstable economic situation, including job losses, falling oil prices, and declining government revenues. Further, we are asking the current government to prepare a budget that would address the economic challenges faced by the middle class, by creating more good-quality, full-time jobs, and by encouraging economic diversification.

Despite poor economic forecasts by others, the Conservatives continue to claim they will achieve a balanced budget. We are asking for a fiscal update. We want to ensure that their agenda does not get achieved on the backs of hard-working Canadians. Clearly, the Conservatives government is conflicted, because even ministers cannot agree among themselves on to how face the challenges. The mixed messaging only continued as the Minister of Finance and the Minister of Employment and Social Development explicitly put forward two different agendas.

• (1140)

I would like to finish with a very brief quote from Kevin Page, who said that “When you're spending somebody else's money, you need to show them the plan. When you're spending someone else's money, that plan needs to be scrutinized, and that's okay. That's just good fiscal management.”

Give us the plan.

Mr. Kevin Lamoureux (Winnipeg North, Lib.): Mr. Speaker, a number of New Democrats will often comment about the previous Liberal administration, but there is nothing really to compare it with,

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because the federal NDP has not been in power here. However, we can take a look at the provincial NDP in Manitoba.

According to a quote in a Winnipeg newspaper, the leader of the official opposition says that “I'm going to do whatever I can to keep the Manitoba government in place to help keep the NDP in power in Manitoba.” He praises the Greg Selinger government for its financial prowess and how well it manages the Manitoba economy.

Let us take a look at the provincial debt. The debt was \$10.6 billion in 2007 and it has increased every year, to \$16.3 billion in 2012. Then last year Greg Selinger actually increased the provincial sales tax in Manitoba, from 7% to 8%.

Does the NDP have any appreciation or understanding of the need to balance the budget and, second, is it part of the NDP platform to increase—

The Acting Speaker (Mr. Barry Devolin): Order, please.

The hon. member for Newton—North Delta.

Ms. Jinny Jogindera Sims: Mr. Speaker, I am always in awe when colleagues from that end of the House stand, because they always go into denial about the reality of what it was like for Canadians when they were in government. They forget about all the scandals and all the insider stuff that happened while they were in government. They forget the fact that they stole billions and billions of dollars from the EI Fund. They forget the fact that they are the ones who started the cuts to all the social services.

I will finish on a positive note. When we look at the data and actually examine it, we see that the unemployment rate has been much lower under NDP governments than Liberal ones, which have always had the highest unemployment, or under Conservative governments. So let us talk about reality.

[*Translation*]

Mr. Raymond Côté (Beauport—Limoilou, NDP): Mr. Speaker, I thank my colleague for her speech, which focused on her constituents.

In my speech, I talked about the Bank of Canada monetary policy report. It indicated that the participation rate of workers between 24 and 54, the largest and most active age group on the labour market, fell sharply in 2014. In fact, everything in the report indicates that the labour market is becoming increasingly unstable. I agree with my colleague that people are concerned and, contrary to what it claims, the Conservative government is not responding to those concerns whatsoever. This is a critical situation.

I would like my colleague to comment on the facts established by the Governor of the Bank of Canada, facts that the government refuses to acknowledge, as we have heard in the debates since this morning.

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[English]

Ms. Jinny Jogindera Sims: Mr. Speaker, I want to thank my hard-working colleague for the work he does back in his riding. I would bet that other MPs from coast to coast were hearing the same kind of concerns and questions back in their ridings that I heard in my riding.

I am really glad that my colleague asked me this question because it reminds me of something from the previous two weeks. Through an ATIP request, I had a response from the government. The response was that the government knew exactly that what jobs that youth usually access were being filled by temporary foreign workers, yet we had the minister in the House acting really surprised when the CBC shone the light on the McDonald's in Victoria.

I think we have to take a look at the kind of policies we have had with the expansion of the temporary foreign worker program and, of course, the decimation of our training and apprenticeship programs. We need to start looking at growing decent-paying jobs right here in Canada. We need to diversify our economies. We have to start looking at investments in clean energy. We have prime examples around the world right now showing that these lead to more and better-paying jobs than we have right now. That is why we need this fiscal update, and in that fiscal update the current government needs to come to us with a plan.

• (1145)

[Translation]

Ms. Christine Moore (Abitibi—Témiscamingue, NDP): Mr. Speaker, I am pleased to rise to speak, especially when it comes to the economy. I think this is a major issue, and it is important to question what the Conservatives are doing.

When the economy is doing well, then it is thanks to their good management. When it is not doing so well, then it is because of international factors beyond their control. In my opinion, this is not a responsible government, and it has become patently clear that the Conservatives are not willing to take responsibility.

The NDP is ready to make good decisions and accept our responsibilities. It is easy to blame others, but if we want to correct the situation then we have to make choices and be transparent about it. That is the best way to show respect for the Canadian public.

The Liberals' and Conservatives' choices have made Canada an economic giant with feet of clay. They have reduced our ability to adapt when times are tough, what with our increasingly mono-industrial economy largely based on the energy and oil sector.

I would like to take a moment to provide a bit of background on natural resource development in Canada.

At first, the economy was based mainly on agriculture and forestry. Then development shifted from the farms and forests to Canada's underground resources. The importance of metals and minerals increased over time with the evolution of technology, which was mainly spurred by the introduction of hydroelectricity and improved railways, roads and infrastructure.

Furthermore, improvements in mining machinery and drilling techniques led to greater knowledge of mineral deposits, improved access to minerals and lower transportation costs.

Between 1886 and 1947, agriculture was joined by forestry, then mining and finally energy. With the exception of the early appearance of the oil industry in Oil Springs, Ontario, oil was not a major component of energy production in Canada until 1947, the year oil was discovered in Leduc, Alberta.

After the 1973 oil price shock, the production of conventional energy sources increased and technological innovation led to the development of Canada's oil sands.

When we look at the evolution of resource development as a percentage of Canadian production, we can see that the sectors were balanced from the late 1960s to the mid-1970s. We then saw an imbalance in energy sector compared to the other economic sectors in the 1980s and in the 1990s under the liberal government. This imbalance consolidated Canada's economic dependence on oil, which we has become clear over the past 10 years under the Conservatives.

Now, the oil and gas industry is concentrated in Alberta and Saskatchewan. However, offshore production also plays an important role in Newfoundland and Labrador's economy.

Although the importance of energy products has soared over the past 40 years, Canada's economic history has been shaped by the wealth of all of our resources. Energy is the latest example of the major dependence Canada has developed in a global, integrated economy.

Although natural resources financed Canada's development for generations, all of our eggs are now in the energy sector basket, which confirms what the Leader of the Opposition said in 2012.

In 2014, when the price of crude oil reached a high of around \$114 U.S. a barrel and a low of \$55 U.S., Canada's exchange rate fluctuated from more than 91¢ U.S. to approximately 86¢. Yesterday's rate was 81¢ U.S., as it was 10 years ago when the Conservatives came to power.

In light of the background I just shared, I think it is important to understand a few things.

The current drop in the price of oil is closely linked to the fact that there is more supply from other countries, such as Saudi Arabia.

• (1150)

That is what has led to lower prices. It should be remembered, however, that there has also been a reduction in demand, because a number of countries have elected to move towards a greener economy and reduce their dependence on oil. The reduction in demand is going to continue.

If there have been major changes in our business to reduce our energy requirements and the cost of energy falls, we are not going to revert to what we have just changed. That is obvious. Countries are therefore going to continue to move towards a greener economy, because the price of oil fluctuates widely and makes budget planning difficult for many businesses and economies around the world. Demand will therefore continue to fall.

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Even when oil prices are high again, there is no certainty that demand will be what it once was. It is therefore very important to diversify our economy, not just when the going is tough, but also when things are going well. We have to plan appropriately when things are going well in order to cope with adversity. Unfortunately, the Conservatives did not do so, and we are therefore in a critical situation. It is essential for people to have an idea of exact prices and of the general situation. That is why we introduced this motion.

The Conservative government said that we had to encourage the manufacturing industry to take up the slack and stimulate the economy. Unfortunately, one of the problems caused by the drop in the price of oil is a drop in the Canadian dollar. At the present time, manufacturing businesses are already at the limit of their productivity. If they want to buy equipment to improve their productivity, which they have not done previously, they have to pay for it in U.S. dollars. They are therefore losing 20%, as compared with when the U.S. dollar was roughly at par with the Canadian dollar.

Manufacturing firms will have to pay 20% more to buy equipment, which is in most cases purchased outside Canada and thus priced in U.S. dollars. Even if we rely on manufacturing firms to stimulate the Canadian economy, there is an additional challenge, because the situation in which they have been placed means that they no longer have the same buying power to increase their productivity. In short, we are in a bind, and our freedom of action is limited.

To conclude, if we want a reliable economic plan for the future, we have to understand that it must be based on a green, prosperous and sustainable economy. Greener and more sustainable energy choices must be made, and the opportunity must be made available on a worldwide scale. The more green energy opportunities are made available, the more people will be able to do business. When our economy is based on oil, it becomes unstable and unpredictable, because the price of oil fluctuates. World economies are going to endeavour increasingly to eliminate at least a portion of their dependence on oil in order to move towards more reliable energy sources. That should be one of the priorities for the Canadian economy.

Forward-looking measures must be taken to support the middle class and prevent it from being subjected to the adverse consequences of Conservative mismanagement. Canadian companies must be supported in their efforts to improve production capacity, even at times when things are going well. This was not done when the Canadian and U.S. dollars were roughly at par. If investment had been stimulated when it cost much less for companies to acquire new technology, thanks to the strength of our dollar, they would now have the ability to increase their productivity and cope with the current situation.

• (1155)

We must also support economic diversification, particularly with regard to natural resources. We should avoid focusing only on the sector that is doing well, neglecting the others and finding ourselves, as we do now, with an oil patch that is not doing well and other sectors that have been so underfunded and given so little support that they are hard pressed to take up the slack.

[English]

Mr. Kevin Lamoureux (Winnipeg North, Lib.): Mr. Speaker, to be very clear, it is a fundamental responsibility of the federal government to instill a sense of confidence in the economy. There is absolutely no question about that.

We have fluctuating oil prices, and that in part seems to be the driving decision factor for the government, for the Minister of Finance and the Prime Minister, in indefinitely delaying the introduction of a budget. This provides a great deal of discomfort and uncertainty about Ottawa and our economy. There is a sense that the government is missing the boat by not coming forward and stating when the budget is coming down in a timely fashion.

Could the member tell us how important it was for the government to have come to this House and indicated when the budget was to be presented, and to do so in a timely fashion?

[Translation]

Ms. Christine Moore: Mr. Speaker, I wish to point out that from the beginning, with the Liberal government in the 1990s, economic choices were made that painted our economy into a corner, so to speak. There was a refusal to diversify proportionally and to acknowledge that there could be negative consequences if we moved towards an economy based essentially on oil.

When succeeding governments make choices that are not sensible or diversified, that creates uncertainty. Any economist can see that if there is a problem one day, we will face adversity and will not be ready to deal with it. It is obvious now that the government must be very clear about the situation we find ourselves in. It should present an economic update, and clarify when the budget will be tabled, in order to reduce uncertainty. I wish to point out, however, that this uncertainty has been building up over the years.

Mr. Raymond Côté (Beauport—Limoilou, NDP): Mr. Speaker, I thank my colleague from Abitibi—Témiscamingue for her speech. She talked about increasing productivity and our ability to take advantage of lower energy costs, and the Bank of Canada report reflects that too. It is very clear to me that businesses do not have enough confidence to hire people for the long term in order to benefit from improved export conditions.

The Bank of Canada stated very clearly that long-term unemployment is still near its post-crisis peak. It has been five years; that is a long time. That hints at how business people are feeling and the fact that they are not ready to invest in human capital or in upgrading their equipment to take advantage of the economic recovery. Very clearly, that is because of the decisions made by this government, which put all of its eggs in the oil basket instead of supporting diversity in our economy as a way of preparing for the kind of transition we are seeing now. I would like my colleague to talk about this long-term unemployment problem and the fact that people are being shut out of economic opportunities.

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• (1200)

Ms. Christine Moore: Mr. Speaker, my colleague raised an issue that I talked about in my speech. When things were going well, they failed to plan. When the dollar was high, that was the right time to buy more equipment so that when the time was right, companies could boost productivity and hire people to help with that. That lack of planning has resulted in uncertainty, and companies do not feel confident about hiring more workers and acquiring more equipment. Those things come at a hefty price, and there is no guarantee that those costs can be recovered in the current economic context. This is a very difficult situation, and we are in it because the government failed to plan strategically.

[English]

Mr. James Rajotte (Edmonton—Leduc, CPC): Mr. Speaker, it is my pleasure to take part in this debate on this topic today.

At the outset, I want to inform you that I will be splitting my time with the member of Parliament for Yukon. I am very much looking forward to his remarks today.

I appreciate this opportunity to discuss the government's top priority, which is one shared by all Canadians: creating jobs, growth, and long-term prosperity; securing Canada's economic future; and continuing to make Canada the best place in the world to live, work, raise children, invest, and achieve all of our dreams.

Since taking office in 2006, the government has taken decisive action to secure Canada's future. We have done this in the face of the worst economic downturn since the Great Depression. This great recession annihilated \$10 trillion in global market value worldwide. It cost 62 million jobs globally, a damage that was so harsh that it is difficult to clearly see each and every life behind the statistics. For millions around the world, the recession meant destroyed livelihoods and destroyed stability. The devastating nature of this first economic crisis of the 21st century cannot be overstated. Many around the world still feel that today. Whether it is slow growth in China and India or a stalled recovery in the eurozone, where I was last week, many of our partners and friends around the world are still suffering.

This crisis did not start in Canada, but it occurred later in this country and affected us much later than it did other countries. We emerged earlier than other countries, but it did certainly hit us and it hit us very hard. The government responded. It launched Canada's economic action plan, a low-tax plan for jobs and growth, which came in stages. In the worst of the crisis, we launched a timely and targeted stimulus package to jump-start economic activity and create jobs through investing in infrastructure and in research and development and protect jobs through such initiatives as the work-sharing program through various companies across the country.

Then, as the worst of the crisis passed and even at the beginning, Jim Flaherty, the finance minister at the time, established a medium-term plan to bring the government back to balanced budgets. Even at that time, way back in January 2009, we set out on a clear path to move back to balanced budgets over the medium term.

That plan is working. The plan established back then was to move to balanced budgets over time, but at the same time as doing that it was to protect key transfers to the provinces for health care, education, and social services. Since this government has taken

office in 2006, health care transfers to the provinces have increased 6% year over year. Transfers for education and social services have increased 3% year over year and will continue to do so. At the same time, we protected family benefits and protected and enhanced seniors' benefits with the largest single increase in the guaranteed income supplement that has occurred in Canada's history.

The government looked at about \$70 billion of discretionary spending and asked departments to come forward with 5% to 10% cost-saving efficiencies within those departments to move the government back to a balanced budget over the medium term.

My proposition is that this is working, despite the fact that oil prices have fallen dramatically this year from a high of about \$100 per barrel, if we look at West Texas Intermediate, to about \$46 per barrel. The Minister of Finance and the government have been explicitly clear that, taking this into consideration, they will balance the budget this year.

Balanced budgets are empowering. They empower the country as a whole. They have a huge impact on the branding of the country. When I was in the U.K. last week, there were parliamentarians from across the political aisle coming forward who were impressed by how Canada has done in terms of economic performance and also its fiscal plan in terms of getting back to a balanced budget. Therefore, balanced budgets not only empower Canada as a nation but also empower governments with the fiscal room to provide much-needed tax relief and spending in critical areas that serve to enhance our jobs, growth, and productivity. They also empower us to make targeted investments in things that will ensure that this prosperity continues.

With respect to tax relief, the Conservative government has reduced taxes to the point where the overall federal tax burden is now the lowest it has been in more than 50 years. Not since John Diefenbaker was the prime minister of this great country have Canadians paid so little tax to Ottawa. We have provided tax relief over 180 times since taking office, which means more money in the pockets of individuals, of Canadian families, and of businesses to invest in their future.

• (1205)

I would like to review some of those tax measures. One of the first measures was reducing the goods and services tax from 7% to 5%. Another was increasing the amount of income that all Canadians could earn without paying federal income tax. This removed approximately 1 million Canadians from the tax rolls entirely. Another measure was increasing the upper limit of the two lowest personal income tax brackets so that individuals could earn more income before being subject to higher tax rates. A further measure was reducing the lowest personal income tax rate to 15% from 16%.

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I would say that this measure was the biggest change in personal taxation since the introduction of the RSP: introducing the tax-free savings account. I understand that nearly 10 million Canadians have now opened a tax-free savings account, which helps Canadians save for their futures by earning tax-free investment income.

In the fall of 2006, the government introduced pension income splitting for seniors. Having talked to seniors in my riding, I can tell members that many of them have come to me to say that this one measure has enhanced their futures and livelihoods more than any other measure that they have seen in their lifetime.

Building on that success, which is very much linked to the philosophy of allowing seniors to split their income, is what we did recently. Conservatives were very proud to provide targeted tax relief for hard-working Canadian families. It is tax relief that will benefit every single family with children. That includes introducing the family tax cut, introducing and expanding the universal child care benefit, and increasing the child care expense deduction dollar limits.

In addition to this, we also reduced taxes on businesses so that they could create more jobs. This ambitious agenda aims to build a competitive tax system that fuels job creation, grows the economy, and lets Canadians keep more of what they earn.

We have cut taxes not only for businesses above the higher rate but also for small business owners. As we know, they are the prime generators of jobs in the country. We want entrepreneurs to create good jobs at home. We want them to be more competitive both at home and abroad, and that is why we have embarked upon a very ambitious program through the Minister of International Trade to sign a record number of trade agreements and work on market access in those countries where we do not have formal trade agreements.

I will just return to some of the business tax measures. The plan reduced the federal corporate income tax rate from over 22% in 2007 to just 15% today. Combining that with the provinces' rates, which vary, the intention was to brand Canada as a 25% tax jurisdiction across the country for businesses.

If we look at small businesses, which I mentioned earlier, the rate was reduced from 12% to 11%. At the same time, the amount of the money that small businesses could earn was raised from \$300,000 to \$500,000, which is an increase as well.

This is important for other parties to realize. They say that large businesses pay that 15% corporate tax rate, but that is for any business where the income is above \$500,000. In the upcoming election campaign and debate over the budget, other parties will have to defend themselves if they are willing to raise that rate above the \$500,000. That would impact an awful lot of middle-class businesses.

If we look at Canada's tax competitiveness and overall business environment, we see we have made major gains. In fact, today, Canada stands as having the lowest overall tax rate on new business investment in the G7.

At the same time, I would like to emphasize something that some of the previous speakers mentioned about the government's support for the manufacturing sector. Every single budget has mentioned the importance of Canada's manufacturing sector. Going back to the

2007 period, when I was the chair of the industry committee, we prepared a unanimous report on the manufacturing sector and tabled it in February 2007. The government acted very quickly on that in the March 2007 budget by introducing accelerated capital cost allowance changes for that sector. It introduced a two-year timeline writeoff for investing in new machinery and equipment. Canadian Manufacturers and Exporters and well respected individuals like Jay Myers have pointed out that it has been crucial in allowing businesses in that sector to invest, reinvest, and weather through this very tough economic period, and to come through it in a much stronger position than they would have otherwise.

We want to marry that as well with investments in the automotive sector, something that has been very strong.

I see that I have only 30 seconds left. I will just wrap up and say that the government has had a long-term plan. It did an economic fiscal update in mid-November. It will present its budget this spring. The government will continue with this plan to move to a balanced budget, continue to invest in key sectors, continue to protect transfers to provinces, and continue to build on this low-tax plan, which is generating millions of jobs for Canadians.

• (1210)

[Translation]

Ms. Ève Pécelet (La Pointe-de-l'Île, NDP): Mr. Speaker, I have a question for my colleague.

I read a number of articles this morning. The Canadian Association of Oilwell Drilling Contractors published a report last week saying that with the price of gas these days, more than 23,000 jobs will be lost in the coming months wherever oil is extracted—mostly in Alberta, but also in the Atlantic provinces. The Parliamentary Budget Officer said today that, unfortunately, the government cannot hide from this and will have to run a deficit.

I would like to know what my colleague's plan is for the 23,000 jobs that the Canadian Association of Oilwell Drilling Contractors says we are going to lose. Unfortunately, try as they might to hide from this for as long as possible, the Conservatives will have to declare a deficit, perhaps in April or May. What is their plan? They say that the Liberals and the NDP criticize the government and that they are on the same page on this, but what are the Conservatives going to do for the people who are going to lose their jobs in the coming months? What are they going to do about the deficit they will be forced to declare in the coming months?

[English]

Mr. James Rajotte: I find it astonishing, Mr. Speaker, that New Democrats are standing in the House of Commons and starting to actually defend the oil industry. It is astonishing that they are now the protectors of this great energy industry in this country.

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The fact of the matter is that we have seen a decline in world oil prices. Canada does not determine world oil prices. The oil prices are obviously determined outside of this country. Canada is, in fact, a price taker on this measure. However, no government has done more to invest, whether it is investing in job-creation measures through lowering taxes, investing in research and development, or investing in true labour training initiatives to ensure that companies are as competitive as possible.

Since the depth of the recession in July 2009, the economy has created more than one million jobs. We have a very good job-creation record. When compared with the OECD, the G7, or any other international partners, this is a very good record.

With respect to the Parliamentary Budget Office report, I would respectfully disagree with my colleague. I actually read the report, and that is not what the report said. The report said that the government is within its framework in terms of balancing its budget going forward. Obviously, something like a decline in oil prices from \$100 per barrel down to \$46 per barrel was unforeseen. In the finance committee last fall, there was not one witness I can recall who said this is going to be where oil prices are in January of 2015. That was not the case. This was unforeseen. This is exactly why governments have contingency reserves in their budgets, and this in fact follows the long-term medium plan the government has had with respect to continuing to invest and create jobs and at the same time returning to a balanced budget in the medium term.

• (1215)

Mr. Adam Vaughan (Trinity—Spadina, Lib.): Mr. Speaker, the presentation was interesting and just as the member was getting to the part about the auto sector, much like the government's policy, the statement ended.

I am curious. The government opposite has said that the auto sector is strong, and yet in southern Ontario 50% of the jobs that were in the auto sector when the government took power disappeared through the recession. There has been a lack of strategy and a lack of emphasis on strategic and advanced manufacturing, and in fact, auto workers and auto plants are disappearing in southern Ontario. They have not recovered.

My questions are very simple. What is the strategy, why has the strategy failed, what are Conservatives going to do differently as they prepare for the budget, and why will they not come to the House with a strategy?

Mr. James Rajotte: Mr. Speaker, the strategy can be found in any budget document. Budget 2013 had a very expansive strategy with respect to the manufacturing sector. In fact, going back to 2007, the number one request of the manufacturing sector was to change the rate at which it invests in its own machinery and equipment. That was number one.

Mr. Adam Vaughan: No, transportation infrastructure, border crossings, rail.

Mr. James Rajotte: Mr. Speaker, if he wants to review the hearings at the industry committee, he is welcome to do so. He can also talk to Jayson Myers, who is head of the Canadian Manufacturers and Exporters. This was its number one request.

The government did this in budget 2007 and has, in fact, extended this every single two-year period. Besides that, the government has invested in the automotive innovation fund and research and development in the automotive sector. The government has partnered with companies like General Motors and Chrysler in terms of investing in plants. The government has partnered with Ford in terms of investing in its plant in Oakville. The government has partnered with auto parts manufacturers in the recent announcement that the transport minister made in January 2015. There is an automotive sector that is working for Canada, and the hon. member should get behind it and support it.

Mr. Ryan Leef (Yukon, CPC): Mr. Speaker, it is a pleasure to rise in the House to speak to the opposition day motion. Contrary to what the hon. member who brought this motion forward may claim in the House of Commons, our Conservative government has an outstanding record on job creation and economic growth.

Canadians elected our government with clear instructions in 2011: navigate the global economy, create jobs and economic growth, and keep taxes low. I am pleased to tell the House that this is exactly what our government has done. Promise made; promise kept. Since we have been elected, we have had the strongest economic growth of any country in the G7. We have created over 1.2 million net new jobs, 82% of which are full-time, and 84% of those have been in the private sector and 66% have been in high-wage industries. That is an outstanding record, and we are going to continue on that track.

Bloomberg ranks Canada as the second best country in the world in which to do business. The IMF and the OECD both project that Canada will be among those with the strongest growth in the G7 for years ahead.

This success, of course, does not come easily. Canada has faced challenging times and continues to face a very fragile global economy, but we have made the right decisions for Canadian businesses, families, and communities. The results of those decisions are clear: debt is low and deficits are falling. We have half the debt, on average, in relation to our GDP, of the G7 countries. We are on track to balance the federal budget in 2015.

We promised Canadians that we would return to a balanced budget, because it is important for Canadians, and it is important for our economy. It means more funding will be available for important programs and services Canadians rely on and it means not paying more interest on debt. It will protect our credit standing, and it will protect Canadians from international shocks, just as we are doing right now. It is fair to our children and our grandchildren by not burdening them with debt to pay for our expenditures.

Business of Supply

It is unfortunate that the Liberal leader does not understand these basic financial principles. When he was asked about balancing the multibillion federal budget, his response was that somehow it would magically balance itself. While the Liberal leader may have never had to balance his own budgets, ordinary families know what it takes, and so does this government. It takes discipline. It takes a focus on priorities, and it takes sound judgment.

The Canadian Council of Chief Executives noted how important it is to balance the budget. It said: “Balancing the federal budget and maintaining discipline to pay down the debt are not only the right things to do, they are essential for Canada’s global competitiveness”.

The Canadian Federation of Independent Business stated: “Small business owners know that today’s deficits are tomorrow’s taxes, so they are pleased that the government’s commitment to a balanced budget in 2015 remains solid”.

Not only are we on track to a balanced budget, but we have done it while keeping taxes low. Year after year we have lowered taxes, not just for businesses but for families and all Canadians. We have cut taxes in every way government can collect them: personal, consumption, business, excise taxes, and more.

We have reduced the small business tax rate from 12% to 11%. We introduced pension income splitting and cut the GST from 7% to 5%. We established the landmark tax-free savings account, and over 10 million Canadians have opened accounts allowing them to save tax free. We also increased the amount Canadians can earn tax free.

Our government took action to remove over \$1 million low-income Canadians, including approximately 380,000 seniors, from the tax rolls completely. Under the leadership of our Prime Minister, the federal tax burden is now at its lowest in over 50 years. Our low-tax plan has helped to ensure that Canadian families in all income groups have experienced increases of about 10% in their take-home pay. The lowest income families have seen a 14% increase.

Tax freedom day is over two weeks earlier under our government than it was under the tax-and-spend Liberals.

● (1220)

Statistics Canada has also confirmed that families are better off today under our Conservative government than they were under previous Liberal governments. Stats Canada found that the median net worth of Canadian families has increased by 45% since we took office.

Building on our strong record, recently we introduced the family tax cut and benefits package that will help each and every Canadian family with children in our country. These families will benefit by an average of \$1,100 a year, and the majority of benefits will flow to low- and middle-income families. We are pleased to be delivering those benefits, because we know that it is not the government’s money. That money belongs to hard-working Canadian families, like many in my riding.

With the enhancement of the universal child care benefit, moms and dads in Yukon and across this country will receive nearly \$2,000 for every child under the age of six and an additional \$720 a year for every child between the ages of six and seventeen.

Yukon’s premier, Darrell Pasloski, stated that the Yukon government applauds initiatives that allow families to keep more money in their pockets, which is good for its economy. The creation of the family tax cut credit and enhancements to the universal child care benefit and caregiver deductions will directly benefit Yukon families.

The Canadian Taxpayers Federation also applauded our new tax measures for families. CTF federal director Aaron Wudrick stated, “Putting more money back in the pockets of Canadian families is a positive development”. How could it not be?

We will honour our promise to Canadian families by putting more money back in their pockets, but both the NDP and the Liberal Party would do the exact opposite. Instead, they want to cancel those tax breaks and benefits and drive our economy into a deficit with their massive bureaucratic spending schemes. Picking the pockets of hard-working Canadians to put more money in the hands of Ottawa bureaucrats and piling debt onto our children is their plan. We will not take that well-trod path to economic decline.

I would like to highlight that as the finance minister has stated, our government will provide an economic update. That will be when we present the federal budget. Though the opposition may panic and call for risky deficit spending, we know that we have to continue to stay the course with our low tax plan, the same plan that successfully steered Canada through the great recession.

Economic shocks that take place outside of our broad borders affect Canada. We live in an increasingly dangerous and volatile world, and Canadians can be proud that under the strong leadership of our Prime Minister, this government will keep Canada’s economy strong.

● (1225)

[Translation]

Mr. Dany Morin (Chicoutimi—Le Fjord, NDP): Mr. Speaker, I was a little shocked to hear my Conservative colleague bragging about his party’s record when the reality is far less rosy than he would have us believe. I do not wish to dwell too much on how the economy is affected by the falling price of oil, although this issue is problematic for many communities in Canada.

I would like to focus mainly on the Canadian government’s failure to create jobs, which I am not proud of today. As I mentioned earlier, the unemployment rate in my region stands at 9.6%. The greater Saguenay area is lagging behind when it comes to job creation. The Conservative government has not done enough to create jobs.

Why are the Conservatives and my colleague opposite refusing to provide an economic update to reassure Canadians, parliamentarians and investors? Even the president of the Saguenay chamber of commerce said that the economy is ailing, retail is struggling and mining projects have been put on hold.

Business of Supply

[English]

Mr. Ryan Leef: Mr. Speaker, I thank my colleague for the question. Of course, he would have heard my speech, which mentioned the 1.2 million net new jobs we have created. Of those, 84% are full-time jobs, 82% in the private sector and 66% of those high-paying jobs.

The other thing the federal government has done outside of that outstanding job creation record is work closely with the provinces and territories in this country. The one thing we made a commitment to in 2011 was to keep taxes low and to balance the budget. We were going to do that by not cutting transfer payments to the provinces and territories, as the Liberal government did, and in that way forge strong partnerships with our provinces and territories to allow them the fiscal freedom to help spur on jobs, which is an important thing. In our Confederation, we need to work closely with the provinces to help them build those jobs within their regions.

I can talk about the Yukon territory, where our unemployment rate is below 5%, largely because the Conservative government has increased the federal transfer payments to a rate 60% higher than what previous Liberal governments gave. This has allowed our territorial government to identify its priorities, short, medium and long term; to identify the economic climate of that territory; and to take advantage of those opportunities and get people working. I would encourage all provinces to work closely with our government and mirror what the federal government is doing with a low-tax plan. That will help spur on jobs and growth in their regions.

Mr. Rodger Cuzner (Cape Breton—Canso, Lib.): Mr. Speaker, my colleague warned about the perils of deficit financing through the course of the budget. For the benefit of the debate here, could he enlighten the House as to whether it is \$167 billion or \$176 billion the Conservatives have added to the national debt since they have taken power?

Mr. Ryan Leef: Mr. Speaker, I do not have the exact figure in front of me of the debt created by the Liberal government that we have been successfully paying off, but I can tell members that our commitment in 2011 was to balance the budget. We are on track to do that. We made that commitment to Canadians. We made a clear commitment that we were going to balance the budget without raising taxes, without picking the pockets of hard-working Canadians, and that we would make sure that the transfers to the provinces and territories, which were grossly slashed under the Liberal regime, were not touched or affected. In fact, we have not only maintained those payments, we have increased them to record levels. In doing so, our federal government has forged strong partnerships with the provinces and territories to make sure that each region in this country has the best opportunity to take care of Canadian families.

We know what it takes to make sure that hard-working Canadian families are able to receive the maximum benefit and that they have the freedom and flexibility to do what they want with the money they earn and help recirculate it back into the economy. They can set their own priorities for their own needs. It is our government that will continue that track of low taxes and balanced budgets. We look forward to bringing that forward by the end of this year.

● (1230)

[Translation]

Ms. Isabelle Morin (Notre-Dame-de-Grâce—Lachine, NDP): Mr. Speaker, I am pleased to rise in the House today to speak to the opposition day motion moved by my colleague from Skeena—Bulkley Valley. I will read the motion, for the benefit of my constituents:

That the House call on the government to (a) immediately present an Economic and Fiscal Update to Parliament outlining the state of the nation's finances in light of the unstable economic situation, including job losses, falling oil prices, and declining government revenues; and (b) prepare a budget that addresses the economic challenges facing the middle class by creating more good-quality full-time jobs, and by encouraging economic diversification.

Before I go any further, I wish to say that I will be sharing my time with my friend, the member for New Westminster—Coquitlam.

To paint a picture of the current situation, I will talk about my riding and the issues facing this country. I will explain why we are asking for what is in the motion and the reasoning behind it. I hope all members of the House will support this motion.

Why are we discussing public finances and the economy? At present, things are not going well across the country. In Lachine, in my riding, we recently saw the closure of a new plant, the Metso plant. I was elected in 2011, or four years ago, and since then many businesses have closed, unfortunately. The Humpty Dumpty and BlueWater Seafoods plants closed. Everyone has heard about Aveos. Andritz moved in the fall and, unfortunately, the Metso plant will close its doors on February 13.

More and more people are losing their jobs across the country. The government is telling us that it is creating jobs, but they are precarious, part-time jobs. We do not really have very clear figures on all of that. We want to know exactly what is happening.

Why am I saying that we have to talk about the economy? I participated in the Lachine charity drive in my riding. We went door-to-door asking people for food, and they were generous. Sometimes I met people who told me that they had lost their job. They would have liked to contribute, but they had just lost their job and could not donate anything. There are many such people.

One of the important parts of an MP's job is to be in this place, to legislate and to create laws. However, we must also help constituents. Every week, people come to my office and tell us that they cannot make ends meet. They try to make a budget, but after paying for rent, food, health care, school books or clothing for their children, there is not enough to get to the end of the month. We sit down with them and try to make a budget, but this is difficult for a vast majority of Canadians. We help them. We take the time to help them. My team is there to answer their questions and to try to find solutions. However, it is very hard.

Business of Supply

A lot of people come to my office and give me their resumé. I tell them that I am not a job bank and I direct them to the right organizations and give them contact information for Emploi-Québec. I advise them to go to the community economic development corporation and to Carrefour jeunesse-emploi for help putting together a resumé. Once that is done, there are no jobs. They have good resumé and are qualified. Many of them speak two, three or four languages and cannot find a job. They are in Montreal, a metropolis with all kinds of factories and companies, but they cannot find a job. People tell me that they get job offers but they have to work nights every other weekend. That does not work. These are qualified people who cannot find work.

The gap between the rich and the poor is widening. The middle class is getting further and further away from the wealthy in this country. That is not normal, and it is the result of policies dating back 20 or 30 years. Now we are suffering because of those policies. What we want is a clear picture of the situation, because we do not even know the exact figures.

One of the reasons we moved this motion is that people are very concerned about our natural resources. There is a lot of talk about the price of oil. The price at the pump is great. When I visit my riding, people are always telling me that it is great, that they went to fill up and paid less than \$40. They ask me if I saw that gas was at 82¢ at one station.

•(1235)

People are taking advantage of that, which is great. Obviously, this is good on an individual level, but what is happening in our country overall? Oil was the primary source of revenue for three provinces, and they will now have a great deal of difficulty. These three provinces had a mono-economy because previous governments did not diversify our economy or ensure that there were good jobs available in a number of sectors. They put all their eggs in one basket. Now, the basket has tipped over and there are no more eggs. That is what is happening.

In response, the government has said that it is going to take longer to table its budget. What a great idea. I would like to make an analogy. This situation is similar to one parent in a two-parent family losing his or her job. The family then has one less income. The parents acknowledge that this is not a good situation, but they do not want to talk about it too much and decide that they will look at their budget again in three or four months. What a great solution. They will pretend nothing is happening and will talk about it again in three or four months. That is what this government is telling us. Things are not going well. Jobs are being lost, there are fewer and fewer well-paying jobs, and more and more unstable and part-time jobs. However, what the government is telling us is that rather than taking responsibility and talking about this situation right away, it is going to wait a while to see what happens and deal with the budget in April. What this says to me is that the government is panicking and does not want to deal with what is happening in our country right now.

There are also financial challenges. The reason we are asking for hard facts about the current situation is that the government is not transparent. We want to know what we can do to make life affordable for everyone, not just some people. We should all have a

little mad money in our budgets. There should not be so many people coming to tell me that they can no longer make ends meet.

A woman around the age of 40 came to see me in November. She lived in a small apartment in Lachine. She had to take in four roommates because she could not make it work. They had Internet access at home to look for work, but after a while, they could not afford it, so they no longer have it. These days, the Internet is not a luxury; it is not something that only the well off should have. It is a social tool for everyone. Everyone should have access to the Internet so they can stay informed and find work if that is what they need. Now this woman's only option is the library—when it is open. She uses the library and will continue to do so. Of course the Lachine library has the Internet, so she goes there, but that means she cannot get online to look for work at 8 p.m. Unfortunate things like that are going on all the time.

More and more families are being forced to do without because they do not have the means to live like everyone else and have the same perks. Making life more affordable is definitely a priority for the NDP. We have suggested some concrete solutions and we want to succeed. We also want to protect and create well-paying full-time jobs.

The government has fabricated quite a story. It says it is bringing in a tax cut that will create jobs. According to its figures, it will create 800 jobs at a cost of half a billion dollars. That is the plan this government is currently proposing. We think there might be a better way to invest that money in order to create more jobs, better jobs and jobs in sectors that will boost the economy.

We want to defend public health care. We are told that there is not enough money to transfer to the provinces for health care because the government has to balance the budget. How can we protect this service? It has taken years to build up medicare. It serves the entire population, and the government is telling us that we have to tighten our belts. We cannot lose that. As a society, we cannot decide to cut in the area of health care. We need to have better information to know how to protect this service. Furthermore, how can we protect the environment now, so we do not leave debts in the future?

I would have liked to explore this further and talk about how we see that and how we want things to be done.

•(1240)

We are calling on the government to present a budget as soon as possible, because we need to address this alarming situation. Waiting three months will only postpone the problem.

Mr. Raymond Côté (Beauport—Limoilou, NDP): Mr. Speaker, I would like to thank my colleague for her heartfelt speech, which described what people in her riding are actually experiencing.

I wanted to base my speech today on facts. The Bank of Canada's most recent report, dated January 2015, is very clear. It indicates that the proportion of involuntary part-time workers continues to be elevated. That was said in 2014, before the price of oil dropped. This is the result of the measures taken by the government.

Business of Supply

My colleague spoke about the difficulty of entering the workforce. Long-term, full-time jobs that can support a family are becoming increasingly rare. People often have unstable jobs and sometimes have to work more than one job.

I would like my colleague to tell us if that is what is happening in her riding.

Ms. Isabelle Morin: Mr. Speaker, I would like to thank my colleague for his question.

I spoke about job insecurity and part-time jobs. Some families have to work two or three jobs to make ends meet. I am worried about children and teenagers having to work to help their parents.

I was told about a 16-year-old high school student who was working evenings and weekends to help her parents pay the rent on their apartment. I am not saying that this is a common occurrence, but it could become one.

In order to avoid going down that road, we need to diversify our economy. We need to have the necessary resources and we need to have alternatives in case there is a problem in a certain sector. Let us have an economy that is fair and helps not only the upper class, but also the middle and lower classes.

The laws put in place by the government favour the upper class. For example, income splitting will favour the wealthiest families and do nothing for the most underprivileged families. We need to put good policies in place that will help everyone and diversify our economy. That will help us create quality jobs.

Ms. Charmaine Borg (Terrebonne—Blainville, NDP): Mr. Speaker, I would also like to thank my colleague for her fine speech about her riding's economy.

It is vital that we have an economic update based on the economic facts before us. That is what we are asking for today. The government has put all its eggs in one basket. It is always about oil and when that does not work, it hides under the covers and waits for the storm to pass. That is not the solution we need right now.

The NDP is proud of its real solutions for the middle class, which will help the families in my riding and that of my colleague. I would like her to elaborate on that because there is good news for Canadians.

• (1245)

Ms. Isabelle Morin: Mr. Speaker, I would like to thank my colleague for this question because it allows me to talk about a number of our proposals.

We have a plan for affordable child care across the country, for example. Naturally, Quebec can withdraw from this plan with financial compensation. In Quebec, the cost of day care increased recently. Assistance from the federal government would perhaps give the provincial government some breathing room. The federal government is making more and more cuts to health transfers, which increases the tax burden for the provinces and makes things more difficult for Canadians.

We also had a big campaign about ATM fees and credit cards. As for oil, the NDP has been calling for the creation of an ombudsman

position in order to help Canadian families. We have a real plan that works and that will help all families across the board.

[English]

Mr. Fin Donnelly (New Westminster—Coquitlam, NDP): Mr. Speaker, this is my first opportunity to speak in the House this year, so I would like to wish you, all those in the House, those in my riding and indeed all Canadians a happy new year.

I would also like to acknowledge my mother-in-law, Signe Radelet, who turned 95 late last year, and my parents, Val and Cy Donnelly, who celebrated their 57th wedding anniversary earlier this month.

I rise today to speak in favour of the excellent motion proposed by my colleague from Skeena—Bulkley Valley. We are calling on the government to present a clear and honest accounting of public finances rather than denying the scope of the challenges. We are also calling for a commitment to introduce a budget that includes measures to create good quality jobs and address the challenges facing middle-class and working people.

The government has no plan for the economy or middle class now that oil prices have plummeted. Canadians deserve answers from their government about the state of the country's finances, and they deserve a budget that invests in the economy and looks after the environment.

The middle class is working harder than ever to make ends meet after a decade of damage done by the government, but they are still falling further behind. The NDP leader's practical plan for the Canadian economy would boost the fortunes of the middle class and ensure the environment is protected.

This motion is proof that the NDP and our leader are ready to defend the interests of the middle class and working people in our country. The NDP is standing up to the Conservative government and holding it accountable for its reckless management of the Canadian economy. We must put Canada back on track, creating good quality full-time jobs and by prioritizing economic diversification.

Let us do a quick review of the facts.

Looking at the trade deficit, the Conservatives started with a \$26 billion current account trade surplus and have turned that into a \$60 billion trade deficit. When we look at youth unemployment, nearly double the national average, 13.4%, there are roughly a quarter million fewer young people with jobs than before the recession.

We have seen an entire generation of middle-class jobs disappear, yet the Conservatives have done nothing to create the next generation of middle-class jobs.

When we look at recovery, we could question, what recovery? There are 300,000 more unemployed Canadians and 375,000 jobs were lost in the manufacturing sector under the Prime Minister's watch. In Toronto alone, 50% of the people cannot find full-time, stable work. They rely on part-time jobs, split shifts and contract work.

Business of Supply

When we look to the future, the Parliamentary Budget Officer has predicted that Canada will have 67,000 fewer jobs by 2017 as a result of Conservative budgets. GDP will be 0.6% lower than its potential, he reports. When we look at history in the past 35 years, under both Conservative and Liberal governments, income has grown for the top 20%, but has shrunk for the bottom 80%.

According to Statistics Canada, when we combine all budgets at the federal, provincial and territorial level, it is the New Democrats, not the Conservatives or Liberals, who have the best record of balanced budgets.

Canadians know that oil prices have fallen. In fact at the time of the last fiscal update, which was November last year, the WTI price of oil was \$81 a barrel, and today oil is at \$46 a barrel. That is a significant change.

Another significant change has been recent announcements resulting in job losses. Let us look at Target. It announced it was closing its operations in Canada, putting 17,000 people out of work. We have a Target just outside my riding. People worked and shopped at that store. That will affect my riding. Suncor announced 1,000 jobs lost and more to come. MEXX has announced that it is closing.

In December last year, job growth was announced at 54,000 and job losses 58,000, so that is a net loss of 4,000 jobs.

• (1250)

Here is an interesting fact of which I hope the government takes note. There are as many unemployed in Canada now as there were at the height of the last recession. That is astounding.

My riding is not immune to these job losses. Earlier this month, we had a very unfortunate announcement. Williams Moving & Storage, which has been in operation in Canada since 1929, announced it would close its operations in my riding. Again, this is a very unfortunate announcement as it was a very good employer, a long-time, dedicated, family-run business, with good-paying jobs. This is a real tragedy. Our hearts go out to the Williams family, to all those who lost their jobs and to their families.

The NDP has concrete solutions that would make life more affordable. We have a clear vision to build a sustainable economy.

Only the NDP leader has a practical plan and the experience needed to replace the Conservatives, and to fix the damage they have done. Canadians know they can trust the NDP leader to fight for middle-class working people and small businesses, and to invest in our economy, while protecting the environment. The NDP leader has a practical plan for the middle class. This would include a \$15-a-day child care, a national, affordable and accessible child care program. That is the maximum that the provinces would pay. If provinces wanted to invest more, that dollar amount could drop. We are saying that up to \$15 a day would be invested in child care, and it could actually be less than that.

It would include a \$15-an-hour federal minimum wage. Giving workers good pay for what work they do in the country is important to a solid economy as well.

Returning the retirement age to 65, from 67, in terms of OAS, old age security, is a critical promise. We are looking to undo what the Conservatives have done to our seniors.

An NDP government would improve conditions for SMEs, for small and medium enterprises, in Canada. We know they are the engine to real job growth. This would include a focus on support for owner/operators, home-based businesses, and all those who work so hard to provide the products and services Canadians rely on day in and day out. That is exactly what an NDP government would provide.

I want to focus on what I think we should look at in the economy. We need to focus not just on jobs, but on housing, health care, child care, food security and income security.

Unfortunately Canada still suffers from poverty in too many communities, including in my riding. We have too many Canadians who are homeless and too many who still use food banks. This needs to be included in our assessment of the economy and how it is performing. We need to ensure that Canada's economy is serving not only those with wealth but those with less.

It is important for me to check in within my riding, and I do that annually. I do it with town hall meetings. I check in with my local mayor and council at council sessions. I want to get the input from individuals in my riding. I clearly hear that the economy is important. However, what tops the list is health care. In the last five annual town hall meetings in which I have participated, 50% have continued to say that health care is critical. We need to invest in a strong health care system.

We need to focus on what is important in our economy, which includes other items of affordability such as health care, housing, child care and other important components of which my constituents remind me.

• (1255)

It is important that we support the motion. I call on the government to support it. Let us get a quick and timely fiscal and economic update so Canadians know what is happening. Let us get that job done.

Mr. Mike Wallace (Burlington, CPC): Mr. Speaker, I am not familiar with the riding the member represents, so I looked up the city website on the Internet. I noticed that in 2012 the average house price in New Westminster was \$645,400. It is a little surprising that riding has an NDP member.

I have a question for the NDP member. I have heard the comments of the NDP members about our promise of income splitting for families. I am assuming that also applies to pension splitting.

Are the NDP members telling Canadians that not only would they not follow through on the income splitting for families, but that they would take away pension splitting for seniors, which we put in place a number of years ago, as well?

Business of Supply

Mr. Fin Donnelly: Mr. Speaker, I appreciate the fact that my colleague used Google to find out about my riding, which is New Westminster—Coquitlam and Port Moody. It is a fantastic, urbanized riding just outside of Vancouver. We are a blessed with what we have, but we do have our challenges. Housing affordability is definitely one of those challenges, as is transit. Affordability is incredibly important.

An NDP government would get rid of income splitting. We would focus our priorities, as I mentioned earlier, on things like child care and investment in health care. We would actually invest in housing. We would invest in the things that not only seniors have called for but what others in my riding called for as well.

I listen to constituents. I have invited them to my annual town hall meeting every year. I hear clearly that income splitting is not the priority about which they want to hear. They want a focus on solid investment in health care, child care and housing supports.

Those are the things I hear in New Westminster and other parts of my riding.

[*Translation*]

Mr. Raymond Côté (Beauport—Limoilou, NDP): Mr. Speaker, I thank my colleague for his speech.

When we listen to today's debates, it is remarkable to see how varied the NDP members' speeches are. They are presenting a wide range of viewpoints. In contrast, the Conservatives keep delivering the same litany of empty and very annoying slogans. They keep repeating themselves. It is a real challenge to follow the debates when a Conservative takes the floor because we have learned nothing new in the past eight or nine years. That being said, let us come back to the problems that my colleague's constituents are undoubtedly facing.

The Bank of Canada report indicates that the participation rate of prime-age workers, aged 25-54, fell substantially in 2014. My colleague shared the concerns of his constituents, but this is an additional concern. Our economy depends on people being able to support their family, buy a house, participate in a community's economic activity, and that was before the drastic drop in the price of oil. This is a direct consequence of the Conservatives' decisions. They are about to leave a poisoned legacy to our constituents and future generations.

I would like my colleague to say a few words about this factual information presented by the Bank of Canada.

• (1300)

[*English*]

Mr. Fin Donnelly: Mr. Speaker, my colleague's question raises an excellent point.

I did mention youth unemployment in my speech, and the government is going in the wrong direction in not supporting or investing in our youth and in the employment and types of jobs they need. My colleague pointed out that even the Bank of Canada has addressed that point and has said that it is an issue that we need to draw attention to.

I certainly hear from people in my riding. I have met with the Douglas College student union. Many are very concerned with the

future of our country, with the federal government's lack of investment in education and lack of attention to youth. They are concerned with that direction and concerned that when they have the skills and have done the training and have the education, they will get the jobs. As well, they are struggling with high tuition and with increased debt when they get out of school.

They do not feel the Conservatives are going in a direction they want to support. They are saying they want a change. They do not want tired answers. They want new solutions. They want an investment in the youth of our day, and that is certainly what an NDP government would do.

Mr. Dave Van Kesteren (Chatham-Kent—Essex, CPC): Mr. Speaker, I will be sharing my time with the member for Wild Rose.

I appreciate this opportunity to address my colleague's motion on the immediate presentation of an economic and fiscal update to Parliament, outlining the state of the nation's finances in light of recent developments.

The hon. member may have missed the economic and fiscal update that was tabled only two months ago. How quickly we forget. Allow me to refresh his memory on some of the key points that were discussed in that update.

First of all, in the global context, with an election on the horizon it is no surprise that the opposition has only just recently taken notice of developments in the Canadian and global economies. On this side, however, we have been relentless in our pursuit of growth and jobs following the downturn of 2008 and 2009. That period saw the worst global recession since the Great Depression, and it was followed by one of the worst global recoveries. We see signs of this challenge everywhere today, but we pointed out many of the risks in the economic and fiscal update in November.

European debt is too high. Inflation was -0.2% in December. The eurozone economy is sputtering. It has been stop and go for three years now. Last year it was expected to have grown by just 0.8%, which is a global concern, given that it is the world's second-largest economy. The continent's three largest economies—Germany, France, and Italy—contracted in the second quarter of 2014 and remained weak in the third quarter. Just last week, the European Central Bank significantly expanded its bond-buying program, now estimated to reach €1.1 trillion, plus possible extensions, to ward off deflation and revive a struggling euro area economy.

Beyond Europe, the growth rates of key emerging economies—China, India, and Brazil—are also losing steam. Geopolitical conflicts in Ukraine, Iraq, and Syria have complicated the economic recovery and fuel uncertainty globally.

Business of Supply

We have been saying it for years, and it remains just as valid now as it was in November: the global economy is fragile. Growth cannot be taken for granted. In many countries, it demands excruciating decisions and hard work from everyone.

Let us turn to Canada's performance. For years, Canada did that hard work, and it paid off. While the global recovery has been challenging, Canada has led the way to economic growth. A downturn that did not start here hit us later than most and affected us less deeply, but Canada emerged from it quickly and in better shape than other developed economies.

We have recovered all of the jobs lost during the recession. In fact, our Conservative government has created over 1.2 million net new jobs since the depths of the recession. While others are raising taxes to pay down deficits, our government has been reducing them. Not since John Diefenbaker was Prime Minister over half a century ago has the overall federal tax burden been this low. That is why the last economic and fiscal update introduced new tax cuts for hard-working Canadian families.

After years of hard work, Canada's free trade network now touches every corner of the globe. I cannot overstate the importance of this to the Canadian economy. Allowing Canadian manufacturers to export their products to over half of the global economy is a significant advantage in the competitive global market.

Our labours have not gone unrecognized, except perhaps by our hon. colleagues opposite. Allow me, then, to refresh their memories on some of our government's accomplishments.

Bloomberg ranks us as the second most attractive place in the world to do business. For those wondering who was first, it is Hong Kong, and that is due to the low cost of starting businesses.

Both the IMF and the OECD are expecting Canada to become the strongest growing economies in the G7 this year and the next. The World Economic Forum rated Canada's banking system as the soundest in the world for the seventh year in a row. Additionally, four credit rating agencies—Moody's Investors Service, Fitch Ratings, Standard & Poor's, and DBRS—have reaffirmed their top ratings for Canada. It is expected that Canada will remain in its AAA rating in the year ahead.

Most importantly, we have created the world's strongest middle class, according to *The New York Times*.

● (1305)

At the same time, we have joined our international allies in applying economic sanctions to the rogue Putin regime. These sanctions are now taking their toll on the Russian economy. Its credit rating was just classified as junk, a far cry from our AAA rating.

Clearly we are on the right track, and we must stay on the right track. We must relentlessly choose prosperity, not reckless spending schemes that will consign our country and our children to remorseless decline. This government chooses prosperity. I know Canadians do as well.

Where does the path to prosperity lie? It is in our low-tax plan for jobs and growth. Members may have already heard of the government's goals, but they bear repeating: keeping taxes low for

Canadian families and job creators; equipping Canadians with the skills they need to pursue the jobs they want; investing in world-class research and innovation; reducing red tape and empowering businesses; responsibly developing our natural resource wealth; helping businesses succeed in the global marketplace by encouraging trade and foreign investment; and making historic investments in infrastructure, including our new Building Canada plan, which is the largest and longest federal infrastructure investment in Canadian history.

These measures are built on a rock-solid foundation—our government's commitment to return to balanced budgets in 2015.

In the worst of the recession, Canada's deficit stood at over \$55 billion. Today we are on track to eliminate the deficit, as the Minister of Finance has affirmed, and begin paying down the national debt. Let me say it again: we will fulfill our commitment to Canadians to balance the budget in 2015. This is a remarkable achievement when so many other countries are still locked in deep deficits; in fact, Canada's net debt-to-GDP ratio is less than half that of the G7 average.

It is not easy to return to balanced budgets; after all, budgets do not balance themselves. That requires a plan and the discipline to follow it, not just whipping up rhetoric when an election is close.

Canadians should be proud not just of our impending balanced budget but of how we got here. We repeatedly cut taxes, close to 180 times. We have increased transfer payments by 55% since 2006, reaching \$65 billion this year. These transfers are used for key priorities such as health care and post-secondary education. We remain committed to keeping taxes low while increasing transfers responsibly as our economy grows.

What is not growing is the bureaucracy in Ottawa. Direct federal program spending has declined for the fourth year in a row. We have diligently controlled government spending, something that few nations have done, and we have done it while maintaining the programs and services Canadians rely on.

This has meant that we have been able to provide even more support for hard-working Canadian families. I am referring to our government's latest steps to help Canadian families prosper. These actions include proposals to enhance the universal child care benefit, introduce the family tax cut, and increase the child care expense deduction dollar limits.

Our government understands the basic truth that no government can tax its way to prosperity and no government can indefinitely spend more than it earns.

Business of Supply

We cannot take this prosperity for granted. This government never took prosperity for granted, and we have worked hard to ensure that we are in a stronger position than we were in 2008. We have a duty to manage our finances responsibly.

Under our Prime Minister's unwavering leadership, we will soon return to balanced budgets. Now is not the time for risky experiments. As I said in November at the time of the economic and fiscal update, Canada has come a long way, but we are not out of hot water yet. The global economy remains fragile. That it is still fragile two months later should not be a surprise to the hon. member. Fortunately, our government has a plan to meet these challenges, a plan that is working, and we need to stay the course. That is why I call upon this member and all hon. members to focus not on this motion but on working together to make the greatest country in the world even better.

● (1310)

[*Translation*]

Mr. Dany Morin (Chicoutimi—Le Fjord, NDP): Mr. Speaker, my Conservative colleague boasted that his party has reduced the tax burden for businesses and individuals since it took power. However, I am concerned about small businesses. Small businesses create more than 50% of all the jobs in this country. Their tax rate has not been lowered in recent years.

I am curious to hear why the Conservative government focused on tax cuts for big businesses, which have not really created any new jobs, and why it chose not to help small businesses.

My region has a lot of small businesses. They are trying to create jobs, but the unemployment rate is very high. Tax cuts for small and medium-sized businesses could really help them. Why does the government refuse to lower the small business tax rate?

[*English*]

Mr. Dave Van Kesteren: Mr. Speaker, in my speech I talked about the fact that Canada ranks as the second most attractive place in the world to do business after Hong Kong. The reason for that is the low cost of starting a business in Hong Kong, which I would suggest to the hon. member is also the case here in Canada. On a consistent measure we have lowered red tape.

We have consistently lowered taxes for small businesses and it is our intent to continue to do that. We have lowered taxes in other areas. I would point to the fact that the HST in the province of Ontario was moved down by two points. Taxes were lowered across the board for all Canadians.

The member is right that we must focus on small businesses and the need to grow small business, because that is where the majority of employment will take place. It happens not only with the lowering of business taxes, which is something that this government has done, but also with an overall lowering of taxes so that Canadians have more money in their pockets. It is the mom and pop shops and the smaller manufacturing areas in this country that employ those people who will then be in a position to have more money to spend. That money spreads into the economy and makes our economy stronger. That is certainly the intent of this government.

● (1315)

Hon. Wayne Easter (Malpeque, Lib.): Mr. Speaker, I listened closely to the member's remarks that whipping up rhetoric when an election is close is not the way to manage the economy. If we hear any rhetoric, we heard it in that speech and we hear it from the Minister of Finance daily. We hear it from the Prime Minister, because he and Conservatives are always talking about balancing the books.

Is it not true that the Prime Minister has never had a surplus on his own, other than the one transferred to him by the previous Liberal government? We could call the Prime Minister "deficit king". Is it not true that under the Prime Minister's watch in the last eight years the debt load of the country has increased at minimum by \$133 billion and at maximum by \$160 billion? He has added that to the debt of Canadians. Is that not true?

Now Conservatives are saying that they will balance the books. What will the Prime Minister and Minister of Finance cut in terms of value from taxes from Canadians in order to do that? They have cut EI and pretty nearly every service known to mankind in this country during their watch. Canadians are getting less value for their taxes, and that is not rhetoric; those are the facts.

The Deputy Speaker: The hon. member for Chatham-Kent—Essex only has about 30 seconds left in the time available, but I will give him a bit more than that, given the member's question.

Mr. Dave Van Kesteren: Mr. Speaker, I wish I had more time to talk about the charge that this government inherited a surplus, which would be a long discussion, because we could then say that the deficit was a result of previous Liberal governments in the Trudeau era. This government in 2006-07 paid off more debt than any other government in the history of Canada.

When the member talks about what we will do and the hyped up pre-election preamble, what we will not do is what his leader did in southern Ontario, where he told people that they needed to stop thinking about manufacturing jobs and start thinking about something else. We certainly will not do that. We will continue to do what has been proven, to the point that we are the envy of the G7. We will continue to move in that direction and remain the envy of the G7 and the rest of the world.

Mr. Blake Richards (Wild Rose, CPC): Mr. Speaker, I would certainly like to thank the opposition for the opportunity today to showcase our government's strong economic record. It is a record of success in the face of adversity, a record that Canadians are rightly proud of, and it is a record that the opposition and the Liberals would utterly destroy.

The opposition members claim to demand action, but they have absolutely no ideas. They demand that we rescind tax cuts for families, but they have no plan at all to return money to Canadians. They demand that we spend more and more money, as they would do. Of course, we know they have no plan to return to balanced budgets, like we do.

Business of Supply

Our government would not follow the well-trod Liberal path to economic decline. We will continue to follow the course that led us through the largest recession since the Great Depression, a course of prudent, decisive action. Canada now enjoys the fruits of our approach. It is an approach that has led to a job record that is second to none. We have created over 1.2 million net new jobs since the depth of the global recession.

Of these jobs, the vast majority are full-time, high-paying, private sector jobs. In fact, more Canadians are working today than at any other time in our history. Canadians are wealthier for their hard work. In fact, the Canadian middle class is among the richest in the developed world.

Canadians are not just wealthier, but are also benefiting across the board from economic improvements introduced by our government that allow them to make the most of their opportunities. We did not accomplish this by taking the Liberal approach of raising taxes and slashing transfers to the provinces. On the contrary, we have provided tax relief close to 180 times—

Some hon. members: Oh, oh!

● (1320)

Mr. Blake Richards: Mr. Speaker, I wish my Liberal colleagues across the way would quit talking while I am speaking and pay more attention, because what I am saying is that we have provided tax relief close to 180 times since taking office. That is an outstanding record.

Just on its own, our family tax and benefits package will benefit every single Canadian family with children to the tune of \$1,140 on average each and every year. Every family in the country with a child under 18 will benefit from these measures. Two-thirds of that money will go back into the pockets of low- and middle-income Canadians.

Members of both the New Democratic Party and the Liberal Party have said that they would take this tax cut away from Canadians. In its place, both parties have proposed to spend it on more government and more bureaucracy. This is really the fundamental divide between our government and the opposition. The members of the opposition continue to embrace the philosophy that it is better to spend money that we have than to balance the budget and to give money back to Canadian families and businesses.

I know where this approach has led in the past, and I know where our approach has led. Our approach has led to one of the best growth and job records among developed economies. I also know where the opposition's approach would lead. It would lead, as it always has in the past under Liberal governments, to big governments, to low growth, and to deficits as far as the eye can see.

However, it is not only—

Some hon. members: Oh, oh!

The Deputy Speaker: Order, please. There is just away too much chatter. I am having some difficulty, in spite of the fact he has the microphone turned up as loud as possible, hearing the member for Wild Rose. I would ask all members to lower the decibel levels, please.

Mr. Blake Richards: Mr. Speaker, I know it concerns them that our government's record is so warmly received by Canadians and that their record is such a poor one of big government and low growth and deficits as far as the eye can see.

It is not only on tax relief for Canadian families that we disagree with the opposition, but on the fact that we have also lowered taxes on businesses across this country to create jobs and economic growth, and that Canada now leads the G7 with the lowest overall tax rate on new business investment. According to KPMG, total business tax costs in Canada are the lowest in the G7 and are 46% lower than those in the United States.

The opposition would reverse this course, with the NDP in particular saying that it would increase business taxes. Only a party with no experience in government or running a business would think that taking money out of the hands of businesses would somehow create jobs.

I can assure the House and all Canadians that we will keep lowering taxes on businesses and will continue to reduce red tape. We have lowered taxes while growing, to all-time record highs, federal financial support for health and social services that define and sustain us.

This success is no accident. It has come about because our government has created the conditions for success and kept them when times were tough. This may have escaped the attention of the opposition parties, but it has not escaped the attention of independent experts all around the world. Moody's Investor Service, Fitch Ratings, Standard & Poor's, and DBRS have all reaffirmed their top ratings for Canada, and it is expected that Canada will maintain its AAA rating in the year ahead. This paints a picture of a superb environment for business, from manufacturing, for trade and investment. This means a strong environment for creating good, high quality, full-time jobs for Canadians.

While we cannot expect our actions to insulate us fully against future risks and crises, we can be confident that the foundations our government has laid over the past seven years have set us on the right course. Going forward we will continue to work hard on the next federal budget, fully cognizant that we, like other countries, still have headwinds to confront.

As our government and our Prime Minister have consistently said, the global economy remains fragile. We are not immune to economic forces outside of our borders and we are not immune to the decisions of countries around the world.

It is true that Canada is a significant oil exporter and that the unexpected collapse of crude oil prices since last June is an area that we must be particularly vigilant about. We know that the impact of lower oil prices is complex and has a variety of potential effects on the economy. Given the volatility of prices, there is no consensus about the future of oil prices in the shorter term. That is why we are taking the prudent approach and monitoring the situation.

Business of Supply

I would certainly discourage the sort of thinking at the core of today's motion for debate that erroneously assumes that current circumstances will not continue to change and evolve. Today's motion by the opposition would have us act prematurely and panic at the first signs of adversity. Canadians can rest assured that our government will not try to build a hasty defence against global headwinds on shifting sands. We will continue to do as we have always done, that is, to act prudently and effectively and decisively. We will do so as always on the basis of sound analysis and policies with a proven record of creating jobs and growth in the face of the global challenge. I look forward to our next budget's delivering on this commitment, as we have always done.

I would encourage all hon. members of the House to support our government's efforts and to reject today's motion and all the other ill-considered actions.

• (1325)

[*Translation*]

Ms. Ève Pécelet (La Pointe-de-l'Île, NDP): Mr. Speaker, I would like to know what my colleague thinks about the announcement my leader made earlier in his speech to the Economic Club of Canada. He said that an NDP government would cut the small business tax rate from 11% to 9% to stimulate the economy.

Could the member tell me what he thinks of the measure my leader announced?

[*English*]

Mr. Blake Richards: Mr. Speaker, I would encourage all Canadians to contrast all the statements and the record of the NDP to the statements and record of our government. Our government has consistently reduced taxes for all Canadians. As I mentioned during my speech, 180 times we have reduced taxes for the average family, saving each of them over \$3,400 in tax. We have reduced the taxes on businesses. The NDP has indicated that it would raise those taxes, which is very contradictory to what its leader said today.

When we look at the records and plans of our government, we see there is certainly no question which one would create the most opportunities, continue the lowest taxes, and not adopt the risky spending schemes proposed by the NDP, and not return to the huge deficits and debt that there would be with the NDP, without question. We would also see that from the Liberal Party. There is only one party that Canadians know they can count on for lower taxes, balanced budgets, growth, and prosperity in this country, and that is our Conservative government under the leadership of our Prime Minister.

• (1330)

Ms. Joyce Murray (Vancouver Quadra, Lib.): Mr. Speaker, I listened to the comments of the member for Wild Rose with great interest. I believe that, unfortunately, he has mixed his adjectives up when talking about a prudent approach or premature action. Does he actually consider that it was prudent to promise up a \$2 billion tax break to the families who need it the least at a time when the budget is not balanced? The government has created a huge vulnerability for this country in having balanced books with this premature tax break.

The key question I am wondering about is this. Does the member believe that part of the prudent approach is the deliberate clawback of over \$1 billion from the Veterans Affairs budget and the slashing

of front-line and other staff in Veterans Affairs by 1,000 members? Is it prudent to withdraw from injured armed forces members and veterans the very services and mental health care that they need and deserve?

Mr. Blake Richards: Mr. Speaker, I say shame on the hon. member for the kinds of smears that I just heard. I did not hear any basis in fact for any of the things she talked about. Our government's commitment to veterans is completely absolute. We have an absolute commitment.

I want to thank her for the opportunity to comment on the approach she mentioned that our government would take as compared to the Liberal approach. This is very key, because there is a key difference between our approach and the approach of the Liberals. Their approach would be one that would see more money taken from taxpayers and given to bureaucrats in Ottawa, because they believe they know better than Canadians how to spend their own money. That is not the approach of our government.

Our approach is one that believes that Canadian families know best how to raise their own children and how to spend their own money, not bureaucrats in Ottawa. That is the key difference between the two parties. We would rather Canadians have their money returned to them in the form of tax cuts because we know that back in the pockets of Canadians is where money can be best spent by Canadians: on their needs and priorities.

[*Translation*]

Ms. Éleine Michaud (Portneuf—Jacques-Cartier, NDP): Mr. Speaker, I am very proud to rise in the House today to join my colleagues in supporting the motion moved by my hon. colleague from Skeena—Bulkley Valley.

Before I begin my speech, I would like to mention that I will be sharing my time with my colleague from Compton—Stanstead, and I look forward to hearing his presentation.

The motion is very simple. What the NDP wants is quite clear. I will nevertheless tell the government once again what we are looking for, because sometimes we talk but the message does not get through. I will therefore try again.

First of all, we are calling on the government to present a fiscal and economic update to Parliament in order to inform both parliamentarians and Canadians about the real state of our public finances. We do not want any bogus projections from the Conservatives, as we have seen recently. We want an update on the state of our public finances.

Furthermore, we are also calling on the government to commit to presenting a budget that includes measures to help the middle class and create good-quality jobs. Frankly, that would be a refreshing change. What we are asking for is not unreasonable; quite the contrary.

Business of Supply

From the minute we started debating this motion today, the Conservatives have refused to answer our questions and be transparent with Canadians. They keep giving us spin. They would have us believe that they are excellent managers, but everyone knows that this is not true. I can understand them wanting to bury their heads in the sand because reality is far from being in their favour. The current situation in Canada very clearly illustrates this Conservative government's incompetence. As I was saying, the Conservatives would have us believe that they are good managers and that we should trust them to lead our economy and help middle-class families. However, Canadians know better.

The NDP has repeatedly talked about the Conservatives' obsession with developing natural resources at the expense of other sectors of the Canadian economy and the possible consequences of not diversifying the country's economy. We are facing those consequences today. The Conservatives have denied the facts and tried to discredit the NDP for various reasons. Today, we are facing a problematic situation with the current price of oil.

The price of a barrel of oil is plummeting. Recently, TD Economics announced that because of the rapid drop in oil prices, it would be difficult, if not impossible, for the Canadian government to balance the books for 2015-16, as promised. It is not likely to happen until 2017-18, and even that is pretty optimistic.

TD Bank seems to think that oil prices will recover, but other economists are much more pessimistic. A balanced budget could come even later than 2017-18 if conditions remain as they are.

I would like to quote from an article written by Alain Dubuc and published in *La Presse* yesterday. Nobody would accuse Mr. Dubuc of being a closet New Democrat. Nevertheless, he accurately portrayed the Conservatives' incompetence when it comes to the economy. He wrote:

The Canadian formula had less to do with Conservative genius than a fortuitous advantage—oil—over which they had no control. Canada's success—or rather the illusion of success based on oil-doped numbers—relied too heavily on burgeoning investment in oil and growth in the west, and not heavily enough on modernizing and diversifying the Canadian economy. That has led to significant environmental consequences and high costs for Quebec and Ontario. The government is therefore partly to blame for this turmoil.

As I was saying, Mr. Dubuc sums up the situation very well, and highlights the problem caused by the Conservatives when they decided to put all their eggs in one basket, and concentrate exclusively, or almost so, on the natural resources extraction sector to the detriment of other sectors of the economy. I am referring to the manufacturing sector, which has suffered huge losses in recent years.

We are now confronting job losses and the bankruptcy of big companies, as is now the case with Sony and Mexx, to mention only those two. Suncor is also announcing job cuts. Even the extractive sector is now suffering, because the price of oil is much too low.

• (1335)

Economists estimate that every \$5 drop in the price of a barrel of oil costs our government nearly one billion dollars. We can thus imagine that if the price of oil stays as low as \$45 U.S. a barrel, as it is today, that could represent a revenue loss of nearly \$6 billion in a year for the Canadian government. Yet the Conservative government was relying on that revenue to generate a surplus and make election

promises to its cronies. We thus have a problem on our hands. Apart from not necessarily being able to help Canadian families, we may find ourselves facing other cuts. The government's choices are in fact fairly limited. That is why the NDP is now asking for an economic and financial update. It wants a real-world picture of the situation in order to be able to make the most appropriate choices for Canadian families.

Looking at the situation, I can certainly believe that the government is panicking, and wants to delay the tabling of its budget until April. However, crossing your fingers and hoping that the price of oil will stabilize or increase is not a valid economic strategy. I hope the Conservatives will realize this fairly quickly.

The Conservatives maintain that they will balance the budget, whatever it takes, but how are they going to achieve such a result? Are they going to cut services to Canadians even more than they have already done? Are they going to dip into the contingency reserve that should be used in emergencies, and not to fill gaps in the budget that the Conservatives were not able to foresee? Neither of these two choices represents a real solution that will benefit Canadian families. People are looking to the government for help.

A few months ago, we saw the Conservatives postponing \$3 billion worth of military procurement because, there again, they saw that they would not be able to achieve their balanced budget. They cut in areas that directly affected frontline services to veterans, people that this government is constantly trying to make use of for electoral purposes. They claim to be big defenders of our military and our veterans, when we know very well that this is absolutely false. We will be facing agonizing choices because the Conservative government is quite simply incompetent in matters of economic management, and has not been able to prepare forecasts for the budget.

In fact, it chose instead to give election goodies to its buddies. Did it suggest the possibility of not implementing the expensive and inefficient income-splitting arrangement? Not at all. On the contrary, I believe it would look rather bad in this election year. However, the arrangement in question has been criticized by many experts and many economists. In addition to offering nothing to over 85% of Canadian families—which is huge—there are clear indications that setting up such a scheme would push the government into deficit. We are therefore in a difficult situation already, but the government is considering dipping into reserves that should be used in the case of floods or natural disasters, and unforeseen events of that kind. The government is out to win points in specific constituencies with a particular elite that the Conservatives are trying to win over, and it continues to push forward such a plan.

Business of Supply

I clearly recall that the new Minister of Veterans Affairs was quite proud to announce to Canadians, to his Conservative supporters, that this tax measure introduced by his government would result in a tax credit of nearly \$3,500 for his family. That is magic. Thank goodness there are limits on tax credits. I cannot imagine what he might get with his new minister's salary. What will this measure do for 85% of Canadian families? Absolutely nothing. Once again, the Conservatives hope to buy the vote of the wealthy with this gift.

What we are asking for today is very simple. We want the government to stop burying its head in the sand and be honest and transparent with Canadians for once. We want the government to present the actual economic situation. The NDP has proposed measures that could help Canadian families, such as our affordable national child care plan. When Quebec implemented its child care program, 70,000 women entered the labour market. This is a practical measure that will stimulate the economy and create jobs. I do not hear the government making such proposals. What we want to see today is a commitment from the government that it will present a budget that includes measures to help Canadian families and provide an economic update. It is very simple.

• (1340)

[*English*]

Mr. Kevin Lamoureux (Winnipeg North, Lib.): Mr. Speaker, I wonder if the member might want to provide further comment in regard to the government's inability to provide a national budget in a timely fashion. It does very little to restore confidence that the Government of Canada actually knows what it is doing. The government is trying to give the impression that it wants to have balanced books, or even possibly a surplus in 2015-16, when there is actually no tangible indication that it has the ability to balance the books. It has demonstrated that, as the Prime Minister has added to our debt year after year.

Further to that, she might want to comment on how unfortunate it is that the government has not seen the merit of reversing its position on income splitting. We are talking about a \$2-billion commitment that will benefit less than 15% of the population. That money is going to be coming out of the middle class. The government is really off track on so many fronts, the very least it could do is announce that it will have a budget and that it will be presented on such and such a date.

• (1345)

[*Translation*]

Ms. Éline Michaud: Mr. Speaker, I thank my colleague for his question. He seems to have paid attention to my speech, because I went into great detail about how income splitting was not a valid measure. It does not help Canadian families, and the NDP has already committed to reversing that decision.

I do not understand the Conservatives' obsession. Actually, I do understand. There is an election coming up. They are trying to woo a small elite to try to win a few more votes. They are not providing tangible assistance for the majority of middle-class families.

What I would have liked—and the day is not over, so there is still time—is to hear what the member for Papineau thinks. I still have not heard his thoughts on this topic. He has made some contradictory statements recently. In London, Ontario, he said that we should

transition away from the manufacturing sector. The following day, in Windsor, he told workers that we should invest in the automotive sector. That is a little confusing.

The Conservatives seem to be confused, but the Liberals are too. I would have liked to hear the member for Papineau clarify. I am still holding out hope, since the day is not over yet.

Mr. Charlie Angus (Timmins—James Bay, NDP): Mr. Speaker, I have a lot of respect for my colleague.

The Conservatives' reputation for being good economic managers is clearly a myth. They have concealed the figures. Is it possible to explain the kind of impact this interference has on planning for the national budget?

Ms. Éline Michaud: Mr. Speaker, I would like to thank my colleague for his question and compliment him on his mastery of Molière's language. I really appreciate the effort, and I am very impressed.

Let us get back to the crux of the matter, the problem that we are currently facing. The budget has been postponed. They say they will table it in April, but what do we know about it? We know nothing because the government is refusing to give us any information. When the Minister of Finance talks to journalists, he says it is exasperating to have to keep answering the same questions. If he actually bothered to give a clear answer, then maybe we would stop asking him those questions, but that seems to be a pretty complicated concept. That is where we are. Nobody has any idea what kind of budget we are in for.

The other especially negative consequence is that very tough choices will have to be made. What cuts will the government make to balance the books? If the government really believes that that is the goal it wants to achieve, fine. However, how will they achieve it? They have already closed Veterans Affairs Canada offices and raised the retirement age to 67. Plenty of decisions like that are being made, and they will have a direct negative impact on Canadian families. That is what the Conservatives' incompetence has wrought, and that is a real shame.

Mr. Raymond Côté (Beauport—Limoilou, NDP): Mr. Speaker, I thank my hon. colleague from Portneuf—Jacques-Cartier for her speech.

In fact, I wanted to come back to the Bank of Canada figures on the participation rate of those aged 25 to 54. That is the most active segment of the population, the one that makes up the majority of all wage earners in Canada. The Bank of Canada indicated that the participation rate dropped drastically in 2014. That was a direct result of decisions made by this government. I would like my colleague to talk about that, that is, the results of government decisions and how they are undermining our future prosperity.

Ms. Éline Michaud: Mr. Speaker, I want to thank my colleague for his question. He has just given another example of the Conservatives' disastrous decisions.

Frankly, I am running out of words to describe to what extent the government's decisions have had a negative impact on families in my riding of Portneuf—Jacques-Cartier. I know my colleague from Beauport—Limoilou is seeing the same thing in his riding.

The October 2015 election cannot come soon enough. Let us hope for a new government, an NDP government that really cares about the middle class and Canadian families.

Mr. Jean Rousseau (Compton—Stanstead, NDP): Mr. Speaker, I would like to wish everyone a happy election year.

My colleagues have certainly picked a very important topic for this first opposition day. The economy, the regions, the middle class and intervention: that is how I would sum up this rather troubling and above all disturbing situation. Meanwhile, the Conservative government for its part prefers to let things go, rather than intervene immediately and appropriately.

This approach reminds me of a young person who believes that the budget can balance itself. The invisible hand inevitably interacts with forces in the economy only when economic stimulus is applied and when there is something palpable to activate the economic process. When the main players take their places, they can create wealth and generate growth.

I always make a rather more social analysis of the economy, because I believe the most important thing is to observe how the players react in such situations. First, I would like to commend the subject matter of the excellent motion moved by my colleagues from Skeena—Bulkley Valley and Rimouski-Neigette—Témiscouata—Les Basques, which clearly demonstrates the inaction, not to say the incompetence, of our current government in response to the vagaries of current economic conditions.

In this motion, the NDP is calling on the Minister of Finance and the Conservative government to get themselves together and immediately present an economic and fiscal update to Parliament outlining the state of the nation's finances in light of the unstable economic situation, including job losses, falling oil prices, declining government revenues and the effect of these factors on one another. In addition, the motion calls on the government to prepare a budget that addresses the economic challenges facing the middle class by creating more good-quality full-time jobs and encouraging economic diversification.

The government brags about creating a lot of jobs, but these are atypical, short-term, part-time jobs at minimum wage. That is not what drives an economy and enables a country to create wealth in order to maintain and improve the legendary quality of life for Canadians from coast to coast.

The middle class—because it is the middle class that has suffered most—has been crucified in recent decades, both by the Liberal Party and by the Conservative Party. The list is so long that I would lose my way before I came to the end of my remarks. Why is that? We could talk about an administrative framework for SMEs in which they can operate properly and prosper, the social fabric for low-income families, social housing, employment insurance as a way of transitioning between jobs, and the jobs cut at Canada Post and the CBC, jobs typically held by members of the middle class that reflected the identity of Canadians from coast to coast.

It is unbelievable what the middle class has been made to endure, with all the drains on their budget, including administrative and other related costs, reduced purchasing power, and especially energy costs

Business of Supply

—electricity, heating oil and gasoline—and the impact all of those things have on their daily lives.

One example I would like to mention is that of my parents. I come from a modest, working-class family. In my parents' day, it was possible to save to buy a small house and a small or mid-size car, while providing adequate food and clothing for the family and enjoying some recreation from time to time.

• (1350)

This was possible without drowning in debt, with an available family doctor and plans to send the children to university. Unfortunately, today, all of that has changed: it is no longer the case.

Middle-class families have to make agonizing choices about food and clothing. With regard to clothing, I have teenagers who say that they want the most fashionable brand, which is, of course, the most expensive. The other choice that torments the middle class is going deeper into debt, and thus being at the mercy of the big banks. In a society where so much wealth exists, that is totally unacceptable, particularly when a government does not react to changing economic circumstances that have been in transition since 2008.

Consequently, the government must invest to stimulate growth. It must make major investments in research and development, which are the key to the future. It needs to invest in the SMEs that generate solid jobs and guarantee a viable local economy, and in many cases the existence and even the survival of some regions of Canada.

Investments must also be made in transport infrastructures in general. For example, roads, overpasses, bridges, railroads and public transit are all of capital importance in a country as large as Canada.

When we look at the impact that transportation has on the operating costs of businesses in many industries—with respect to inputs, of course, but above all with respect to its effect on productivity and efficiency—we immediately see beyond any doubt why it is urgent that we take action for the good of our economy as a whole, the good of the sectors that are still competitive—because some still are—and the good of promising sectors that are still developing.

I would like to list a few businesses in my own riding that deserve an appropriate economic framework. There is Enerkem, which is located in Westbury and is one of Canada's leading producers of biofuel. Soucy Techno in Rock Forest and Waterville TG in Waterville are active in the rubber sector, which is always extremely competitive and dependent on the automobile industry. La Scierie Paul Vallée Inc. in Saint-Isidore-de-Clifton is active in the lumber industry. The granite industry in Stanstead is booming. With regard to transport costs, there is one thing I can say: given the weight of the items they have to ship, they ship them one at a time, and that is expensive. The Cabico Inc. Group in Coaticook makes cabinets.

All of these businesses and many others in my riding are waiting for the government to act and finally produce a framework with an emphasis on prosperity. I forgot to mention the Graymont plant in Marbleton, which is one of the oldest mines in North America, dating from 1840, and one of the world's biggest lime production facilities.

Statements by Members

An economic update followed by practical measures focused on economic diversification can only be perceived as action properly taken by a responsible minister and government; it is bound to reassure the public. Instead, the Conservatives continue to rely on a single sector of activity, which bears the entire burden of Canada's economic growth.

It is extremely disappointing that the government is thinking and acting in that way, given all of the communities, regions and municipalities that, in the last century, owed their existence in most cases to a single industrial activity. They were called single-industry towns. Those that did not adapt, did not react and did not make adjustments became virtual ghost towns.

Is that what lies ahead for Canada?

• (1355)

The Deputy Speaker: The hon. member will have five minutes for questions and comments when debate resumes.

STATEMENTS BY MEMBERS

[*Translation*]

CORRECTIONAL SERVICE CANADA

Mr. Louis Plamondon (Bas-Richelieu—Nicolet—Bécancour, BQ): Mr. Speaker, first there was the uncertainty over the compensation Quebec's cheese and dairy producers would receive for the potential loss of millions of dollars as a result of the free trade agreement with the European Union. Now the federal government is attacking Quebec's dairy producers once again.

Instead of doing business with local companies, federal penitentiaries will now serve powdered milk shipped by truck from Winnipeg to the penitentiaries in Quebec. For decades, the Chagnon dairy delivered 12,000 cartons of milk a week to the Cowansville and Drummondville penitentiaries.

Will the minister make Correctional Service Canada listen to reason and take it to task for this unreasonable decision?

This not about what tastes better in coffee. It is about the economic consequences that this federal decision will have for this region and Quebec and the job losses that will result.

* * *

• (1400)

[*English*]

SIMON ALEXANDER KINGSTON

Mrs. Tilly O'Neill Gordon (Miramichi, CPC): Mr. Speaker, I rise in the House today to commemorate the life of a dear constituent.

Simon Alexander Kingston was born in Bay du Vin on October 2, 1920. He was a retired, self-employed businessman and founded both Kingston Fuels Limited and Kingston Car Wash Limited, which are both still operating in Miramichi and are providing much-needed employment.

In addition to his business, Simon was also a dedicated member of St. Mary's Anglican Church, where he was a former church warden, a member of vestry, and a member of the cemetery committee.

He was also a member of the Miramichi chapter of the Shriners Club. Mr. Kingston was a veteran of the Second World War, serving overseas with the Royal Canadian Electrical Mechanical Engineers, and a member of Royal Canadian Legion Branch 18 in Miramichi.

Most importantly, Simon was a dedicated husband and father. His absence will be felt by many, both by his family and his community.

* * *

[*Translation*]

FAMILY LITERACY DAY

Mrs. Anne-Marie Day (Charlesbourg—Haute-Saint-Charles, NDP): Mr. Speaker, I rise today on this Family Literacy Day in my new capacity as the official opposition critic for La Francophonie.

As a mother, I know that it is not always easy to be a parent. Many parents in Charlesbourg—Haute-Saint-Charles are active and engaged people who must deal with a busy and stressful life.

In Canada, there are a number of initiatives that encourage Canadian families to include in their routine at least 15 minutes dedicated to the love of learning.

It is important to acknowledge the work of literacy organizations, libraries and schools. These organizations contribute to the social and economic integration of Canadians.

This government should place greater emphasis on families by rejecting income splitting and creating a national plan to end poverty. In 2015, an NDP government will make Canadian families its priority.

* * *

[*English*]

ALEX VAN BIBBER AND TED HARRISON

Mr. Ryan Leef (Yukon, CPC): Mr. Speaker, over the past few months the Yukon has lost two iconic figures.

Alex Van Bibber passed away in late November at the age of 98. A child of the gold rush, Alex played a hand in almost every major event in the Yukon, including becoming one of the first Canadian Rangers in 1947. He pioneered the Yukon's robust outfitting industry and led the humane trapping initiative. He worked eight summers on a gold dredge.

When Robert Kennedy came north to climb a Yukon mountain for his brother John Fitzgerald Kennedy, Alex was hired as one of the expedition guides. He embodied everything that is great about the Yukon and was dubbed the toughest man in Canada.

The recent passing of Yukon artist Ted Harrison at the age of 88 has left a distinct hole in the Yukon art scene, as well as the hearts of Yukoners. His vision of the north and its people was so vibrant that it not only filled Yukoners with pride but made others long to visit and witness the majesty of Yukon for themselves.

Statements by Members

Mr. Harrison is one of Canada's most popular artists. His love of the land and the people of Yukon brought him international acclaim, and his paintings can be found in private collections around the world.

Both of these men contributed to Yukon. We are sad for their loss but proud they are Yukoners.

* * *

BLACK HISTORY MONTH

Hon. Judy Sgro (York West, Lib.): Mr. Speaker, next month is Black History Month, and, as a nation, we should mark the occasion by exploring and celebrating the proud traditions of African Canadians.

In 1995, at the request of Hon. Jean Augustine, Prime Minister Chrétien established Black History Month to highlight the countless contributions made by people African descent to the Canadian mosaic.

Today, as we reflect, we must remember the influences of people like Hon. Lincoln Alexander, Hon. Jean Augustine, Carrie Best, and dozens of others who pushed aside outdated boundaries.

In this spirit, I am proud to welcome a group of young leaders to Ottawa today. These young Canadians from the Children's Breakfast Clubs represent hope and change for tomorrow.

In the month ahead, I encourage all Canadians to celebrate the many offerings made by our friends and neighbours of African descent. Certainly we are all better off for their work, their generosity, and their spirit of giving.

I welcome them to Ottawa.

* * *

● (1405)

NATIONAL NON-SMOKING WEEK

Mr. Guy Lauzon (Stormont—Dundas—South Glengarry, CPC): Mr. Speaker, every 11 minutes, a Canadian dies from tobacco use. Every ten minutes, two Canadian teenagers start smoking cigarettes, and if they continue, one of them will lose his or her life because of it. I made a decision to quit smoking 35 years ago and I am so happy I did.

Earlier this month I took part in the Break It Off campaign, a partnership between the Canadian Cancer Society and Health Canada as part of National Non-Smoking Week. The team stopped at St. Lawrence College's Cornwall campus to encourage young Canadians to quit smoking. Over the years, these types of initiatives have contributed to reducing smoking rates from about 50% in the 1960s to about 16% today.

We are investing in this youth program because youth are the future. I hope that whatever their futures hold, it will not include smoking.

* * *

YOUTH AND DEMOCRACY

Ms. Linda Duncan (Edmonton—Strathcona, NDP): Mr. Speaker, popular opinion has it that Canadian youth are disengaged

from the democratic process, yet from my experience our youth are playing an active role.

Let us take Nessa Deans as an example. She is an 11-year-old constituent who is enthusiastically participating in the political process at all levels. Nessa was named the youth winner of the 2014 Samara Everyday Political Citizen award for her efforts.

Claire Edwards, while in high school, successfully advocated for a student trustee position at the Edmonton Public School Board and now chairs the City of Edmonton Youth Council. She has been recognized with the Top 30 Under 30 award.

In the last federal election, University of Alberta students organized a votemobile service to help students access advanced polls.

Finally, at the service for Constable David Matthew Wynn, Keenooshayo grade 6 students sang this verse, lauding his support for the value of youth engagement:

We can make a difference in our world today
Together we can make our world a better place
When we work together, so much can be done
If all the children in the world would sing in unison.

* * *

AZERBAIJAN BLACK JANUARY TRAGEDY

Mr. Barry Devolin (Haliburton—Kawartha Lakes—Brock, CPC): Mr. Speaker, a couple of months ago we marked the 25th anniversary of the fall of the Berlin Wall, a great day that opened the door to democracy and human rights across Europe and beyond.

Today we mark a monumental anniversary of a different kind, the 70th anniversary of the liberation of Auschwitz-Birkenau, a word synonymous with the absolute worst of human behaviour.

Last week, the people of Azerbaijan marked a 25th anniversary of their own. Unfortunately, this was also for a terrible tragedy, one that came at the end of the Cold War. On January 19, 1990, in response to peaceful demonstrations in Baku calling for Azerbaijani independence, Soviet leaders sent in tanks and troops to viciously quell those gatherings. When the smoke cleared, 130 civilians had been killed and more than 700 more had been wounded. At the time, Human Rights Watch reported that "the violence used by the Soviet Army... was so out of proportion to the resistance offered by Azerbaijanis as to constitute an exercise in collective punishment."

As chair of the Canada-Azerbaijan Inter-Parliamentary Friendship Group, I have twice laid flowers for victims at the Martyrs' Alley memorial in Baku and heard first-hand accounts from Azari friends who were there that night.

This month, Canadians join with Azerbaijanis to remember those who died and recognize that, in the end, their sacrifices ultimately hastened the end of the Soviet Union and the Cold War.

May they rest in peace.

*Statements by Members***LINK BYFIELD**

Ms. Joan Crockatt (Calgary Centre, CPC): Mr. Speaker, it is a sad honour for me to rise today to celebrate the life of Link Byfield, whose name is synonymous with Alberta politics. He embodied the passion and the conservative spirit of Alberta.

When the west wanted in, it was Link who knocked on the door. His *Alberta Report* and *Western Report* were the voice of Reform. The Reform Party would never have become the powerhouse that it was in Canada without Link. However, he did not stop there; he went on to become Canada's first independent elected senator, with 236,000 votes. Then he co-founded Alberta's Wildrose Party.

Link changed the political landscape of Canada. He did it with humility, humour, and faith. We should all recognize the contributions that he made to this great country.

Our prayers go out to his family, but they can rest assured that the things Link stood for, his passion and his commitment to freedom and justice, will be carried on.

Rest in peace, my friend.

* * *

• (1410)

[Translation]

MICHEL GUIMOND

Mr. Jonathan Tremblay (Montmorency—Charlevoix—Haute-Côte-Nord, NDP): Mr. Speaker, last Monday we heard the sad news that my predecessor, Michel Guimond, had passed away unexpectedly.

I want to pay tribute to this political figure, here, in the House where he sat as the member for Montmorency—Charlevoix—Haute-Côte-Nord from 1993 to 2011.

Political differences aside, I want to pay tribute to this larger-than-life man whose sole focus was the well-being of his constituents

Michel was a caring man who was committed to his community. Everyone was on a first-name basis with him, and he had an exceptional ability to make a connection with the people he met.

I hope that his children, Isabelle and Alexandre, his grandson Olivier and his partner Johanne will always remember how Michel lived his life to the fullest and how he dedicated the best part of his life to serving others.

* * *

[English]

JUSTICE

Mr. Daryl Kramp (Prince Edward—Hastings, CPC): Mr. Speaker, our government is committed to keeping the worst of the worst behind bars right where they belong. That is why we are committed to bringing forward legislation that means life sentences for dangerous individuals and predators will be just that, a life sentence. Never again will they be free to terrorize law-abiding citizens.

Sadly, today, I was disturbed to learn that the NDP and the Liberal Party will oppose this legislation, legislation they have not even yet

read. This is clearly an example that the Liberal leader is not up to the serious job and, I might even say, the critical responsibility of protecting Canadian families.

* * *

[Translation]

JOB CREATION

Ms. Annick Papillon (Québec, NDP): Mr. Speaker, 200,000 more Canadians are out of work than before the recession. Crossing our fingers and delaying the budget is not a good economic plan. That is not how to show leadership. As Kevin Page said, the government has the means and must invest to stimulate the economy and broaden its tax base.

That is exactly what our leader proposed today by putting forward a plan to stimulate job creation in the manufacturing sector and in small businesses. Rather than offering billions of dollars to large corporations that are already making a profit, we believe that it would be better to support SMEs, which are the driving force behind job creation in Canada.

It is time to diversify our economy and encourage innovation in order to revive job creation in Canada. While the Conservatives are delaying their budget and the Prime Minister is refusing to work with the provinces to address economic issues, Canadians know that they can count on the NDP.

* * *

[English]

TAXATION

Mr. Parm Gill (Brampton—Springdale, CPC): Mr. Speaker, since coming to office, our government has made it a mission to reduce taxes on Canadian families. This is why our Prime Minister announced that we would be putting hard-earned money back into the pockets of Canadian moms and dads with our family tax cut and the enhanced universal child tax care benefit.

Soon families in my riding will receive approximately \$2,000 annually per child under the age of six. When added up, a family with five children will receive nearly \$60,000 by the time their children turn the age of six. While we are making life more affordable, the Liberals and NDP would take this money away from families and hike taxes.

Unlike the members on that side of the House, we will continue to stand up for hard-working Canadian families.

* * *

INTERNATIONAL HOLOCAUST REMEMBRANCE DAY

Hon. Carolyn Bennett (St. Paul's, Lib.): Mr. Speaker, International Holocaust Remembrance Day is observed every January 27 to mark one of the darkest atrocities in human history, the systematic killing of six million Jews during the Second World War.

This year's solemn day of remembrance has a special meaning. It is also the 70th anniversary of the liberation of Auschwitz-Birkenau. The victims of the unfathomable crime against humanity were six million daughters and sons, mothers and fathers, brothers and sisters, people whose lives were ended prematurely through acts of blind hatred.

Today is a day of deep reflection not only for the Jewish community but for all Canadians and people around the world. On this day and every day we must give special meaning to the words "never again", by pledging to actively stand up against hate, injustice, anti-Semitism, and racism and refuse to be silent in the face of genocide.

* * *

• (1415)

[Translation]

TAXATION

Mr. Jacques Gourde (Lotbinière—Chutes-de-la-Chaudière, CPC): Mr. Speaker, thanks to our Conservative government, Canadian families know that their hard-earned money will make its way back into their bank accounts.

Our plan is simple and we will stay the course. We trust parents to invest for their children and to spend their money as they see fit. Soon, Canadian families will receive \$1,920 per year for each child under the age of six and \$720 per year for each child aged six to 17.

The NDP and the Liberals want to take that money away and use it for massive bureaucratic expenses. Despite opposition from the New Democrats and the third party, the Liberal Party, which have taken a stand against middle-class families, I am proud that the Conservative government is giving money back to over four million Canadian families with children under the age of 18.

We recognize that parents are in a better position than the government to manage their own money.

* * *

[English]

INTERNATIONAL HOLOCAUST REMEMBRANCE DAY

Hon. Thomas Mulcair (Leader of the Opposition, NDP): Mr. Speaker, today we stand together to commemorate the Holocaust, humanity's darkest hour. We remember the millions of mothers, fathers, brothers, and sisters who were targeted by evil, including my wife's family.

[Translation]

We remember the children whose bright eyes were snuffed out too soon, and together, we commemorate the anniversary of the liberation of Auschwitz 70 years ago today.

That day, humanity did more than extinguish an infernal blaze; we reignited the flame of the human spirit.

Elie Wiesel said, "The opposite of love is not hate; it's indifference."

May we never accept indifference in the face of anti-Semitism and intolerance, poisonous in all of their guises.

Oral Questions

[English]

New Democrats stand with those who wish to build a better Canada, one of diversity and peace, and so against hate and indifference, we will work tirelessly so that this can never happen again. We will build a world where love will prevail.

* * *

AUSCHWITZ

Mr. Mark Adler (York Centre, CPC): Mr. Speaker, today marks the 70th anniversary of the liberation of the Nazi death camp, Auschwitz-Birkenau.

Beginning in 1942, Jews would arrive from the ghettos of eastern Europe in cattle cars. Upon arrival, those strong enough to work would be sent to the right. Women and children would be sent to the left to die in the gas chambers. By 1944, some 20,000 people a day would be murdered in this fashion.

Some had another fate. Josef Mengele, the camp doctor, would pick children, particularly twins, for gruesome experiments.

Those sent for slave labour would be tattooed with a number of their arm, like my dad, 15 years old at the time. Many were worked to their death. Others, by time of liberation, would sit or lie on the ground, staring vacantly into space, no longer aware of who or where they were. By liberation, over one million Jews had died in Auschwitz, plus 100,000 others were in this factory of death.

Therefore, when we remember the dead souls and we say, "never again", let this not be a mere phrase but a call to action, a call to resist anti-Semitism and ignorance in all its forms and to refuse to be bystanders to evil whenever it rears its ugly head.

Let that be the true legacy of Auschwitz.

The Speaker: Following discussions by representatives of all parties in the House, I understand that there is an agreement to observe a moment of silence in commemoration of the 70th anniversary of the Auschwitz liberation.

[Translation]

I invite hon. members to rise.

[A moment of silence observed]

ORAL QUESTIONS

• (1420)

[English]

NATIONAL DEFENCE

Hon. Thomas Mulcair (Leader of the Opposition, NDP): Mr. Speaker, last fall I asked the Prime Minister whether Canadian Forces in Iraq were painting targets for air strikes. The Prime Minister answered, "...the purpose of Canadian Forces in Iraq is to assist and advise....there is not a direct combat role."

Oral Questions

Again, I asked about ground forces targeting for air strikes, and again the Prime Minister said, “Canadian Forces involved in Iraq are not involved in combat.”

However, the Chief of the Defence Staff has confirmed that painting targets is a combat role. That mission has involved combat from the beginning.

Why did the Prime Minister mislead Parliament and mislead Canadians about sending Canadian Forces into combat in Iraq?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, the only problem here is that the NDP does not support the military mission against the Islamic State, something that all of our principal allies and many more around the world are involved in because it involves a direct threat to this country and to the civilized world.

Our troops are there advising and assisting Iraqi forces, and they are doing an excellent job. We stand 100% behind them.

Hon. Thomas Mulcair (Leader of the Opposition, NDP): Mr. Speaker, our troops always do an excellent job in the missions that they are given by the Canadian government and by this Parliament.

The question here is this. Why did the Prime Minister mislead the Canadian public?

Those quotes are clear. Those questions were precise. The Prime Minister gave intentionally misleading answers. Canadians want to know why their Prime Minister, on something this important, did not tell the truth to Canadians.

The Speaker: The Leader of the Opposition knows that phrases such as “deliberately mislead” or “intentionally mislead” are unparliamentary, and I will ask him to keep that in mind.

The Right Hon. Prime Minister.

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, once again it is the leader of the NDP who is caught in his own contradictions.

Canadian troops, under their commanders, are executing exactly the mission that Canadians have given them, that this Parliament has given them, that Canadians expect. They are advising; they are assisting.

Guess what? If fired upon, they are going to shoot back; and if they kill some of the ISIL terrorists, Canadians are going to support that, no matter what the New Democrats think.

* * *

[Translation]

THE ECONOMY

Hon. Thomas Mulcair (Leader of the Opposition, NDP): Mr. Speaker, Canadians will judge the Prime Minister on his original statement, not on the changed version. He told Canadians that the mission in Iraq was not a combat mission, but that was not true. He will be judged on that this year.

Speaking of telling Canadians the truth, the current fiscal year expires on March 31. When will we have a budget?

[English]

The fiscal year ends March 31. When are Canadians going to see a budget?

[Translation]

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, I would like to answer the last question. Obviously, this year, Canadians will judge this government and all of the parties.

Canadians will decide that this government has the attitude needed to carry out a mission against Islamic State terrorists. That is the right thing to do, and we are very proud of our actions.

Hon. Thomas Mulcair (Leader of the Opposition, NDP): Mr. Speaker, the Prime Minister's biggest problem is a problem with the truth.

[English]

For nine years, the Prime Minister has put all his eggs in the resource-extraction basket. For nine years, the Prime Minister has fed into a cycle of boom and bust. He has left our economy at the mercy of falling oil prices, and now the bill is coming due.

The NDP is ready, laying out clear actions the government could take to help small business and kick-start manufacturing. Why is the Prime Minister dithering yet again? Why is there no action?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, completely the opposite is the truth. The reality is that everybody is projecting that the Canadian economy will continue to grow this year.

What we have done is pursue a plan of balanced budgets and low taxes for families, for individuals, and for businesses. What the NDP has advocated—in fact, what it was advocating as little as just a few weeks ago—was that we impose additional taxes, regulations, and costs on the energy sector.

That shows how completely out of touch the NDP is with economic reality, which perhaps explains today the leader's attempts to flip-flop and do a deathbed conversion toward lower taxes for business.

● (1425)

Hon. Thomas Mulcair (Leader of the Opposition, NDP): Mr. Speaker, unlike the Prime Minister, the Bank of Canada understands that action is needed now. Just last week the Bank of Canada cut interest rates below 1%, levels that we have not seen since the depths of the financial crisis. The bank understands the risk and it is responding.

Why is the Prime Minister, as usual, sitting on his hands? Where is the budget?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, what the Governor of the Bank of Canada understands is that you do monetary policy once every quarter, when he makes a monetary policy announcement.

When it comes to budgetary policy, this government does it every year based on a long-term plan. That plan has created 1.2 million net new jobs.

Oral Questions

We are continuing to grow. We are continuing to move forward. Unlike the NDP, we are not going to write a different budget and have a different economic policy every month.

* * *

[Translation]

NATIONAL DEFENCE

Mr. Justin Trudeau (Papineau, Lib.): Mr. Speaker, last fall the Prime Minister said that our mission on the ground in Iraq was, and I quote, “to advise and to assist. It is not to accompany.”

Yesterday, the Minister of National Defence clearly stated the opposite.

Would the Prime Minister like to take this opportunity to correct his minister?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, the member, the Liberal Party and its leader have taken a very unwise position against the mission against ISIL, a crucial mission for our allies and for the security of our nation.

The mission is clear: our soldiers and troops are there to advise and assist the Peshmerga forces and the Iraqi forces. If our soldiers are fired upon, they are going to respond. That is what our troops did, and we are very proud of them.

* * *

[English]

THE ECONOMY

Mr. Justin Trudeau (Papineau, Lib.): Mr. Speaker, oil prices have fallen nearly 50% since the fall fiscal update. The Prime Minister has certainly been briefed on the current fiscal impact. Will he now tell Canadians exactly how much that drop in oil prices has affected the Canadian government?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, the government has been very clear. Obviously, the drop in oil prices affects the government's fiscal flexibility, but I have said repeatedly that the government will balance the budget this year. I note that the Parliamentary Budget Officer himself said today that even looking at his own numbers the government will be capable of balancing the budget this year.

We are not in recession. We have every intention of balancing the budget.

[Translation]

Mr. Justin Trudeau (Papineau, Lib.): Mr. Speaker, after two weeks of contradictions and ad libbing, the Minister of Finance and the Prime Minister are now saying that nothing has changed because of the price of oil.

If that is really the case, why is the Prime Minister allowing his Minister of Finance to create uncertainty by postponing the budget?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, the government is continuing its long-term plan to balance the budget, lower taxes and create jobs. Our plan is working. We can see the results.

I understand very well that the Liberals and New Democrats prefer huge tax increases and deficits, but that is not our country's policy.

That is why our economy continues to grow and why our policy is admired around the world.

* * *

[English]

MANUFACTURING INDUSTRY

Ms. Peggy Nash (Parkdale—High Park, NDP): Mr. Speaker, we have lost more than half a million manufacturing jobs over the last decade and southern Ontario has been rocked by plant closures in recent years. The Conservatives have just stood by, while the Liberal leader says it is time to give up. They are both wrong. We can kick-start manufacturing in Canada but we need action now to boost investment and create jobs.

Will the Conservatives adopt our plan to help create the next generation of well-paying manufacturing jobs for Canadians?

• (1430)

Hon. James Moore (Minister of Industry, CPC): Mr. Speaker, any time a New Democrat starts a question with “Will you adopt our plan?”, I am going to go ahead and say no.

We do have good numbers when it comes to manufacturing sales. The member singled out the province of Ontario. Sales in manufacturing in Ontario are up 41% since the recession. Just in the past month, Chrysler has announced that it is investing \$2 billion into the city of Windsor. Honda motor company in Ontario says it is going to invest \$850 million to create jobs. Ford motor company is investing more money as well into Oakville, which is going to create 1,200 new jobs in Oakville in the auto sector.

We do have policies that are working, that are creating jobs, that will support the manufacturing sector well into the future for Canadians.

[Translation]

Ms. Peggy Nash (Parkdale—High Park, NDP): Mr. Speaker, on the contrary, hundreds of thousands of manufacturing jobs have disappeared.

Middle-class families have to resort to taking underpaid and unstable jobs because the Conservatives are incapable of diversifying our economy. With the downturn in the oil industry, we see the extent of the damage caused by the Conservatives.

Why are they refusing to do something to diversify our economy and stimulate job creation in the manufacturing sector?

Hon. James Moore (Minister of Industry, CPC): Mr. Speaker, we are in the process of implementing policies that are truly in the interest of our economy in every region and in a number of sectors of our economy. This is what Jayson Myers, the president and CEO of Canadian Manufacturers & Exporters, had to say, and I quote: “Many of the programs the Conservative government has put in place do support manufacturing, and do it very well”.

Oral Questions

It is very important to have policies, commitments and approaches to protect our industries across Canada and to diversify our economy. That is what we are doing.

Mr. Guy Caron (Rimouski-Neigette—Témiscouata—Les Basques, NDP): Mr. Speaker, the downturn in the oil economy puts the spotlight on the Conservatives' mismanagement and failure to diversify our economy for years.

Half a million manufacturing jobs were lost in the past decade and the government is doing nothing about it. Instead of postponing the budget until April and boycotting the Council of the Federation, the government should be showing leadership and working with the provinces on stimulating job creation in the manufacturing sector and in SMEs.

Why is it doing nothing?

Hon. James Moore (Minister of Industry, CPC): Mr. Speaker, as I just said, that is not at all the case.

We are creating policies that will protect, promote and definitely expedite our access to good-quality jobs in every region of Canada. We have made investments in the regions for the auto sector, not to mention the Asia-Pacific gateway and Canada's east coast. We are definitely in a position to say that we have good news about the future and we will soon make announcements about investments.

Mr. Guy Caron (Rimouski-Neigette—Témiscouata—Les Basques, NDP): Mr. Speaker, the NDP's plan to stimulate job creation in the manufacturing sector and in SMEs is a responsible and practical plan that will boost employment and broaden the government's tax base.

Several NDP measures have the support of the Manufacturiers et exportateurs du Québec and the Canadian Federation of Independent Business. There are ways to stimulate employment.

Why is the government refusing to help the middle class?

[English]

Hon. James Moore (Minister of Industry, CPC): Mr. Speaker, of course, when it comes to supporting the middle class, this government has done more than anybody else.

There was a well publicized, well documented study on the front page of *The New York Times* which said that Canada has the wealthiest middle class in the world. It is because our government has delivered for the middle class by lowering taxes, supporting key industries in all parts of this country, and ensuring that good-quality jobs are happening all across this country for the benefit of all regions of Canada. That is why we have our national shipbuilding procurement strategy. That is why we are supporting the automotive industry.

We are keeping taxes down. We have a 13 percentage point lower corporate tax rate than what is offered in the United States, which is creating jobs in Canada in all of our regions. We are leading the world. There have been 1.2 million net new jobs created and we are going—

The Speaker: The hon. member for Skeena—Bulkley Valley.

THE ECONOMY

Mr. Nathan Cullen (Skeena—Bulkley Valley, NDP): The Conservatives say that the 400,000 Canadians who have lost those manufacturing jobs should just read *The New York Times* and have hope.

Another day and another report showing the mess that Conservative economic mismanagement has put us in. Today the PBO joined the Conference Board, the TD Bank, and others in raising concerns about the impact of low oil prices on the Canadian economy.

Conservatives have failed to build a balanced economy, blowing billions on handouts to the wealthiest families and the most profitable corporations.

While tens of thousands of Canadian families lose their jobs, the Minister of Finance refuses to do his. Delaying the budget months and hiding under the covers will not help these families out at all.

Will he support our motion, at least show us the books, and come clean with Canadians for once?

• (1435)

Hon. Joe Oliver (Minister of Finance, CPC): Mr. Speaker, the PBO is one of many forecasters and has shown that the government can in fact reach a balanced budget next year, which we are of course determined to do.

Our government has a low-tax plan for jobs and growth, and it is working. There are 1.2 million net new jobs and a superior growth rate to that of other G7 countries overall. We are proud to lower taxes and we are proud to provide benefits to four million Canadian families.

The opposition would put forward policies that would raise taxes and increase debt.

Mr. Nathan Cullen (Skeena—Bulkley Valley, NDP): Mr. Speaker, our economy faces real challenges that call for a real response, but rather than spring into action, the finance minister has gone into lockdown, hiding the books, and refusing simply to come clean with Canadians.

However, here is the reality. There are 1.3 million Canadians out of work. Jobs grew more slowly than population last year in Canada, and that was supposed to be a good year according to the Conservatives. We have also lost 400,000 manufacturing jobs, which the government is doing nothing to replace.

When are we going to see an actual plan from the government? When are we going to see a budget? When is he going to come out from under the covers and do his job for Canadians?

Oral Questions

Hon. Joe Oliver (Minister of Finance, CPC): Mr. Speaker, as I have said before, because of the instability of the oil market, we will not present a budget before April. We need to have all of the facts. That is the prudent thing to do. The opposition apparently would prefer to leap forward with its plans to increase taxes, increase the debt, and drag down our economy. We are presenting a policy that will advance the prosperity and the security of Canadians now and for future generations.

Mr. Nathan Cullen (Skeena—Bulkley Valley, NDP): Mr. Speaker, I am not sure what is worse, having bad policies like the Conservatives do or having no policies like the guys down in the corner.

There is a clear choice and distinction between us and the Conservatives. The Conservatives believe in handing out billions of dollars to 15% of the wealthiest Canadians, but New Democrats believe in affordable child care for every Canadian family. Conservatives believe in putting all their eggs in one basket, but New Democrats believe in a diversified manufacturing sector. Conservatives believe in massive handouts to the wealthiest corporations, but New Democrats believe in helping small businesses that create 80% of all new jobs here in Canada.

When are the Conservatives going to get with reality and side with good policies and right ideas that will help Canada out today?

Hon. James Moore (Minister of Industry, CPC): Mr. Speaker, we believe in lowering taxes on small business and New Democrats voted against that. We believe in lowering taxes for families and they say it is a bad idea. We support the national shipbuilding procurement strategy and they voted against it. We believe in expanding free trade with Europe and they are going to vote against it. We believe, of course, in supporting our automotive sector with the automotive innovation fund, and they have voted against it.

Every single time we have taken measures that have been praised around the world for supporting the creation of jobs in the Canadian economy, it has always been the NDP that has been against them. Some 1.2 million net new jobs have been created since the recession. We have done that while lowering taxes, not raising taxes. We have a balanced budget, and the Canadian economy will be strong well into the future.

* * *

[Translation]

LABOUR

Ms. Laurin Liu (Rivière-des-Mille-Îles, NDP): Mr. Speaker, since the introduction of my bill to protect unpaid interns, the government has begun taking this problem seriously. However, we are still waiting for concrete measures to limit unpaid work.

Will the Conservatives take action to ensure that student and other interns are treated as full employees and are protected, as they should be, under the Canada Labour Code?

[English]

Mrs. Cathy McLeod (Parliamentary Secretary to the Minister of Labour and for Western Economic Diversification, CPC): Mr. Speaker, stakeholder consultation is very common on legislation that is before Parliament. The minister has asked me to meet with

stakeholders across the country to discuss the issue of internship as it relates to the federally regulated workplace.

Mr. Andrew Cash (Davenport, NDP): Mr. Speaker, the government has presided over a youth jobs crisis and the solution for so many young people has been to work for free. The federal Labour Code gives every single employee rights and protections. The problem is that unpaid interns are not considered employees under the code, so they do not have the right to refuse unsafe work. They do not have the same protections from sexual harassment in the workplace. Surely, the minister must agree with the NDP that these same protections should apply to all interns, paid and unpaid.

• (1440)

Mrs. Cathy McLeod (Parliamentary Secretary to the Minister of Labour and for Western Economic Diversification, CPC): Mr. Speaker, the government is committed to keeping Canadian workplaces safe, fair, and productive, and it is why our economic action plan 2014 invested \$40 million to support up to 3,000 internships in high-demand fields.

I want to point out that whether it is the youth employment strategy or support for internships, the \$40 million I mentioned, the NDP does not support these measures. It needs to start supporting our government and the positive measures that we take.

* * *

MANUFACTURING INDUSTRY

Hon. Judy Sgro (York West, Lib.): Mr. Speaker, for years the government has sat back and watched as manufacturing jobs bled from a sector desperate for help. Over 350,000 families suffered through the worst sector meltdown in a generation. Just today, St. Thomas, Ontario, lost another 1,500 jobs. Canada's manufacturing exports have plunged 7% since 2005, while U.S. exports have increased by 70%. Clearly, the only thing the government is good at manufacturing is empty rhetoric.

Instead of manufacturing false blame, will the Conservatives commit to a real plan to help our families?

Hon. James Moore (Minister of Industry, CPC): Mr. Speaker, it was the leader of the Liberal Party who, in Windsor last week, said that the Canadian government should move away from supporting manufacturing altogether. The policy of the Liberal Party is not neglect but is actually proactive abandonment of the manufacturing sector. That is, of course, mindless.

Oral Questions

Our policies are working for Canadians. Let us let the last word on this go to Jayson Myers, the Canadian Manufacturers & Exporters CEO. He said:

...the programs the Conservative government has put in place do support manufacturing, and do it very well.

* * *

THE ECONOMY

Hon. Scott Brison (Kings—Hants, Lib.): Mr. Speaker, the only thing this government manufactures is excuses. The reality is that the finance minister says he needs to delay the budget until he has heard from the economists. If the minister listened, he would hear TD Bank, and now the PBO, saying that he is heading toward a deficit, yet the minister insists that he can balance the budget while giving income splitting as a gift to the rich and without program cuts.

Now that he has heard from the economists, and they are contradicting him, will he stop dithering and table a budget to clear up this uncertainty he has created?

Hon. Joe Oliver (Minister of Finance, CPC): Mr. Speaker, as I said, the PBO indicated that Canada is well within the margin of being able to balance the budget, and in fact, we will do so. We will base the forecast on the private sector, as we have always done. We will continue our plan, which is a low-tax plan, for jobs and growth, and we will reject the policies of the opposition, which would raise taxes, increase debt, and burden our children and grandchildren with today's expenses.

Hon. Scott Brison (Kings—Hants, Lib.): Mr. Speaker, if the minister is so sure that he can introduce a balanced budget this year without spending cuts, and deliver income splitting to the rich, why does he not introduce the budget as usual, in February? Clearly, according to what he is saying now, there is no fiscal reason or economic reason not to do that.

Is the real reason for delaying the budget to April a political one: to table a budget, perhaps in the middle of the Mike Duffy trial, to try to distract Canadians from yet another Conservative scandal?

Hon. Joe Oliver (Minister of Finance, CPC): Mr. Speaker, as the Prime Minister has said, we base our decisions on the economic reality. The reality is an instability in oil prices, which results in a need to get our information, which we will do.

We present a budget once a year. We present our fiscal update once a year. We will balance the budget. We will honour our commitment to keep taxes low for Canadians, and we will reject the opposition's attempt to increase the debt and burden our children and grandchildren with today's expenditures.

* * *

NATIONAL DEFENCE

Mr. Jack Harris (St. John's East, NDP): Mr. Speaker, I submitted a formal question to the minister on the order paper requesting the cost of the military mission in Iraq, and I was expecting a serious answer. Instead, the minister's response was that he will only provide the information his department has 90 days after our time in Iraq is complete, whenever that might be.

Can the Minister of National Defence confirm that his department is actually in possession of the cost estimates but that he just will not release them?

• (1445)

Hon. Rob Nicholson (Minister of National Defence, CPC): Mr. Speaker, what I can confirm is that our men and women are actively deployed in the fight against terrorism. As I have already indicated, there are costs already allotted within the budget, and any incremental costs will be tabled.

However, I think one thing we can all agree on is that even spending a dollar fighting terrorism in that part of the world will be opposed by the NDP.

[Translation]

Ms. Éline Michaud (Portneuf—Jacques-Cartier, NDP): Mr. Speaker, contrary to what the Conservatives promised, Canadian soldiers are presently on the front lines in Iraq in a combat role.

Furthermore, according to the defence department, only Canada has put itself in this situation.

The real question here is not whether our soldiers should return fire, but why the Conservatives have put our soldiers in this position without informing Canadians of the true nature of the mission in Iraq.

[English]

Hon. Rob Nicholson (Minister of National Defence, CPC): Mr. Speaker, the hon. member is completely off base with this. We have been very clear on the government's decision to involve fighter jets out of Kuwait. We have been a part of that. We are advising and assisting with our special forces.

We have put this matter before Parliament, because it is the right thing to do to stand up to terrorism and co-operate with our allies. Why does this never have the support of the NDP?

* * *

[Translation]

VETERANS AFFAIRS

Mr. Sylvain Chicoine (Châteauguay—Saint-Constant, NDP): Mr. Speaker, we were all pleased to hear the minister tell us yesterday that veterans would be his priority. However, that alone will not restore trust. Clear answers and firm commitments are required. I will repeat the question I asked yesterday.

Will the government take concrete action, reach out to our veterans and reopen the department's regional offices, as our veterans are demanding? Yes or no?

Oral Questions

[English]

Hon. Erin O'Toole (Minister of Veterans Affairs, CPC): Mr. Speaker, as the member well knows, by the end of this year, veterans will have the opportunity to seek mental health support at 25 offices from coast to coast. It is about meeting the new and rising needs of our veterans and offering services for veterans who are in their 20s and 30s as well as for veterans in their 80s and 90s. We are meeting these evolving needs.

Mr. Peter Stoffer (Sackville—Eastern Shore, NDP): Mr. Speaker, every Canadian knows that there is a moral and social obligation to care for those men and women we ask to put themselves in harm's way. However, it is only the Prime Minister and the Conservatives who do not believe that there is a moral and social obligation to care for them, especially now those in Iraq.

My question, very simply, is for the Minister of Veteran's Affairs. Does the government believe that there is a moral, social, legal, and fiduciary responsibility to care for the heroes of our country who the government asked to put in harm's way?

Hon. Erin O'Toole (Minister of Veterans Affairs, CPC): Mr. Speaker, I met the hon. member in 1997, when I was a lieutenant at the air base in his riding. That was in 1997. A few years later, he voted in this place for the new veterans charter. What we have to realize, between 1997 and today, is that we have to meet the new and ongoing needs of our veterans. There is a tremendous obligation, recognized as far back as Robert Borden, but we are not frozen in time. We have to meet the needs now and in the future, and we will.

* * *

TAXATION

Mr. John Carmichael (Don Valley West, CPC): Mr. Speaker, on January 1, our government's enhanced universal child care benefit took effect. Families will now receive even more benefits from our government.

Would the Minister of Employment please update the House on how families will benefit from the latest tax cuts from our budget?

Hon. Jason Kenney (Minister of Employment and Social Development and Minister for Multiculturalism, CPC): Mr. Speaker, I thank the member for Don Valley for his question and his support for tax fairness for families. The package introduced by our government of course will focus benefits, two-thirds of them, on low- and modest-income families. One hundred per cent of families with kids under the age of 18 will benefit, with an average benefit of nearly \$1,200 a year. A family earning less than \$30,000 will receive an average benefit of over \$1,200. A single parent with two kids, earning \$30,000, will receive over \$1,500 in benefits.

This is one of the largest and most significant tax benefits for Canadian families ever. It will strengthen families. It will help parents with the cost of living. We are proud of our family tax cut.

* * *

• (1450)

CANADIAN SECURITY INTELLIGENCE SERVICE

Ms. Rosane Doré Lefebvre (Alfred-Pellan, NDP): Mr. Speaker, Canadians were shocked to learn about the high-flying travel at CSIS. Director Michel Coulombe has racked up tens of thousands in

travel expenses, including a \$750-a-night hotel bill. Meanwhile, CSIS case officers looking at high-risk travellers are overstretched and under-resourced. Does the minister really think this is an appropriate use of taxpayer funds?

Hon. Tony Clement (President of the Treasury Board, CPC): Mr. Speaker, the travel directive of the Government of Canada is very clear. It states that the most economical means is to be selected given the nature of the trip when booking transportation, accommodations, and meeting facilities.

The government takes the management of taxpayers' money very seriously. I have already directed that officials look into this matter.

[Translation]

Ms. Rosane Doré Lefebvre (Alfred-Pellan, NDP): Mr. Speaker, it makes no sense that the director of CSIS spends more on travel than the minister. A hotel room for \$750 a night is a bit much, especially when we know that CSIS agents are overworked because they are tracking people who have become radicalized.

Are those the changes the Conservatives claim to be making in Ottawa? How can they stand for this kind of waste?

Hon. Tony Clement (President of the Treasury Board, CPC): Mr. Speaker, as I already said, there are regulations for this and we will demand answers. I have directed my officials to look into this matter.

[English]

I would say to the hon. member that it is a little rich coming from them. Maybe they were doing their research from one of the illegal offices they had that they still have not reimbursed the taxpayers for.

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DISASTER ASSISTANCE

Ms. Niki Ashton (Churchill, NDP): Mr. Speaker, as the Conservatives waste thousands, they are downloading huge new costs onto provinces. Most recently they tried to sneak through changes making it harder to qualify for federal assistance in the wake of natural disasters. This will have a huge impact on Manitoba. In the last five years we have had three major floods as well as other disasters. Under the new rules, the current government is upping the threshold, leaving municipalities and the province with no relief.

How can the minister justify leaving behind disaster-stricken communities across my province?

Oral Questions

[Translation]

Hon. Steven Blaney (Minister of Public Safety and Emergency Preparedness, CPC): Mr. Speaker, on the contrary, Public Safety Canada has signed an agreement with Aboriginal Affairs and Northern Development Canada to ensure that money makes it to the first nations and also to make it easier to coordinate with the provinces.

This news was well received by the communities and the provinces, and we will continue to support aboriginal communities that experience natural disasters.

[English]

Mr. Robert Chisholm (Dartmouth—Cole Harbour, NDP): Mr. Speaker, we are talking about disaster relief for the provinces. The current government, without any notice, has tripled the threshold to qualify for disaster relief. In Nova Scotia, for example, that means that in the past 20 years, they would have had to forgo \$20 million.

The question is really simple. Why is the government down-loading again to the provinces? Why does it figure the provinces have to carry this on their own?

Hon. Steven Blaney (Minister of Public Safety and Emergency Preparedness, CPC): Mr. Speaker, this government is standing by communities and provinces when it comes to large disasters. The federal government is covering up to 90% of the cost when those big tragedies occur, and we are working hand in hand with the provinces and communities.

Let us be clear. This program was not updated or indexed for decades. We took half the indexation. The provinces are still part of the program. We will continue to support the provinces and communities whenever it is needed in this country, and we will face the challenge.

* * *

NATIONAL DEFENCE

Ms. Joyce Murray (Vancouver Quadra, Lib.): Mr. Speaker, yesterday in the House, the Minister of National Defence justified front-line combat by saying, “I am not sure we could train troops without accompanying them.”

Yet on September 30, the Prime Minister explicitly ruled out combat on the ground. He said in question period, the mission “is to advise and to assist. It is not to accompany.”

Why is the defence minister directly contradicting the Prime Minister and the Prime Minister, today covering for him?

Do Canadians not deserve the truth?

Hon. Rob Nicholson (Minister of National Defence, CPC): Mr. Speaker, we have been very clear with respect to the role of our air force operating out of Kuwait and of our special forces who are there to advise and assist.

I think what Canadians will not accept is the Liberal position that it will only take military action if the outcome is already known or if others are doing the heavy lifting. That has not been part of Canadian history. That is not what this country is all about. Canadians stand with this government and what we are doing in that area.

● (1455)

[Translation]

Hon. Stéphane Dion (Saint-Laurent—Cartierville, Lib.): Mr. Speaker, the contradiction is far too blatant here.

On September 30, the Prime Minister said, “It is to advise and to assist. It is not to accompany.”

Yesterday, the Minister of National Defence said, “I am not sure we could train troops without accompanying them.”

What a blatant contradiction.

When the Prime Minister misled the House and Canadians with his incorrect statement, why did the Minister of National Defence not rise, at the time, to tell Canadians and the House that the Prime Minister was mistaken and that the troops would be “accompanying”?

[English]

Hon. Rob Nicholson (Minister of National Defence, CPC): Mr. Speaker, the hon. member does not want our troops doing anything. That is one thing we can all agree on. We have been very clear that our special forces will be there to advise and assist and that we will be conducting air raids out of Kuwait. The contradiction is that the Liberal Party wants us to do nothing in this fight against terrorism. Nobody agrees with them.

* * *

NATURAL RESOURCES

Mr. Claude Gravelle (Nickel Belt, NDP): Mr. Speaker, for years the Ontario Liberals have been bickering with Conservatives in Ottawa over the Ring of Fire and getting nothing done for northerners. Instead of creating jobs in Sudbury, the Liberals are sitting on their hands.

Can the minister explain to me why if there is something that needs to get done in southern Ontario it gets done, but when it is up north, there is a lot of talk and no action?

Hon. Greg Rickford (Minister of Natural Resources and Minister for the Federal Economic Development Initiative for Northern Ontario, CPC): Mr. Speaker, that might be a question for the provincial legislature, but I will put it to my friend and colleague, Minister Gravelle, this afternoon, who I will be meeting with to hopefully talk about specific projects that pertain to the Ring of Fire.

As I have reminded this place and my colleagues in Ontario, the building Canada fund announced in 2013 has the potential to support infrastructure funding for legacy resource development projects like the Ring of Fire. To this date, departments across our government have made responsible investments in the Ring of Fire. We are hopeful that the provincial government will get on board with specific proposals to move this forward.

Oral Questions

Mr. Charlie Angus (Timmins—James Bay, NDP): Mr. Speaker, the fact is that the Conservatives are cutting \$11 million out of the FedNor budget for northern Ontario over the next four years. This is on top of the fact that we have already lost 30,000 jobs in the north. If that was not bad, we actually then have to deal with the provincial Liberals who do not seem to understand the Ring of Fire is not a karaoke song; it is a \$9 billion investment in the future.

I want to ask my colleague this. Where is the action plan? We have communities like Timmins, Thunder Bay and Capreol being sidelined by this lack of investment that would help our businesses, our communities and our first nations.

Where is the plan?

Hon. Greg Rickford (Minister of Natural Resources and Minister for the Federal Economic Development Initiative for Northern Ontario, CPC): Mr. Speaker, that is a timely question. I was just in Timmins, Kirkland Lake, Cochrane and Hearst early last week. It was -38°. The folks there were warmed up and comforted by the investments that FedNor was making across that region.

When they got frosty was when I reminded them that the member voted against every one of those measures.

* * *

NATIONAL DEFENCE

Mr. Lawrence Toet (Elmwood—Transcona, CPC): Mr. Speaker, Canada remains committed to showing our solidarity with the Ukrainian people in the face of Russian military aggression.

So far the Canadian Forces have made significant contributions to NATO's Baltic air policing activities, have deployed approximately 120 Canadian Armed Forces members to Eastern Europe to participate in training events, and have sent 20 operational planners to NATO headquarters.

Could the Minister of National Defence please update the House on the latest contribution Canada has made to NATO's Ukrainian assurance measures?

Hon. Rob Nicholson (Minister of National Defence, CPC): Mr. Speaker, last month HMCS *Fredericton* departed Canadian Forces Base Halifax to join Operation Reassurance.

The *Fredericton* is the first modernized, high-readiness frigate to deploy overseas. As a result of investments from this government, HMCS *Fredericton* has new radar capabilities, a new electronic warfare system and upgraded communications and missiles.

People should make no mistake. This government will continue to show, by supporting this mission, our support for the people of Ukraine.

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● (1500)

RAIL TRANSPORTATION

Hon. Ralph Goodale (Wascana, Lib.): Mr. Speaker, my question is for the Minister of Transport. We are all glad to see she is in such good health.

A group of agricultural shippers released a report yesterday showing that the railways were again some 12,000 cars behind in meeting orders to ship grain, and there is still no equity among corridors. North-south shipments, especially, are suffering and that particularly hurts Saskatchewan.

Since the farm groups will be updating their report every week, could the minister confirm that their figures are accurate? How will the minister respond if the railways continue to fall short for the rest of this crop year?

Hon. Lisa Raitt (Minister of Transport, CPC): Mr. Speaker, I very much appreciate the member's kind wishes, but I knew there was going to be a "but" in there.

I am very well aware of the report. We want to ensure that all corridors are being served in Canada. We are going to continue to increase the transparency in the Canadian logistics system.

One of the key things that we have done is we have accelerated the review of the Canadian Transportation Act. There is a panel in place that is taking a look at what our transportation needs are going to be in the next 20 to 30 years. I am confident it will get to the right answers.

I encourage anybody in the logistics chain, be it agriculture, lumber, mining, whatever, to ensure they make their input into the CTA review.

Mr. John Rafferty (Thunder Bay—Rainy River, NDP): Mr. Speaker, just as everyone in this place has seen, I am pleased to see the Minister of Transport back, safe and sound. However, it has been a year now since I asked the minister to help get the James Street bridge in Thunder Bay reopened.

The loss of this bridge has a significant economic impact on both Thunder Bay and Fort William First Nation. It impedes the work of first responders.

CN should not be allowed to hold a community hostage like this. Will the minister finally respond to my request and intervene to get this important bridge reopened?

Hon. Lisa Raitt (Minister of Transport, CPC): Mr. Speaker, I thank the member for his kind wishes as well.

We are aware that there are negotiations ongoing between Thunder Bay and CN Rail, because CN owns this bridge. If there are responsibilities and liabilities related to bridge repair and maintenance, we expect CN to fulfill these.

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INTERNATIONAL TRADE

Mr. Randy Hoback (Prince Albert, CPC): Mr. Speaker, this government has been steadfast in its support of the Ukrainian government in its opposition to Russian aggression.

The Minister of International Trade was recently in Kiev on a trade and development mission to build on Canada and Ukraine's strong economic and cultural ties.

Could the minister please share with the House the latest development in the Canadian-Ukrainian economic partnership?

Oral Questions

Hon. Ed Fast (Minister of International Trade, CPC): Mr. Speaker, our government is committed to supporting efforts to build a prosperous, peaceful and democratic Ukraine.

The people of Ukraine face enormous security and economic challenges, and Canada will remain Ukraine's steadfast and trusted partner in its time of need.

Yesterday I was in Kiev to announce that Canada and Ukraine were actively engaged in negotiations toward a free trade agreement. I also announced another \$52 million of development assistance and economic support.

By further strengthening our economic partnership, our work together will improve social and economic conditions, and create growth and prosperity for all Ukrainians.

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NORTHERN DEVELOPMENT

Mr. Dennis Bevington (Northwest Territories, NDP): Mr. Speaker, the nutrition north program is another failure and symbolic of the Conservatives' failed Arctic policies. Now the minister's department has put out a tender for a consultant to help him out with nutrition north, not now but next fiscal year.

The reality is that parents across northern Canada are going without food and elders are scavenging in the dumps.

Canadians in southern Canada have begun sending food to northerners through organizations like Helping our Northern Neighbours.

Why are the Conservatives delaying action on this immediate crisis?

Hon. Bernard Valcourt (Minister of Aboriginal Affairs and Northern Development, CPC): Again, Mr. Speaker, the government is indeed taking action. We indicated to the House and to northerners that we would implement all of the recommendations of the Auditor General.

The fact remains that the NDP may grandstand and try to make political points and play politics with the fate of northerners, but the fact is that the results are clear.

Since the implementation of the nutrition north program, perishable and nutritious food shipped to northern Canada has gone up by 25%. The cost of a food basket for a family of four has gone down by \$110 per month. That is quite a significant achievement.

* * *

● (1505)

[*Translation*]

SPORT

Mr. Massimo Pacetti (Saint-Léonard—Saint-Michel, Ind.): Mr. Speaker, over the past five years, this government has spent over half a billion dollars on the children's fitness tax credit. Its attempt to get young Canadians to be more active has failed. According to Active Healthy Kids Canada's 2014 report card, only 5% of young Canadians meet the Canadian guidelines for physical activity.

What we need are better-funded, more accessible sports programs with modern infrastructure. When will this government take action to improve young Canadians' physical fitness?

[*English*]

Hon. Bal Gosal (Minister of State (Sport), CPC): Mr. Speaker, we all agree that an active, healthy lifestyle is good for people of all ages. That is why we have great organizations like Participaction, KidSport, Special Olympics, Sport for Life and Canadian Tire's Jumpstart that we fund.

This is why I am proud the Prime Minister doubled up the fitness tax credit to \$1,000. Also the universal child care benefit has been increased.

My hope is that parents put those words "sports for the kids" so kids can get involved in sports and physical activity, and excel in education as well.

* * *

[*Translation*]

FOREIGN AFFAIRS

Mrs. Sana Hassainia (Verchères—Les Patriotes, Ind.): Mr. Speaker, blogger Raif Badawi was convicted in Saudi Arabia for making statements deemed too liberal. His story has made headlines around the world and aroused indignation.

Mr. Badawi is not Canadian, but his family is here. Canada must condemn this appalling situation and take clear diplomatic action in the name of freedom of expression and respect for human rights. I know that this government has already stated several times that it has asked the Saudi government for clemency and to set aside this blogger's sentence, but it is clear that the gesture was not enough.

Can the government tell us what concrete action it will take to reunite Mr. Badawi with his family in Canada?

[*English*]

Hon. Lynne Yelich (Minister of State (Foreign Affairs and Consular), CPC): Mr. Speaker, Canada does consider the punishment of Mr. Badawi to be a violation of human dignity, and we continue to call for clemency in this case.

Mr. Badawi is not a Canadian citizen, but we continue to make our position known, both publicly and through diplomatic channels, including the Minister of Foreign Affairs recently raising this issue with Prince Turki Al-Faisal. He also made representations to Saudi Arabia's ambassador in Ottawa, and the ambassador in Riyadh has met with Saudi officials.

* * *

PRESENCE IN GALLERY

The Speaker: I would like to draw the attention of hon. members to the presence in the gallery of the Hon. Bob McLeod, Premier of Northwest Territories.

Business of Supply

Some hon. members: Hear, hear!

The Speaker: In recognition of Black History Month, I would also like to draw to the attention of hon. members the presence in the gallery of the author of *The Book of Negroes*, Lawrence Hill, as well as some of the cast and producers of the TV mini-series: Clement Virgo, Damon D'Oliveira, Aunjanue Ellis, Lyriq Bent, Margaret O'Brien and Armand Leo.

Some hon. members: Hear, hear!

GOVERNMENT ORDERS

[*Translation*]

BUSINESS OF SUPPLY

OPPOSITION MOTION—ECONOMIC SITUATION

The House resumed consideration of the motion.

Mr. Raymond Côté (Beauport—Limoilou, NDP): Mr. Speaker, I thank my colleague from Compton—Stanstead for his very fine speech, which was geared toward his constituents.

The Bank of Canada's Monetary Policy Report indicates that long-term unemployment is still close to its post-crisis peak. Nearly five years after the crisis, long-term unemployment—the most damaging kind—is still peaking. It is absolutely unbelievable.

I have no idea how the government can avoid taking responsibility for such destructive unemployment. My colleague will agree that this is the type of unemployment that keeps people out of the job market for the long term.

I would like to hear what he has to say about that.

• (1510)

Mr. Jean Rousseau (Compton—Stanstead, NDP): Mr. Speaker, I thank my colleague for his question.

One of the most perverse long-term effects is the exodus of these people, who leave when they can no longer find work in their home region. That is an extremely unfortunate situation.

The government has forgotten that people need training. Moreover, we are not talking about a program that will affect only 15% to 20% of this population. These people need ongoing training services on the job and, especially, training for re-entering the work force.

We can only make progress in these areas and, most importantly, ensure that some regions do not become completely stagnant, when the various levels of government work with local entrepreneurs and economic agents and players.

[*English*]

Mr. Kevin Lamoureux (Winnipeg North, Lib.): Mr. Speaker, I would like to re-emphasize a point I made earlier today, that a fundamental responsibility of the federal government is to instill a sense of confidence in the economy. One of the ways it does that is by providing a national budget in a timely fashion.

For the government, the Prime Minister, and the Minister of Finance to say that they do not know what is happening in the oil sector and as a result they are going to have to delay the budget is

irresponsible and disrespectful in terms of the important role the government has in presenting a budget, for a great many reasons.

I wonder if the member would like to provide additional comments on the disappointment of Canadians in the government's inability to present a budget to Canadians through the House of Commons.

[*Translation*]

Mr. Jean Rousseau: Mr. Speaker, I thank my colleague for this question. That is exactly what I was saying.

When a government is not capable of adapting to economic conditions, it effectively erodes the confidence of all actors: workers, unemployed people, decision-makers, entrepreneurs and the various levels of government. When the environment does not meet the needs of their situation so they can prosper, people become disillusioned and growth is much more difficult.

It is extremely disappointing to see that this government is not capable of adapting to conditions that are the same everywhere on the planet. In our case, it is because the government relied on a particular sector of the economy. Now that it is a bit unstable, the entire Canadian economy is suffering. This is extremely unfortunate.

If measures had been taken to diversify the economy during this period, to make provisions for the present conditions, we would not be in this position, and our manufacturing companies would be able to export and be efficient and productive, while creating jobs in prosperous communities.

[*English*]

Mr. Mark Adler (York Centre, CPC): Mr. Speaker, before I begin my remarks, I would like to indicate that I will be splitting my time with my colleague, the member for Winnipeg South Centre.

I appreciate this opportunity to address the motion of my colleague, with whom I sit on the finance committee, on the state of the nation's finances. The Prime Minister and the Minister of Finance have continually said that the global economy remains fragile. Events beyond our borders, including the falling price of oil, can affect our economy. That is why it is more important than ever for our government to stay the course with a steady plan to balance the budget, create jobs, and secure Canada's long-term prosperity.

Let me be clear. Our government remains committed to balancing the budget in 2015. Despite the changing international situation, Canada's economy remains strong. Since coming to office in 2006, our government has had the best job creation record in the G7 and we are leading in economic growth.

Since the depth of the recession, more than 1.2 million net new jobs have been created, with 82% being full time, 84% of them in the private sector, and 66% in the high-wage industries. This record is the result of the resiliency of the Canadian people and the efforts of our government through Canada's economic action plan.

Our government has put tax relief at the core of all of our budgets, and we have a proven record of continuously lowering taxes and tariffs to the benefit of all Canadians, particularly hard-working Canadian families.

Business of Supply

Our government remains focused on what matters most to Canadians. In fact, actions taken by our government since 2006, including the measures we announced in October for families with children, will provide tax relief and benefits of up to \$6,600 for a typical two-earner family of four. We have lowered 150 different taxes since taking office in 2006, and the overall tax burden is now at its lowest level in more than 50 years. This is an achievement of which we can be proud.

Families will soon see the benefit of our proposals to increase and expand the universal child care benefit, which will provide an additional \$720 per child to families with children under the age of 18. This is in addition to our family tax cut, which will establish fairness in the tax system for parents who earn different incomes. Taken together, our new measures will provide benefits to every single family with children under the age of 18 in the country.

In providing this support for hard-working Canadian families, our government has not deviated from our commitment to balance the budget. We will balance the budget in 2015, while delivering close to \$27 billion in tax relief and increased benefits for hard-working families over this year and the next five years.

The opposition, on the other hand, would jeopardize this tax relief, taking away benefits from hard-working Canadians at a time when they need it most. Some of my esteemed colleagues across the floor would argue that there is no harm in running a deficit in 2015 to pay for new, costly, and unnecessary programs. We on this side, however, do not. Balancing the budget is a means to increase Canada's economic potential to improve employment opportunities for Canadians by creating more good-quality full-time jobs and to raise our citizens' standard of living.

The benefits of balancing the budget and reducing the debt are many. Some of these include ensuring that tax dollars are used to support important social services like elderly benefits and health care rather than paying interest costs, instilling confidence in consumers and investors whose dollars spur economic growth and job creation, and strengthening Canada's ability to respond to longer term challenges such as population aging, unexpected global economic shocks, and global security threats.

We need to stay firm to our commitment to the Canadian people to balance the budget, a commitment that we have reaffirmed to Canadians time and time again. While the global economy may be struggling, the fundamentals of our economy remain strong. We must address our challenges not by engaging in reckless fearmongering or spending, as the opposition would suggest, but by following through on our commitments and continuing to move forward with our low-tax plan to create jobs, promote growth, and secure our long-term prosperity.

Recently our government took actions to stay the course and build on our record. As previously mentioned, we invested in tax relief for Canadian families that will pay dividends for generations to come. We also created the small business job credit, a tax credit that will provide an estimated savings of approximately \$550 million for job-creating small businesses. We invested \$5.8 billion in additional infrastructure investments that are crucial to supporting our economic growth. I am confident that as a result of these actions

Canada's economy will continue to grow and create jobs. Budget 2015 will build on this record.

• (1515)

In the lead-up to the budget, our government will survey private sector economists to ensure that we have the most up-to-date views, including their views, on the economic impact of lower oil prices. This is a practice that has been done for nearly two decades.

We will not change our plans to indulge in the opposition's hysteria. We will remain committed to our plan. Our economic action plan has seen Canada perform strongly through these uncertain times. With the help of our economic action plan, Canada was able to weather the storm when the global economic crisis arrived in 2008. We have emerged stronger, with more jobs and stronger growth.

By balancing the budget, our government is not only fulfilling our commitment but also protecting ourselves from future volatility.

In conclusion, our government will balance our budget in 2015 without raising taxes or reducing funding for health care and important social programs. We will stay the course and provide the steady fiscal management that Canadians have come to expect and demand. We will not engage in irresponsible spending, as the opposition suggests, and will remain committed to our core principles of job creation and low taxes.

Low taxes help Canadians succeed in the global economy through the creation of high-quality jobs and opportunities for success. Our success is not based on chance, but rather choice. Budget 2015 will be the next chapter in our government's long-term plan to strengthen the Canadian economy in an uncertain world. This next chapter of our plan will build on our strong record to date.

Taken together, the measures our government has introduced since 2006 and those to come in budget 2015 will continue to keep taxes low and help Canadians succeed in the global economy to create jobs, growth, and long-term prosperity for all Canadians.

• (1520)

[*Translation*]

Mr. Raymond Côté (Beauport—Limoilou, NDP): Mr. Speaker, I think my colleague for his speech. I would have liked to congratulate him on winning the prize for the most boring speech from the Conservatives today. Unfortunately, he was not able to match the performance of the parliamentary secretary to the Minister of Finance

That said, apart from the repetitions that every Conservative speech delivers, with very rare exceptions, like an incantation—there is something almost religious about it, it sounds very much like an incantation—I am surprised to see the Conservatives turning a blind eye to the facts presented by, among others, the governor of the Bank of Canada, about the current situation. They are not even taking into account the context of falling fuel costs.

Business of Supply

The Bank of Canada said it clearly. The labour force participation rate for workers between 25 and 54, that is, those who are in their prime, dropped sharply in 2014. This is absolutely unbelievable, because they are the backbone of our economy. These people, who start families, buy houses and have settled into their lives are under serious threat. In fact, because of the decisions made by this government, their participation rate has dropped sharply, and the result of this is debt, job losses and bankruptcies.

How can the member not be aware of this fact, when it has been stated by the governor of the bank?

[*English*]

Mr. Mark Adler: Mr. Speaker, it is absolutely appalling that the member opposite would consider low taxes, job creation, and leading the economic recovery in the G7 as dull. It just indicates where the NDP is coming from.

Let me just paint a picture of what an NDP government would look like. Unfortunately, we have had experience with it in Ontario.

In 1990, there was a small deficit forecasted, but in the first year the New Democrats decided that a small deficit was not good enough, so they decided to go for a \$2.5 billion deficit. In their first budget and spending, they increased it up to a \$9.16 billion deficit. In five years, the Ontario debt rose from \$20 billion to \$60 billion, the Ontario credit rating was downgraded twice, and taxes rose to the highest marginal rates in North America.

In 1991, there were 5.3 million people working in Ontario. By 1995, when the NDP left office, there were 122,000 fewer working in the province.

The New Democrats re-opened collective bargaining agreements. They made civil servants work unpaid days. Now they want to bring that plan to Canada.

[*Translation*]

Mr. Jean-François Fortin (Haute-Gaspésie—La Mitis—Matapédia, FD): Mr. Speaker, the government has decided to postpone the budget to April at the earliest. In our opinion, that decision is completely irresponsible.

Of course, the price of oil has fallen, but that is somewhat the fault of the government, which put all of its eggs in one basket: oil development. Nevertheless, the government has to be responsible because there are consequences to postponing the budget, in particular for organizations and groups that are waiting for federal funding. Their fiscal year ends in March and postponing the budget will have a major impact on them.

There are also the provinces, which, as usual, are waiting for the federal budget to be tabled at the end of February or the beginning of March so that they can put together their own budgets with federal transfers.

The government has to be responsible, acknowledge the new economic reality and table the budget. I can understand the government's unease, but it has to follow a game plan. It made so many promises in the fall that it is short of money. It has to be responsible and get the money from the most wealthy, the big banks, to balance its budget.

• (1525)

[*English*]

Mr. Mark Adler: Mr. Speaker, I listened to that question with great interest. It is important that those who have experience with governing, which I know the member on that side does not, wait for all of the information to be in before making decisions.

Our Conservative government made a commitment to the Canadian people to balance the budget in 2015. We have had a plan since 2006. The first thing we did when we came into government in 2006 was to pay off billions of dollars in federal debt. That ended up being the smartest thing any government could have done, because it gave us the latitude and the fiscal flexibility to be able to respond in 2008 when hard times hit.

With the plan that we have in place, we have created 1.2 million net new jobs. We lead the G7 in terms of economic performance, and 2015 will be another chapter in the next plan.

Ms. Joyce Bateman (Winnipeg South Centre, CPC): Mr. Speaker, today, it is my honour to speak here as a representative from the riding of Winnipeg South Centre.

According to Economic Development Winnipeg, Winnipeg has been one of Canada's most diversified economies and has the lowest overall business costs not only in western Canada, but also in comparison with the midwestern and Pacific United States. In addition, in its last CIBCWM Metropolitan Economic Activity Index, CIBC rated Winnipeg's economy as the fourth best in a national survey. We are only behind Toronto, Calgary, and Regina.

However, despite such a positive outlook in Winnipeg, we are most certainly not immune to the global economic challenges facing the world today. Internationally, the economic context is, without a doubt, one of strife and struggle.

After the most severe global recession since the Great Depression, our Conservative government, under the leadership of our Prime Minister, has been able to steer past the recession. As a result, Canada has weathered the economic storms and come out of them ahead of all other member nations of the G7. For Canada, the recession is long gone, but its impact is still weighing heavily on the world economy.

The volatility of commodity prices reminds us that we are not immune to factors beyond our control and beyond our own borders. Geopolitical crises such as those in Ukraine, Iraq, and Syria underscore these concerns. The barbaric terrorist attacks in France, as well as attacks in Australia, and indeed in Ottawa itself, are justifiably alarming people around the world and truly cut to the core of the fundamental liberties that are the basis for human progress. These things remind us that the global economy remains fragile and volatile. It is why we must stay the course with our low-tax plan.

By keeping taxes low, our government is helping Canadian businesses maintain the best economic environment possible and allowing small businesses to maintain their competitive edge. Our country's small and medium-size businesses continue to be job creators for hard-working Canadians, and our government is committed to helping them grow and create new opportunities here at home.

Business of Supply

Our government is making life more affordable for families as well. It is our government's actions on job creation and economic growth that have underpinned Canada's recovery from recession, and therefore a debate such as today's on the future of our economy is indeed very timely. The stakes in this debate are high. Canadians cannot afford higher taxes and more debt. Quite simply, what is at stake is a better, safer, and more prosperous future for our families.

The challenges that stand between Canada and this brighter future are considerable. It is not time for risky ideas and reckless spending. This is why, under the strong leadership of our Prime Minister, our government is on track to balance Canada's budget, and we are now in a position to help Canadian families balance theirs.

When speaking to my constituents, they continue to tell me the same thing, that the cost of living from groceries to hydro to housing is going up. While the federal government does not have a say over hydro prices, we do have a say on federal taxes. We know that for a more affordable life, Canadians need a more affordable tax burden. That is why we are cutting taxes for Canadian families and providing benefits to all families with children, with the majority of these benefits going to low and middle-income families.

Continuing with the enhancement of the universal child care benefit, mothers and fathers in Winnipeg South Centre will receive \$1,920 each year for every child under age six, and \$720 per year for every child between the ages of six and seventeen. We know that Canadian families deserve to make their own decisions and we are proud to be the only party standing up for them.

Unfortunately, the NDP and Liberals want to take this money away and spend it on big government bureaucracy instead of giving decision-making power where it should be: with the parents. The NDP and Liberals think they know best. That is not right.

● (1530)

While our government is making life more affordable for families, the opposition would rather hike taxes and run us back into a deficit. That is its plan; it is not our plan.

Let me remind everyone how the small Trudeau deficits of the early 1970s became massive deficits that went on for a quarter of a century and ended up with the Liberals dramatically hiking taxes on everyone, just as we see Liberal and NDP leaders threatening to do today. The opposition is looking for any excuse not to balance the budget, but to spend more taxpayer dollars. It thinks it can tax its way to prosperity, but Canadians know that no government can spend more than it earns indefinitely. It is just like home.

Higher debt means higher taxes, service costs, and cuts for our children and grandchildren. The Liberal leader believes the budgets balance themselves even if we spend billions of dollars that we just do not have. Canadians know better. Canadians know how budgets work. Only by making tough decisions, as we all have done with our own families, and using sound judgment can a budget be balanced, and that is exactly what we are doing as government.

Through our government's prudent fiscal management, we will balance the budget while investing in the priorities of Canadians. We will also not raise taxes like the Liberal leader has pledged to do. Under the leadership of this Prime Minister, Canada's economy will continue to be the envy of the world. We are leaving more money in

the pockets of Canadians to stimulate our economy. We have cut taxes in every way government collects them, including personal, consumption, business, and excise taxes, et cetera, and the result is a total annual saving for a typical family of around \$3,400.

We have also removed over one million low-income Canadians completely from the tax rolls, and the overall federal tax burden has not been this low in more than half a century. Given the ongoing uncertainty in the global economic environment, it is more important than ever to stay the course. Canada has a highly diverse economy, and that is why our government supports jobs and growth by connecting Canadians with available jobs, fostering job creation, innovation and trade, and investing in manufacturing, infrastructure, and transportation.

Canada's manufacturing sales have bounced back and are up 25%, the highest level since the start of the recession. That is great news for the residents of Winnipeg South Centre, since manufacturing makes up a large portion of its economy. In fact, just last week on January 21, the president of Canadian Manufacturers & Exporters was quoted in the *Ottawa Citizen* as saying, "Many of the programs the Conservative government has put in place do support manufacturing, and do it very well".

However, the Liberal leader would rather encourage manufacturers to close shop. This is not our view. Our government recognizes that Canadians working in the manufacturing sector are some of most innovative people in the world, and we want to help them be that. This is very different than the Liberal high-tax, high-debt plan that would devastate the industry just as it recovers from a global recession. Canadians definitely expect better.

Let me give a first-hand example of how our economic plan is working in Winnipeg South Centre. In 2013, our government announced \$1 million in support for West Canitest R and D Inc.—WestCaRD it is called—to assist companies in Manitoba's aerospace sector. This builds on our government's previous aerospace investments and will help support the development of an aerospace facility capable of engine testing and post-testing redesign. Winnipeg is now one of the most cost-effective cities for aerospace manufacturing in North America, and with a highly skilled and growing workforce of over 5,500, it is the third largest cluster in Canada in the aerospace industry.

Business of Supply

•(1535)

More than 40 aerospace-related businesses make up a diverse supply chain, with annual revenues surpassing \$1.3 billion. This new facility will expand the research and development capabilities of Manitoba's aerospace industry, and this is a positive for our local economy. I am thrilled to see that the Manitoba aerospace industry is creating jobs, economic growth, and long-term prosperity, which is exactly what the Canadian government is trying to accomplish throughout the country.

These are remarkable achievements that have helped the residents of Winnipeg South Centre. It is too risky to reverse and it is far too risky not to support this government's economic plan.

[Translation]

Mr. Jean-François Larose (Repentigny, FD): Mr. Speaker, I heard the government say that Forces et Démocratie has never governed.

I cannot understand how the government can say it is so competent and exhibit such certainty about the budget and the direction it is going to go in with oil, and at the same time say that the reason the budget is being postponed is that the market is volatile. To my knowledge, the market was volatile last year as well.

Since the government, which is so very competent, was not able to foresee this market volatility, does it intend to make any changes or bring anything new to the table? Does it acknowledge that there is a problem? Is it reasonable to have to dip into the \$3 billion emergency fund? Does it understand the repercussions that postponing the budget to such a late date is going to have on the provinces and the public?

Ms. Joyce Bateman: Mr. Speaker, I would like to thank the hon. member for his question.

As he knows, we are focusing on job creation, economic growth and long-term prosperity.

[English]

This government is absolutely focused on creating jobs and growth and making the economy better. We do not have a crystal ball, but we do have a sound economic approach. We are reducing the tax burden on the individual Canadian. As my colleague previously cited, one of the smartest things that the Prime Minister did, which he was widely criticized for doing in 2006, was to pay down the deficit by \$39 billion. It is that kind of foresight that we want to continue.

[Translation]

Mr. Pierre-Luc Dusseault (Sherbrooke, NDP): Mr. Speaker, while listening to my colleague's speech, it seemed that she was wearing rose-coloured glasses and living in a wonderful and, to my mind, make-believe world. The current situation is problematic on a number of fronts. Several sectors of the economy are in trouble at this time. She seems to have left that out completely from her speech.

I would like her to address Canadians' concerns about the economy and the many manufacturing jobs that have been lost in the past nine years under the Conservatives. The manufacturing sector has shed 400,000 jobs.

I would like her to respond to those people who lost their jobs, who had worked in factories for dozens of years, who found themselves without a job last year and, at this point, who are 45 or 50 years old and have to find a new job. It is not easy for them. I would like her to tell them how the government is going to help them.

•(1540)

[English]

Ms. Joyce Bateman: Mr. Speaker, I will address both parts of the member's question.

First, I do not have rose-coloured glasses on. I look at the economy through the eyes of a chartered accountant, because that is my profession. I am a fiscally prudent and responsible member of the community. I also look at the economy through the lens of a parent and a partner in a wonderful marriage in which we never spend more money than we have. This is a radical concept to many people, but it is one that really has to catch on. That is a very important component in our analysis.

As far as manufacturing jobs are concerned, as we have indicated in all of our remarks throughout the day, we are providing the manufacturing sector with the kind of support it has not received for many years. Perhaps my hon. colleague is confusing our comments with the comments of the Liberal leader, who wants to shut manufacturing facilities down.

Mr. Ryan Cleary (St. John's South—Mount Pearl, NDP): Mr. Speaker, I will be splitting my time with the hon. member for Dartmouth—Cole Harbour.

I read an interesting quote this morning in a blog by Newfoundlander Drew Brown. Mr. Brown describes himself as a Newfoundlander in exile. He is a young man who is working on his Ph.D. in political science at the University of Alberta. The quote was by a well-known Newfoundland lawyer who gave a talk to the Canadian Bar Association back in the early 1930s. The group had just finished singing *O Canada*, and the Newfoundland lawyer stated:

That's the real difference between Newfoundlanders and Canadians. In Canada, you guys can sing "we stand on guard for thee." Back home, we have to sing "God guard thee, Newfoundland" because no one else is up to the job.

There is truth in that. Newfoundland and Labrador is always in need of guarding, in need of fighting Newfoundlanders and Labradorians, because God guards those who guard themselves.

I cannot give a speech on a motion focusing on the state of the country's finances without mentioning right off the top the current Conservative government's latest financial double-cross to Newfoundland and Labrador, a double-cross of biblical proportions, which was how it was described back home. I am talking about the \$280 million that the Conservative government promised my province as a "transition fund" for "development and renewal". Those are Conservative words, not my words.

Business of Supply

The \$280 million fund was promised after Newfoundland and Labrador surrendered minimum processing requirements as part of the free trade deal with the European Union. Minimum processing requirements protect fish plant jobs on land. We gave that up after the province struck a deal with the Conservative government to make the free trade deal with the EU happen, but the Conservative government has reneged on the deal.

Just recently the Minister of Justice came to St. John's and insulted Newfoundlanders and Labradorians to our faces. He said that Newfoundlanders and Labradorians are demanding a CETA slush fund, which is not true. That is the same minister who used a military search and rescue helicopter to taxi him from a fishing trip on the Gander River. That minister has no credibility back home, but then neither does the Conservative government, not when they double-cross my province.

The government made a commitment to my province. We expect and demand that it honour that commitment. That \$280 million fund is about diversifying the economy. It is about preparing our fishing industry for tariff-free access to the 500-million-person EU market. It is about a promise made and a promise kept. It is about integrity. It is about honour.

The first part of the first opposition day motion of the year before the House today calls upon the government to update this House on the state of Canada's finances in the wake of collapsing oil prices, in the wake of huge job losses, and in the wake of the decision by the Minister of Finance to delay the tabling of the annual budget until April. There is no good reason to put off updating this House or to put off the federal budget.

The decline in world oil prices has been stunning and shocking, going from an average of \$94 a barrel last year to \$56 a barrel this year. That \$38-dollar drop has virtually wiped out the government's anticipated surplus in its next budget. The Conservative government's mismanagement and its sole focus on resource extraction has left our country vulnerable to these sorts of resource price shocks. We need to diversify our economy, and the Conservatives have failed to do that. Oil revenues have plummeted, and the Conservative government's reaction is to push an income-splitting scheme that gives billions of dollars to the country's wealthiest people. Oil revenues have plummeted, and the Conservative government is pushing a job-creator tax cut that creates only 800 jobs at a cost of half a billion dollars. Who can make sense of that math?

• (1545)

Newfoundland and Labrador knows all about the incredible downside of economic tunnel vision in terms of the oil industry, because we are getting it from both ends. Oil revenues are down from our own offshore oil play to the point that the province is facing a deficit this year of \$916 million. That is a deficit of almost a billion dollars for a small province with a population of just over half a million people. On the western end, thousands of layoffs in Alberta's oil sands will also have a devastating impact on our migratory workforce. Alberta oil money has been propping up our fishing outports for years. That is the reality. Newfoundland and Labrador has been solely focused on the oil industry, to our peril; the fishing industry is an afterthought. It is an afterthought to the provincial

government and an afterthought to the federal Conservative government. Diversification is not in the Conservative vocabulary.

The second part of today's motion calls on the Conservatives to prepare a budget that addresses the economic challenges faced by the middle class by creating more quality, full-time jobs and encouraging economic diversification. There is that word again. The Conservatives and the Liberals have failed at diversification. Over the last decade, under Liberal and Conservative governments, we have lost more than 500,000 manufacturing jobs, most of which were in Ontario. We are addicted to oil. We are fixated on pipelines, fracking, and deepwater drilling. It is oil at all costs, the environment be damned.

Let us make no mistake: we have done well by oil. My province in particular, Newfoundland and Labrador, is a have province because of oil revenues. However, with oil revenues down, the province is bracing for cuts to tackle that \$916 million deficit. With oil revenues down, the federal Conservative government is apparently proceeding with income splitting for the wealthiest Canadians. What about the middle class? Where does that leave them?

I spoke on the telephone last night with a 68-year-old woman in my riding. She was a career woman who worked at a good job and now, in retirement, she makes around \$25,000 a year. I asked her, and she said she considers herself middle class, but she cannot afford \$900 a month for rent, which is the average cost of an apartment in St. John's. Instead, she is forced to live in her daughter's basement apartment. Where is the help for the middle class? Where is the help for that woman?

A forum on child care was held this past weekend in St. John's. One of the stories told was that of a single father of three who had to quit his job because he could not afford child care. The man said that because of the amount of money he made at his job the year prior to becoming a full-time father, he did not qualify for assisted child care, so he had to go on social assistance to raise his children. How will income splitting help that man raise his children? It will not.

My party, the New Democratic Party of Canada, proposes a national child care plan that would cost parents no more than \$15 a day for child care. That plan would boost the economy by allowing more parents, more men and more women, to access the workforce.

To conclude, we are calling on the Conservative government to release its economic update, to diversify the economy, and to introduce a budget that includes measures to create quality jobs, a budget that addresses the challenges facing the middle class—and while they are at it, a budget that stands on guard for Newfoundland and Labrador.

Business of Supply

• (1550)

Mr. Adam Vaughan (Trinity—Spadina, Lib.): Mr. Speaker, of all the strange, contradictory, and perhaps even bizarre things I have heard in the House this week, one of the strangest and most concerning things I heard was a minister saying yesterday that the other provinces in Canada would resent supporting Newfoundland as it pursued what was agreed to by the Conservative government as part of this deal.

I was curious as to whether the member was aware of any premier, any province, any member of Confederation, or any individual who has said that Newfoundland does not deserve to be honoured and respected in the way he had spoken to, whether the minister is mistaken or is trying to create a fight among the provinces simply to cover the tracks of what quite clearly you describe as a double-cross against your province.

The Acting Speaker (Mr. Barry Devolin): Again, I would remind members to address their comments to the chair rather than directly to their colleagues.

The hon. member for St. John's South—Mount Pearl.

Mr. Ryan Cleary: Mr. Speaker, I thank the hon. member for that very good question, because Canadians need to understand that what Newfoundland and Labrador was asked to give up, what I consider a right based on the Constitution and our terms of union with Canada, is what is called “minimum processing requirements” to protect fish plant jobs on land.

The answer to his question is that Newfoundland and Labrador was the only province in Canada asked to give up something in the free trade deal during the CETA negotiations. What we were asked to give up were minimum processing requirements, and we were the only province in Canada asked.

Is the Prime Minister trying to create a rift with the province? Probably, but I do not know. I cannot read the mind of the Prime Minister, but I can tell from his actions that he does not hold Newfoundland and Labrador in high regard.

[*Translation*]

Mr. Dany Morin (Chicoutimi—Le Fjord, NDP): Mr. Speaker, I listened closely to my NDP colleague's speech. I hope that the many unemployed people in his riding will be able to find jobs soon.

At noon today, the member for Outremont announced a measure to create jobs and help small and medium-sized businesses across the country, whether it be in Chicoutimi or Newfoundland. This new measure would reduce the small-business tax rate from 11% to 9%. These businesses are responsible for most of the job creation in Canada.

Does my colleague believe that measures like this one can really help start and grow small businesses so that the people of his province will not have to look for work elsewhere and will be able to live in Newfoundland?

[*English*]

Mr. Ryan Cleary: Mr. Speaker, I thank the hon. member for another good question.

When it comes to the New Democratic Party of Canada, be it the announcement made by our leader today on a tax break for small

business, be it our national child care plan, whereby child care would cost no more than \$15 a day for Canadian families, or be it a national federal minimum wage of \$15 an hour, I think Canadians see that the policies of the New Democratic Party of Canada are the policies that will most improve living standards for middle-income Canadians. I think it is clear. Canadians will see it. They are unlike the policies of the Conservative government of Canada, such as income splitting, which will only benefit the top 15% of income earners in the country. The wealthiest families in Canada will be the ones who benefit from that Conservative policy. That is not good enough.

We need policies that impact the lives of everyday Canadians, of middle-class Canadians.

• (1555)

Mr. Robert Chisholm (Dartmouth—Cole Harbour, NDP): Mr. Speaker, I am pleased to rise to speak for a few moments on this important motion, a motion that was introduced by my colleague, the member for Skeena—Bulkley Valley. It calls on the government to immediately present economic and fiscal updates to Parliament outlining the state of the nation's finances, in light of the unstable economic situation, and to prepare a budget that addresses the economic challenges faced by the middle class by creating more good quality, full-time jobs and by encouraging economic diversification.

It is important that the government has decided to postpone its budget from possibly this week or next to some time in April. It has not said exactly when. Conservatives have done that based on the fact that over the past year, oil prices have dropped by 40%. They have suggested that as a result of the unstable nature of the economy, they need more time, to do what exactly I am not sure, but I assume it is to work on the budget.

It is interesting, because the Conservatives are not going to change anything. Six months ago, when the price of oil was in the \$80-a-barrel range, they said they were going to balance the budget and have a surplus. They brought in an income splitting plan that would cost \$2 billion that would benefit only 3% of the Canadian population, the more wealthy families in this country, and there were other strategies to do that. Now that the price is in the area of \$50, they say that they are still going to do the same.

What is it? Is it unstable economic times? Is it not unstable economic times? Are they going to have to change the budget, or are they not going to change the budget? Why are they waiting? If they are so convinced that they can hold the course, why do they not be clear with Canadians? Let us know. Canadians deserve to be treated like adults. They can handle the truth. They demand the truth, frankly. They want to know exactly what the government has in mind.

Business of Supply

I listened to some of the speeches of the members opposite. I have been in this business a long time, and I should know by now not to listen, but I do, and I continue to get as tired and annoyed when I hear the nonsense about balancing the budget to prevent generations down the road having to pay the cost. That is a good sentiment, and I agree with paying our way. I agree with living within our means and making sure that we can afford to do what it is that we do. However, that is absolutely not what the government has done.

In 2008-09, the debt was just under \$457 billion. In 2014, the budget debt is estimated to grow to \$618.9 billion. That is an expense that future generations are going to be responsible for. I recognize the idea of balancing our books, the operating deficit, and having a surplus so that we can pay down that debt. However, that is not what the government has done. It has done just the opposite. It has confounded economic principles and has spent in the good times and not spent in the bad times to stimulate the economy. It completely flies in the face of the economy.

On top of that, Conservatives have put the handcuffs on the federal government's capacity to bring in revenues to deal with our operating expenses so that we can pay down that debt. They have forgone taxes from the corporate sector in particular, but also from wealthy Canadians, in the last four or five years, from 2010-14, to the tune \$14 billion as a result of corporate tax cuts.

● (1600)

My point is that if we are going to keep reducing the fiscal capacity of the government to provide programs, to provide services, and to operate the things the current government does, then we are not going to be able to pay our bills when times get tough. That is the issue.

The Conservative government continued to spend in the good times. Now we are seeing the austerity program. It is chopping departments, laying off staff, freezing wages, and downloading to the provinces. Do members know that the total national debt in the public sector in this country has risen to \$1.2 trillion? That is the amount the public sector owes. That is the amount all Canadians are responsible for.

We know that there is only one taxpayer. The federal government may be able to say, "We are lowering taxes and putting money back into the hands of wealthy Canadians and a few individuals from here and there, so we are able to reduce our operating costs". However, it is downloading all that cost to not only provinces and municipalities but to individuals, to the point where we are running up a debt that is completely and utterly stifling.

The minimum wage in Canada since 1970 has increased by one penny. We have an infrastructure deficit, as determined by the Federation of Canadian Municipalities, in the area of \$200 billion. Who is going to pay that? If the government does not manage its ability to deliver programs and services and to make the kind of investments that are necessary, then someone is going to have to pay, but they are going to have to pay down the road.

This idea that the government is reducing taxes, that it is going to balance the budget, and that somehow it is going to benefit generations is absolutely nuts.

What we need, I believe, and what we have heard from this caucus, is a government that is going to start showing some confidence in Canadians, that is going to start making investments so that our young people are able to find work, meaningful work, in their communities, in provinces where they live, and are able to earn a reasonable, family-sustaining wage to help grow the economy, pay into pensions, and pay down the debt the current government continues to grow. Those are the kinds of investments we have laid out.

We have talked about affordable child care, \$15-a-day child care. We have talked about leading the way with a \$15-an-hour federal minimum wage. Just today our leader talked about extending for two more years the accelerated capital cost allowance to ensure that we encourage businesses, industries, and manufacturers to make investments. We have done the same thing with the innovation tax credit to promote innovation, research, and development. We are proposing to cut the small business tax rate from 11% to 9%.

Those are investments. That is working with the people in our constituencies across the country, from one end to the other, to grow the economy, to build strong communities that families can grow and can thrive in. That is the kind of leadership we need. That is why we need to support the motion introduced by the member for Skeena—Bulkley Valley.

● (1605)

Mr. David Anderson (Parliamentary Secretary to the Minister of Foreign Affairs, CPC): Mr. Speaker, I appreciate the opportunity to speak here today, but I do not know if it is laughable or annoying to hear the New Democrats talk about economic policy. For many people across this country maybe it is academic, but for those of us who have actually had to live under NDP governments it is not a joke. In many ways, it was the thing that destroyed the economy.

I come from Saskatchewan. For 50 years, we had NDP governments there, and their policies ensured that our economy was lagging far behind that of our neighbours. They refused to develop our resources. The taxation and investment policies basically destroyed the local economy. It is only in the last 10 years, when we have been able to get rid of them, that we have started to gain some ground on the neighbours around us.

It is interesting today to hear them, in some areas, copying our policies and then trying to sell them as their own. Their tax credits they say are good; ours are some sort of punishment or whatever. At home, the NDP candidates now have started a campaign for the next election, and all I am reading in the literature they are sending out is that raising taxes is the key, that we need to keep raising taxes.

I need a bit of time here to talk about this. It is important. Every time these folks get into office, they destroy the economy. They never build it; they have no credibility. Why would they expect Canadians to trust them?

Business of Supply

Mr. Robert Chisholm: Mr. Speaker, I am not going to talk about other governments. I am not going to talk about 10 years ago. However, I could, because that government was re-elected four times because it was providing important leadership in Saskatchewan.

However, I just want to ask that member this. The public debt of the federal government has gone from \$457.6 billion in 2008-2009 to \$618 billion. That is \$161.3 billion in additional debt over the past seven years. Who is responsible for that? Whose policies are responsible for running up the debt and for putting future generations in hock?

Mr. Kevin Lamoureux (Winnipeg North, Lib.): Mr. Speaker, I appreciate the comments from the member, and I would like to continue on the same stream.

We need to recognize that the current government and Prime Minister have actually been an absolute failure in dealing with the debt issue. Even though they were provided with a surplus budget, they quickly turned that into a deficit situation, at a time in which we were not in a recession. For years now, every year the current government has brought forward a deficit. Now we hear the Prime Minister and the Minister of Finance saying that they are going to have a surplus budget this year.

However, by the time the public accounts committee gets to deal with whatever it is the government comes up with in April—or whenever the Conservatives decide to bring it to the House—there is no real accountability as to whether it may be a made-up surplus. There is no evidence. The Conservatives do not have any history of showing that they can actually provide a balanced budget or a surplus. Why should we even believe them, given that this is an election year, if they were to fix the books to create the impression that they have a balanced budget?

Mr. Robert Chisholm: Mr. Speaker, the member for Winnipeg North is absolutely correct. Why should we believe them?

However, let me take the opportunity to raise something else that is very serious, and that is the whole question of income inequality and the fact that, while the incomes of the top 1% have been surging for decades, typical Canadian families have seen their incomes fall over the past 35 years. When the data is examined, we understand that over the past 35 years 94% of the inequality, the gap we are talking about, happened under Liberal governments.

• (1610)

[*Translation*]

Mr. Alexandre Boulerice (Rosemont—La Petite-Patrie, NDP): Mr. Speaker, I would like to thank my colleague and congratulate him on his excellent speech, his proposals, his presentations and his analysis.

I would like to talk about the fact that the Conservative government is in a very difficult position now. It was forced to postpone tabling its budget because it gambled everything on black gold. It gambled everything on oil. Now the price of oil, which was supposed to be \$80 or \$85 a barrel, is below \$50.

How can it be that a Conservative government bet everything on fossil fuel development and abandoned the manufacturing sector, which creates jobs in Canada? I would like my colleague to comment on that.

[*English*]

Mr. Robert Chisholm: Mr. Speaker, that is an excellent question, and one that has been raised before in the House. One thing New Democrats have said is that the government is failing to recognize how important it is to have a properly balanced and diversified economy, and we have particularly talked about this in the area of trade. We are the only industrialized country in the G7 that does not have an industrial strategy to ensure we know what is going on in the various sectors of our economy, so that we sign trade deals that actually make sense for our economy and that we can adapt to changes in the world economy that have affected the natural resources industry.

The Acting Speaker (Mr. Barry Devolin): It is my duty pursuant to Standing Order 38 to inform the House that the question to be raised tonight at the time of adjournment is as follows: the hon. member for Québec, Canadian Heritage.

Ms. Chrystia Freeland (Toronto Centre, Lib.): Mr. Speaker, I will be splitting my time with the member for York West.

[*Translation*]

Thank you for giving me this opportunity to participate in this important debate, Mr. Speaker.

It is the fundamental responsibility of the federal government to instill a sense of confidence in the economy. This is why we need a budget now. This delay is causing uncertainty in the markets and in the minds of Canadians. The Prime Minister has put all his eggs in one basket and now, when economic growth is slowing down and oil prices are falling, it is obvious that he has no plan B. Last week, the Bank of Canada acted, but the Prime Minister is improvising as he goes along, cancelling meetings with our leading trading partners and allies and delaying the introduction of the budget.

By delaying the tabling of the budget, the Prime Minister has thrown up his hands and admitted he has no plan B. Canada's economic prosperity is at stake, but the Prime Minister is asking middle-class families to make even more sacrifices so that the wealthiest members of our society can get billions of dollars in tax cuts.

Who is the Prime Minister working for these days? His main priority during this difficult period is to protect the gift of more than \$2 billion that he gave to the Canadians who need it the least. The Conservatives should start by reversing course on the income splitting plan, which will cost the government \$2 billion a year, and is a tax cut for the middle class that will mainly benefit the wealthiest families in Canada.

Business of Supply

During the 2011 election campaign, the Prime Minister promised that when the budget was balanced, his government would let families split their incomes for tax purposes, up to a maximum of \$50,000. On October 30, 2014, the government announced a slightly modified plan offering families a theoretical tax credit for income splitting that could reach up to \$2,000. This means that 85% of Canadian households will not benefit from income splitting, among them single-parent families, parents with similar incomes and families that have no children under 18. In most cases, the \$2,000 maximum benefit will be paid to households where only one person is earning an income, where that income is higher than \$100,000 a year.

This program will cost the government \$2.4 billion over the 2014-15 fiscal year, and \$2 billion a year over the following years.

We need leadership with an intelligent plan to expand our economy in all sectors and in all regions, for all Canadians. The Liberal Party's priority is clear: we have to improve the security and prosperity of middle-class Canadians who have not seen a decent increase in their incomes for 30 years. Canadian families deserve to have a real and fair chance to succeed.

In its economic vision, this government has failed to take into account what has always made Canada a prosperous country: diversity, balance and partnership among regions and economic sectors.

Canada's strength should not depend on one thing or one place. It comes from the diversity of its population and the diversity of its economy. Yes, we need the strength of western Canada, but we also need the strength of eastern Canada, the strength of northern Canada and the strength of central Canada.

I would like to thank my colleagues, and particularly the francophone members, for having to listen to my bad French, and I hope it was understandable.

•(1615)

[English]

I will continue in English. I thank members for their tolerance. As an anglophone MP representing an anglophone riding, I do apologize for murdering the language of Balzac, but it is important to try. Balzac, by the way, had a Ukrainian wife, so I feel especially close to him.

One of my favourite commentators on the economy is Warren Buffett. In his 2001 letter to shareholders, he had this great line, "Only when the tide goes out do you discover who's been swimming naked."

In Canada, the tide has gone out. That is what has happened to the government. Now that we see that there is no tide, it is not that pretty. The economic tide that flattered Canada's relative economic performance consisted primarily of two things: high commodity prices, and the fact that Canada alone, of the G7 countries, avoided the financial crisis, thanks, it might be worth noting, to the very wise and prudent decisions, against the conventional wisdom, of the Liberal government to maintain tough banking regulation.

That tide has now gone out because, first of all, the high commodity prices that flattered our economic performance have

collapsed, particularly of oil, and the financial crisis that devastated the other G7 countries and really flattered Canada's relative economic performance has now started to abate and is not hitting the other G7 countries so badly.

Particularly in relative terms, we are seeing the true reality of Canada's economic performance and the true reality of the government's economic stewardship. What we are seeing is a government that has failed to understand the central economic challenge of our generation, which is that of adjusting to the new realities of the 21st century economy, the realities of an economy in the age of a technology revolution and globalization.

What is happening in this 21st century economy is a relentless hollowing out of the middle class. We are seeing middle class wages, over the past 30 years, stagnate at the same time that wages and wealth at the very top are increasing.

The government, for years, has been in denial about this. In fact, when the leader of the Liberal Party first started talking about the hollowed out middle class, we were met with derision and denial. It is now becoming a truth universally acknowledged that this issue of income inequality and the hollowed out middle class is the central economic challenge, and we have to address it.

I am just going to read a final quote from the World Economic Forum in Davos, not generally seen as a hotbed of pinkos or communists. This is what they have to say about income inequality:

Across rich and poor countries alike, this inequality is fuelling conflict, corroding democracies and damaging growth itself. Not long ago those who worried about inequality were accused of partaking in the politics of envy. In the past year this concern officially became mainstream as voices from the Pope to Christine Lagarde... cautioned of its impacts. The mounting consensus: left unchecked, economic inequality will set back the fight against poverty and threaten global stability.

Instead of pushing against these economic forces, the government, particularly with its imprudent and unfair income-splitting plan, is exacerbating them. That is why we support the opposition motion.

Let us have a budget. Come clean. The tide is out. We want to see what the government guys have.

•(1620)

[Translation]

Ms. Alexandrine Latendresse (Louis-Saint-Laurent, NDP): Mr. Speaker, I wish to thank my colleague for her speech and congratulate her on the first part, which she presented entirely in French. That is very impressive and I want to thank her.

Given that she referred to income splitting, I would like to ask her a question about the status of women in relation to that measure. The member said that this measure would not benefit couples that have similar incomes, but rather it would be most beneficial to couples with a wide gap in their earnings. Of course, it is often the man who earns most of the income, while the woman either does not work or earns a much lower salary.

Would my colleague not agree that such a measure would undermine the status of women and hinder the advancement of women in the workplace?

Business of Supply

[English]

Ms. Chrystia Freeland: Mr. Speaker, the question of the gender impact of income splitting is an excellent one. One of our big concerns with income splitting should be the fairness issue, particularly at a time when we are discovering that the fiscal constraints are greater than we thought. To be giving a tax break to the Canadians who need it least is absolutely unconscionable. It not only makes bad economic sense, it is also just wrong.

The gender impact is significant too. Income splitting discourages married women from entering the workforce. As a working married mother, I think that is something that our economic policy should not be ideologically slanted toward. Countries like Sweden and provinces like Quebec have found that if we do the opposite, if we have economic policies that encourage maximum female labour force participation, there is a measurable improvement in GDP and in tax take.

• (1625)

Mr. Ryan Leef (Yukon, CPC): Mr. Speaker, I was listening to the answer to that last question. The member mentioned fairness being an important piece on the income splitting end. I could not agree more. In part, that is why we have introduced that measure.

Would the member not agree that we can have a family with a total household income of a certain amount that pays one rate of taxes and another family with an identical total household income paying another simply because one wage earner earns a lot more and one a lot less? There is one household paying a lot more in taxes than another even though the total household income for the two different families is identical.

That is exactly what this tax policy is about, bringing fairness to two different household incomes and then allowing each household to enjoy the same benefits, the same freedom and the same flexibility to determine what they do with their hard-earned dollars. It is about giving Canadians freedom and flexibility, and balancing out the inequality that exists today in total household incomes.

Ms. Chrystia Freeland: Mr. Speaker, I thank the hon. member opposite for his question but I disagree 100% with the premise.

All of the calculations show that income splitting would disproportionately benefit Canadians at the very top of the income distribution. This benefit would go to the 15% of Canadians who least need it. Therefore, as a matter of economic fairness, income splitting is a really bad idea.

As a matter of sound economic policy it is a really bad idea too, because what we are learning about economic policy is that if we do not focus on growing the middle class, we will have slowing economic growth. If the middle class does not have the income to purchase, we have an economy that is stalled. An economic policy like income splitting that benefits the top is a policy that also has an adverse impact on GDP.

Hon. Judy Sgro (York West, Lib.): Mr. Speaker, I am pleased to be able to get up and speak to this important motion on the table. I would like to congratulate my colleague, who did a super job with her comments, both in English and in French. As nervous as she was, she did a fine job, and I applaud her for being able to do that.

I am on my feet today to speak to the NDP motion, but I have to say with profound disappointment that instead of discussing the budget, we are discussing why we do not have a budget. I really do find it quite shameful that the government is refusing to conduct itself with even the slightest degree of fiscal prudence and transparency. A government that campaigned on accountability and transparency 10 years ago is now in a position where we are talking about passing motions to force it to table a budget. It really does not make a lot of sense when we look back at what the message was.

Canadians know that the fiscal situation has changed since the fall economic update. The government owes all Canadians an honest answer to hard economic questions. Level with Canadians and let them know what the situation is. I can see no reason why they would not just understand it, accept it, or disagree with it as they might, but they at least have the right to know.

The facts are clear, yet the Conservatives are smugly refusing to deal with the true fiscal reality, and their head in the sand approach is beyond contempt.

This is what we know so far. The most recent fiscal update made a series of assumptions about economic variables, including what the price of a barrel of oil would be over the next several months. The last time the minister did his math, oil was trading at \$81 U.S. a barrel. At \$81 a barrel, the minister figured, rightly, that there would be a surplus this year, the first since 2008, of about \$1.9 billion. Now, however, sources such as those at the Bank of Canada say that oil will trade well below that \$81 a barrel average. In fact, TD Bank said earlier this month that \$50 a barrel oil would result in a \$3.2 billion deficit. We did not say that. The Parliamentary Budget Officer did not say that. It was Toronto-Dominion Bank's expert economists. At \$40 a barrel, which is not too far from where we are now, it would result in a deficit of \$4.7 billion.

I think that Canadians would understand this if the government came forth and explained it, but no, the government continues to put its head in the sand in trying to figure out how it is going to do all of the things that it promised, even though we clearly cannot afford them.

Why can the government not just admit this and ask for help? Why can it not be honest with Canadians and parliamentarians and say this is a serious situation and ask how we can solve it in a non-political and positive way?

Rather than giving honest and forthright answers, the government has promised a spending spree totalling billions of dollars. It has steadfastly promised to ignore the facts because it claims it can increase expenditures, decrease revenues, and balance the budget simultaneously. The Conservatives must be real magicians to do that, and all of it would be done just in time for an election.

Business of Supply

As appealing as all of this would seem when expressed as a sound bite in a taxpayer funded Conservative ad, it is just not believable. Canadians are not swallowing it. They do not believe it. They run their own households and businesses, and they know that the serious impact on oil revenue will have a huge effect on the government's ability to deliver a balanced budget.

I operated a small business for 30 years, and my banker would never have accepted a financial plan like the one the government is talking about. Most Canadians know that we cannot budget like this. It does not work in a household. It does not work in business. It certainly does not work in government, as least if we are being honest with people.

Liberals want to see the updated numbers. Let us have some transparency and some honesty so that Parliament can make the decisions necessary to get past this crisis.

Canada needs a coherent economic growth plan. Instead, the Prime Minister is making it up as he goes along. The Conservatives have put all of Canada's eggs into one basket, and when that basket crumbled, they lost their footing and had nothing to fall back on.

• (1630)

The Prime Minister is addicted to high oil prices and now that the economic situation has changed, he is unable to cope with adverse economic developments. He is retreating to a bunker with the hope that no one will notice and that somehow, when he gets up the next morning, everything will be fine.

As I said, instead of reaching out to Canadians to show leadership and build confidence, the Prime Minister has punted the federal budget, which is normally delivered in February, into April or later. It might mean a June budget being introduced without any analysis, which means we will not have any time to discuss or debate it, and roll right into an election. By the time Canadians find out the real picture, it will be well after the election, and by that time it might be too late.

It means that Canada will go without a budget for more than this entire fiscal year. Granted, Conservative budgets are only slightly better than nothing, but it would be nice to have some accurate numbers, and even if they are not really accurate, at least it is something with which we can deal.

Let us remember that the government did not get us into this situation overnight.

In 2006, the Prime Minister was handed a steadily growing economy, which had generated 3.5 million net new jobs, declining debt and taxes, a decade of balanced budgets, annual surpluses of about \$13 billion and fiscal flexibility projected ahead five years totalling \$100 billion. This is what the Prime Minister had to work with, the most robust fiscal situation in the world, but he blew it in less than three years.

He overspent by three times the rate of inflation, eliminated all the financial shock absorbers that had been built into Canada's budgetary framework to protect against adverse events, and he put our country back into deficit again, a structural deficit, before and not because of the recession which arrived in late 2008.

The Prime Minister failed to anticipate that recession. We all remember his great words that there would be no recession and that we were in great shape. However, six months later, we had a recession.

As the recession began, the Prime Minister dismissed it as just a good buying opportunity. When he could not deny reality any longer, his belated stimulus plan was slow, convoluted, intensely partisan and tainted with boondoggles like fake lakes in Toronto and multimillion dollar misappropriations for ornamental gazebos and sidewalks to nowhere in Muskoka. He used the stimulus package as a mathematically-challenged excuse to cover up what was horrific and short-sighted fiscal management. In effect, he went on a spending spree with the nation's credit cards, and he has no plan now to pay the bills, not even the minimum balance.

The Prime Minister thinks he should not be required to report to Parliament. He just expects that people will trust him, despite his personal legacy of fiscal failure. However, Canadians are weary of the fiscal failures that characterize the current tired government. The Conservatives expect us to lower expectations and settle for less. "Just trust us" they say, whether it is the Iraqi war or the budget. That is the exact opposite of what any of us should be doing.

Unfortunately the bill for Conservative blunders is being shouldered by Canada's middle class and the children of that middle class. Middle-class incomes have been flat for years, while living costs and household debt have ballooned. Of those employed in the private sector, 70% cannot count on a company pension, 60% of middle-class parents worry about affording any kind of higher education for their kids, youth unemployment remains near recession-like levels and a whole generation of young Canadians have put their lives on hold. Let us not forget the attack on income trusts and old age pensions. Is this what the Prime Minister means when he talks about prosperity? I do not think so.

Today's motion is about transparency and accountability, and Canadians deserve a fiscally competent government, just not this one.

• (1635)

[*Translation*]

Ms. Marjolaine Boutin-Sweet (Hochelaga, NDP): Mr. Speaker, the member said, and I quote, "Just trust us", talking about the Conservatives and the budgets and policies they present.

I agree that the Conservatives' policies have no long-term vision. They are not the best policies in the world when it comes to the economy and many other areas, and I have a hard time understanding where the Liberals want to go. Either they cannot tell us where they want to go, or they give us conflicting information. For instance, in London, Ontario, the Liberal leader said that we must transition away from the manufacturing sector, then the next day in Windsor, he told workers there that we need to invest in the automotive sector.

What, then, is their vision?

Business of Supply

[English]

Hon. Judy Sgro: Mr. Speaker, the member should have a little patience.

As to what our leader has said and not said, when we are looking at a manufacturing sector that is in trouble and needing change, it is about how we put things together. What is the strategy for moving forward the manufacturing in our country? How do we help the auto sector?

If the member listens properly to what the leader of the Liberal Party was saying—

An hon. member: He isn't here.

Hon. Judy Sgro: Mr. Speaker, could you please tell those folks across the aisle? I guess they do not like what I am saying because they are very noisy. Anyway, they will not get up and I will continue.

We have very positive ideas and plans of where we are going and what is needed to build our country, and it means a solid fiscal framework and new ideas. We will show members opposite those ideas when we get into an election campaign.

The Acting Speaker (Mr. Barry Devolin): The Chair would agree that there are certain members who seem to want to talk when others have the floor, but given the opportunity to ask questions or give speeches themselves, they do not seem to take advantage of that.

Questions and comments, the hon. member for Yukon.

Mr. Ryan Leef (Yukon, CPC): Mr. Speaker, I heard the hon. member say “recommend and urge the government to project any numbers, even if they are not accurate”.

I know that fits in nicely with the Liberal Party's philosophy that the budgets will just balance themselves, but that is clearly not a responsible course of action and it is not something a prudent government would do. It is not a course of action our government would take because it is not a prudent measure.

Last year we tabled the budget in early February and the Liberals raced out the door before they had even read it to criticize it, so I am not sure what they are waiting for. We know they will criticize it. We know they will vote against it. Why do they not just race out the door and criticize it now?

The Liberals do not want accurate numbers. In fact, they have urged the government to produce any kind of numbers whether or not they are accurate. That just shows the irresponsibility of the Liberal Party and the folks in the opposition.

This is certainly a comment and not a question, but Canadians will absolutely count on this government for a low-tax plan and a balanced budget in 2015. That is a responsible course of action, and those numbers will be tabled by our great Minister of Finance in April.

• (1640)

Hon. Judy Sgro: Mr. Speaker, no matter what you put out there and put on the table, I do not think anybody will believe the numbers anyway, because for the most part, the numbers put forward are inaccurate. You are making faulty assumptions. When you got into

power, you got a \$13 billion surplus and blew it trying to buy votes all over the country. That is completely incompetent when it comes to running a country. No matter what budget you put forward, I doubt any of us would believe your numbers anyway.

The Acting Speaker (Mr. Barry Devolin): I would just like to point out for the member and others that in fact I have not put any numbers forward. This member has been in the chamber for many years, and I am sure she will recall that she is to address her comments through the Chair. When she uses the word “you”, presumably that is to the Chair.

Resuming debate, the hon. member for Hull—Aylmer.

[Translation]

Ms. Nicole Turmel (Hull—Aylmer, NDP): Mr. Speaker, I would like to mention that I will be sharing my time with my colleague from Parkdale—High Park. It is important to me to speak today in support of this motion, which just makes sense.

The NDP is simply proposing that the government be straight with Canadians about the state of the country's finances. We are also asking the Minister of Finance to do his homework, by taking into account how tough things are for the middle class and by making economic diversity a priority in his next budget. It is not complicated.

Canadians are concerned about the current financial instability. When they fill their tanks with gas, they are happy to pay less at the pumps, but they wonder how this will influence our national budget and the employment situation. These are questions I have been asked frequently over the past few days, because people are not getting a clear answer from the government.

Obviously, we already know that the fluctuation in the price per barrel of oil will have an impact on the economy. We could expect nothing less because the Conservatives put all their eggs in the oil industry basket. The NDP has been warning the government about this practice for a long time. The lack of focus on innovation and diversification has made our economy vulnerable to this type of shock in the price of natural resources.

Several experts have already spoken about the potential impacts of the situation. For example, Stephen Poloz, Governor of the Bank of Canada, said:

The drop in oil prices is unambiguously negative for the Canadian economy. Canada's income from oil exports will be reduced, and investment and employment in the energy sector are already being cut.

Here is another example: According to an OECD study, federal revenue from corporate taxes and gas taxes will drop by \$4.3 billion. Furthermore, according to a TD Bank report, the government will not even have a sufficient budgetary margin to enhance TFSA's or create a tax credit for adult physical activity, let alone introduce the infamous income splitting.

The Bank of Canada has weighed in. The OECD has weighed in. TD Bank has weighed in. Today, the Office of the Parliamentary Budget Officer weighed in on the financial impact of the drop in oil prices. Is it too much to ask that our Minister of Finance do the same?

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It seems to me that Canadians are entitled to get accurate information from their government, particularly when we think that this recent financial protection was based on an oil price of \$80 U.S. a barrel. We are also asking the government today for a clear commitment that the next budget will take the economic situation of the middle class into consideration, by making sure to propose measures that will lead to the creation of good, full-time jobs. This is something that should not need to be pointed out. After a succession of Liberal and Conservative governments, however, families have understood that they could not take it for granted that their government was going to work for them.

In fact, the incomes of the wealthiest 1% of the population are continuing to rise, while the average Canadian family has seen its income fall over the last 35 years. I do not need to remind you that this situation is largely a Liberal legacy: 94% of the growth in income inequality over the last 35 years took place under the federal Liberals. Let us be clear, however: what was a Liberal trademark is well on its way to becoming a Conservative tradition as well.

By proposing measures like income splitting, for example, the Conservatives have chosen to hand out billions of dollars to a few wealthy households, but absolutely nothing to more than 85% of Canadian families—when it is the middle class that needs a break. I hear this constantly in my constituency.

• (1645)

Families keep working harder, but keep finding it harder to make ends meet.

In four years, there have never been so many people knocking on my constituency office door to get help. I am not talking about help to file their tax returns or to get a faster reply from a federal department, since that is taking up more and more time because of the cuts made by the government, and not because of the hard work done by public service employees. No, I am talking about getting help to make sure their children are going to eat three meals a day. I am talking about getting help so they do not find themselves out in the street.

I hear the same story from the community organizations that are doing outstanding work in our region, especially with the resources they have at present because of the cuts they have suffered. In 2014, for example, Moisson Outaouais saw a 25% increase in requests for food assistance. At Centraide Outaouais, they tell me that families that used to be able to contribute to fundraising campaigns have become recipients of assistance.

The cuts this government has made to the public service have had a direct negative impact on the economy of the Outaouais, but the Conservatives continue to sit on their hands and refuse to help the families and job creators in our region get through this difficult situation.

I have just finished a round of visits to small businesses in my riding and I was truly impressed with the exceptional work these entrepreneurs are doing. There is tremendous innovation, knowledge and passion in the Outaouais. It is high time that the federal government realize this and genuinely support the efforts of these small businesses to stimulate our regional economy.

On November 29, I also participated in the Forum socio-économique de l'Outaouais organized by the Chambre de commerce de Gatineau. I want to take this opportunity to congratulate them on this excellent forum. I met dozens of stakeholders from all backgrounds, who came together to talk about their common vision for the development of our region.

It was depressing to see the extent to which these people no longer count on this government to help them out. On the ground, the federal government is no longer seen as a partner in the development of our communities. This is truly unacceptable.

In the NDP, we believe government can be, and has a duty to be, a partner with entrepreneurs, organizations and families. In the NDP, we have a plan; creating a program for accessible and affordable child care centres, a federal minimum wage of \$15 an hour and a lower tax rate for small businesses are just a few examples. However, Canadians should not have to wait until the next election to be treated with respect.

That is why I invite my colleagues on both sides of the House to vote in favour of this motion, which will enable our fellow Canadians to be informed about the state of our economy and will give them a guarantee that all Canadians will be considered when the next budget is prepared.

In closing, I would also like to talk about instability within government programs. When a budget is introduced after the scheduled date, uncertainty is created. Not enough help is being given to the departments for sorting out or submitting a program for the following year. It is very unfortunate that disorder is taking hold both in the services and the public service.

• (1650)

[English]

Mrs. Cathy McLeod (Parliamentary Secretary to the Minister of Labour and for Western Economic Diversification, CPC): Mr. Speaker, I want to pick up on one particular area of the member's speech. I would like to first correct the record and then ask a question.

There was a conversation about how the middle class is having some challenges. It is important to recognize that, for the first time, middle-income Canadians are better off than Americans. The average Canadian family now pays \$3,400 less in taxes. Since we took office, the median net worth of Canadian families has increased by 45%. A new report from the Commission on Inclusive Prosperity says "...Canada...experienced continuing middle-income growth, while for many it has halted".

I hear the NDP talking about massive bureaucracies for social programs, whether it be the 45-day work year, the universal child care plan, which would benefit very few and would not benefit many rural or shift workers, or a massive carbon tax. Given the promising statistics under our policies, I would like the member to indicate who is going to pay, because someone is going to have to. I think it is going to be the middle class paying for those very expensive programs that the NDP proposes.

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[Translation]

Ms. Nycole Turmel: Mr. Speaker, it is really interesting to hear the member talk about the resources that are going to be given to the middle class. When I see what people are going through at this time, the minimum wage is really a dead loss. It rose only one cent between 1975 and 2013. That is today's reality. Household indebtedness in general has reached 163% of what it was. That is unbelievable. When they talk about income splitting, which will affect only a tiny segment of the population, how can they say, given what they are presenting and what we have experienced in recent years, that they are helping the middle class and the most needy?

As I was saying, community groups in my riding are seeing their programs cut more and more because of a shortfall at the federal level. True, there are the provinces as well, but the fact remains that the federal government has a big part to play. However, it is not assuming its role as a leader in the community.

[English]

Mr. Kevin Lamoureux (Winnipeg North, Lib.): Mr. Speaker, if we looked at it, we would see that the words of the day would be "middle class". It is the phrase that is likely being used most often. If we compared this time to a couple of years ago when we had budget debates, I suggest we would find it was rarely being used. It was not until the member for Papineau became leader of the Liberal Party that we started to talk and focus more attention on the middle class, recognizing that the middle class has in fact been neglected to the degree that today we are focusing a great deal of time on it. We in the Liberal Party are very happy to see the Conservatives and the New Democrats finally coming on side, recognizing that we need to focus more attention on the middle class.

The member made reference to the issue of the government making the decision to hand out a \$2 billion income split when less than 15% of the population would benefit. It was the leader of the Liberal Party who came out right away indicating that we do not support it and we would reverse it. Perhaps the member could expand on what her party's position is on it and why it took them so long to adopt the Liberal Party's position on the income split policy.

• (1655)

[Translation]

Ms. Nycole Turmel: Mr. Speaker, the member from the Prairies seems to forget that the healthcare program was created by the NDP. With regard to help for the middle class, I think we were the pioneers and we were always there to defend it.

In terms of the income splitting, which affects only a portion of the population, if I am not mistaken, the member or the Liberal Party spoke in favour of it at first. It was later that they changed course. Perhaps the member should listen to the statements, discussions and declarations made by his leader.

[English]

Ms. Peggy Nash (Parkdale—High Park, NDP): Mr. Speaker, I am very happy to be joining this debate today, speaking about what many Canadians, and indeed people around the world, have on their minds, which is the state of the economy. The motion that has been presented by the official opposition finance critic is a very important one, and it calls on the government to present an economic and fiscal

update to Parliament so that we all, on behalf of Canadians, can find out the state of our economic affairs.

The motion says that "...in light of the unstable economic situation, including job losses, falling oil prices, and declining government revenues..." we need to know exactly what is going on with the nation's finances. Further, the motion calls on the government to "...prepare a budget that addresses the economic challenges facing the middle class by creating more good-quality full-time jobs, and by encouraging economic diversification".

There has been indeed a lot of discussion about the middle class. What does that mean? Who is middle class? What does a middle-class lifestyle mean?

A lot of working people across this country know what a middle-class lifestyle is. They know that it means having a good job that can pay their bills, that can give them enough money to pay for a decent place to live, that can allow them to support their family, that provides benefits for them, and that can help them one day look forward to a secure retirement. People know that the middle-class lifestyle also depends on access to quality health care.

As the member for Hull—Aylmer who just spoke said, of course our medicare system was pioneered by New Democrats, by Tommy Douglas in Saskatchewan and by New Democrats here in the House of Commons, and it is one of the public programs that best guarantees a middle-class, secure life, which of course has been undermined by governments, including the current government and previous governments.

However, one of the things we most need to talk about right now is the state of the country's finances, given the rapid decline of resource prices, especially oil and gas prices, and what that means to the state of our budget.

Some hon. members: Oh, oh!

Ms. Peggy Nash: Mr. Speaker, I am having a very difficult time hearing myself speak, let alone other—

The Acting Speaker (Mr. Barry Devolin): I appreciate that. I cannot do anything about the construction, but I could ask all hon. members to keep their voices down so that we can hear what our hon. colleagues have to say.

The hon. member for Parkdale—High Park.

Ms. Peggy Nash: Mr. Speaker, thank you for that intervention.

Government Orders

Clearly what we have seen with the government is that throughout its time in office, whether in opposition or in minority or majority government, its focus has been on the oil and gas sector. Conservatives have put all of their energy, as it were, into the energy sector and have ignored other sectors of the economy. Now the chickens have come home to roost because of the dramatic drop in oil and gas prices throughout the country. It has affected the nation's finances significantly and left our country vulnerable to the kind of price shocks that we are experiencing today. If there were ever a rationale to diversify our economy, it is what we are experiencing today with energy prices.

Clearly the government has been left scrambling. It counted its chickens before they were hatched, and now the people of Canada deserve a fair accounting of the exact state of our nation's finances. We need to hear the government's plan for dealing with this rapidly changing economy. What the Conservatives have promised is an income-splitting scheme that would do absolutely nothing for 85% of the population, but would spend billions of dollars that the government in fact may now not have.

We are seeing many Canadians being affected by job losses. We heard today that as a result of a recent takeover, Tim Hortons will be laying off many jobs in its office sector. Whether it is Target in the retail sector, or Electro-Motive, Heinz, or John Deere, many industrial jobs have been lost throughout this country, and we need to know what the government's plan is to secure a middle-class lifestyle for working Canadians so that we know and they know that they can count on a secure income and can make their financial plans. We are expecting Canadians to do their budgets and to plan their economic situation, but the Government of Canada is not telling Canadians what its plans are for the economy.

We have seen manufacturing drop dramatically in the province of Ontario from about 20% of jobs to less than 15%. The jobs that are being lost are well-paying jobs with benefits that allow people to live a decent lifestyle. The NDP wants to support the manufacturing sector and help with the creation of good manufacturing jobs, and our leader laid out a plan for that today. We also want to see the lowest-paid workers lifted out of poverty with a \$15 minimum wage. That is a commitment that will help some of the lowest-paid Canadians raise their income level.

We also want to boost the security that all Canadians have by offering a national child care program that would cost Canadians no more than \$15 a day. In my own community, we see families paying up to \$2,000 per child per month for child care. It is like having a second mortgage in a housing market that is already very steep for families. What the NDP is offering is more security for families across Canada through a national child care program.

As the official opposition, we are proposing what we would like to see, but our main job is holding the government to account, and boy, does it ever need holding to account these days. Conservatives are failing Canadians. They are refusing to even tell Canadians what the state of the economy is and what their plans are for the future. Clearly they are confused. They are caught off guard, and if they need help, the opposition is here. We are willing to work together.

● (1700)

Let me quote a couple of outside, impartial analysts on this question. Those socialists at the TD Bank state in their report:

The conclusion is unambiguous. In the absence of new measures to raise revenue or cut spending, TD is projecting budget deficits in fiscal 2015-16 and 2016-17 as opposed to the surpluses expected at the time of the [fiscal] update.

The OECD's deputy chief economist stated:

The stunning decline in world oil prices, from an average of \$94 last year to \$56 in 2015, has virtually wiped out the federal government's anticipated surplus in its next budget....

Therefore, what is the state of the economy? What are the finances of the country like? We need to know and deserve to know. Canadians deserve to know, and they deserve to have a budget sooner rather than later so that they know how the government is going to pay for its very expensive, very elitist promises, such as income splitting for the wealthiest 15% of Canadians.

New Democrats want to know the state of our finances because we are committed to providing child care and support for small business. Also, unlike the Liberals, who according to their leader think that Ontario should move away from the manufacturing sector, we believe in a strong and advanced manufacturing sector. We believe in an economy based on energy efficiency, sustainability, and the best science and technology that this country can offer, because we know that when we work together, we can be globally competitive and we can do better than the best. However, we cannot do it with the government hiding in the past and refusing to reveal the state of the country's finances.

We look forward to the government stepping up to the plate and coming clean with Canadians. Let us work together on behalf of Canada for the good of Canadians.

* * *

● (1705)

PROTECTION OF CANADA FROM TERRORISTS ACT

BILL C-44—NOTICE OF TIME ALLOCATION MOTION

Hon. Peter Van Loan (Leader of the Government in the House of Commons, CPC): Mr. Speaker, I am happy to step up to the plate and advise that an agreement has not been reached under the provisions of Standing Orders 78(1) or 78(2) concerning the proceedings at report stage and third reading of Bill C-44, an act to amend the Canadian Security Intelligence Service Act and other acts.

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

BUSINESS OF SUPPLY

OPPOSITION MOTION—ECONOMIC SITUATION

The House resumed consideration of the motion.

The Acting Speaker (Mr. Bruce Stanton): I am sure the House appreciates the notice by the hon. government House leader.

Questions and comments, the hon. member for Trinity—Spadina.

Mr. Adam Vaughan (Trinity—Spadina, Lib.): Mr. Speaker, I have been following today's debate and I have heard from two parties who said that no matter what changes, their proposed course of action, which existed a month ago, is going to be pursued with even more vim and vigour now, despite the fact that fundamentally the economics have changed. In fact, the motion in front of us today states that the world has changed and new numbers are needed, yet the ideology that seems to support certain courses of action has not produced a different course of action, and that worries me.

However, the question I have is this. I have also heard today about this so-called abandonment of the manufacturing sector by the leader of the Liberal Party. What I do not understand is that when asked whether we should depend on one single source of manufacturing in Ontario, the leader said no, we need to diversify and not put all our eggs in one basket. In the same way, we should not put all our eggs in one basket in the resource sector. We need to diversify. There was never ever, ever a statement regarding walking away from manufacturing or from the auto industry.

What was the member quoting when the statement was made suggesting that the leader of the Liberal Party wants to walk away from manufacturing in southern Ontario? I have never heard him say that.

Ms. Peggy Nash (Parkdale—High Park, NDP): Mr. Speaker, I frankly agree with him that it was quite shocking to hear the leader of the Liberal Party say that Ontario should transition away from manufacturing. Clearly, the behaviour of the government in ignoring the manufacturing sector has meant that the number of manufacturing jobs has dropped. The percentage of manufacturing jobs in Ontario has dropped from 20% to below 15%. Therefore, the Liberals' neglect and their promise of neglect is really quite shocking.

Never mind: Ontario workers can count on New Democrats—

Some hon. members: Oh, oh!

The Acting Speaker (Mr. Bruce Stanton): Order, please. It is awfully noisy in here this afternoon. The hon. member for Parkdale—High Park is in the process of responding to the question from the hon. member for Trinity—Spadina. I am sure that hon. members would like to hear what she has to say.

The hon. member for Parkdale—High Park.

Ms. Peggy Nash: Thank you, Mr. Speaker. I was just going to say that workers in the manufacturing sector, whether it is in Ontario, in Quebec, or wherever in Canada, can certainly count on New Democrats to support their sector and not say or imply that somehow it is a sector of the past.

However, let me say more than that. When we are in difficult times, when finances appear to be different from what they were

Business of Supply

expected to be some months back, we need to look for ways of saving money. There are some pretty obvious ways. One, of course, would be for all parties to support the New Democrats' call to abolish the Senate. That would certainly save a significant amount of money.

However, I would also call the government's attention to the more than \$100 million it has spent on government advertising, which borders on partisanship, to support its approach to the economy, which, quite frankly, I think is offensive to so many Canadians.

● (1710)

[*Translation*]

Mrs. Anne-Marie Day (Charlesbourg—Haute-Saint-Charles, NDP): Mr. Speaker, there are currently 1.3 million unemployed workers in Canada. The manufacturing sector represents 11% of our GDP, and we know that this is one of the sectors that has been hit hard in the past decade.

This NDP motion is a legitimate one, and I would like to hear what the member thinks about it. We want the middle classes to live better in this country. We want the lies to stop and we want the public to hear the truth.

Ms. Peggy Nash: Mr. Speaker, I thank my colleague for her question.

Times are very tough for hundreds of thousands of unemployed workers from not only the manufacturing sector, but also many other sectors.

This government does not really have a plan to help these workers. It has made cuts to EI and it cut assistance to manufacturers. It said that the market will decide and will sort itself out, but during tough economic times like these ones we need the government to show some leadership, support the economy and employers, and create jobs.

Unemployed workers have no hope right now. Many families are suffering because of the lack of jobs and because of the layoffs we are seeing across the country.

[*English*]

The Acting Speaker (Mr. Bruce Stanton): Before we resume debate, I will let the hon. member for Burlington know that he only has two minutes remaining in the time allowed for debate on the motion before the House, but I am sure the hon. member will wish to use all of his two minutes.

The hon. member for Burlington.

Mr. Mike Wallace (Burlington, CPC): Thank you, Mr. Speaker, and happy New Year.

First, it is my honour, as always, as it is an honour for every member of Parliament, to speak in the House of Commons. I am looking forward to our discussions over the next number of months here in the House as we lead into an election. What I am very excited about is that the motion today, particularly part (b), states:

prepare a budget that addresses the economic challenges facing the middle class by creating more good-quality full-time jobs, and by encouraging economic diversification.

Private Members' Business

That is exactly what our finance minister will be doing. That tells me, based on its opposition motion, that the opposition will be supporting our budget when we present it. That will be the first time in the nine years I have been here that the opposition has supported our budget.

Of course, we need to take our time to ensure that things are accurate. We heard the Liberal Party's last speaker on this particular topic say to just give them numbers, whether they are accurate or not, and then be patient.

My response to the opposition, the third party, is that it also needs to be patient. Our finance minister is putting together a budget that will be accurate, reflecting the issues and the events that are happening today, and those numbers will be ones Canadians can trust and have faith in and that this Parliament and this House can have faith in. It will happen in a few short weeks. In fact, what would be interesting for my colleagues from across the way to learn is that legislation actually does not require a budget to be presented at any time. In fact, a former finance minister, Minister Flaherty, presented the earliest budget in Canadian history a number of years ago in this House.

There is plenty of time for us to bring the budget forward. We will have accurate numbers. We will be moving this economy forward. We will continue to create jobs and create opportunities for Canadians. That is why they should have patience on the other side.

The Acting Speaker (Mr. Bruce Stanton): It being 5:15 p.m., it is my duty to interrupt the proceedings and put forthwith every question necessary to dispose of the business of supply.

Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Bruce Stanton): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Bruce Stanton): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Bruce Stanton): In my opinion the nays have it.

And five or more members having risen:

•(1715)

[Translation]

Ms. Nycole Turmel: Mr. Speaker, I request that the division be deferred until tomorrow, Wednesday, at the expiry of the time provided for government orders.

The Acting Speaker (Mr. Bruce Stanton): Accordingly, the recorded division stands deferred until tomorrow, at the expiry of the time provided for government orders.

[English]

Mr. Mike Wallace: Mr. Speaker, I believe if you were to seek it, you would find the unanimous consent of the House to see the clock as 5:30 p.m.

The Acting Speaker (Mr. Bruce Stanton): Is it agreed?

Some hon. members: Agreed.

The Acting Speaker (Mr. Bruce Stanton): It being 5:30 p.m., the House will now proceed to the consideration of private members' business, as listed on today's order paper.

PRIVATE MEMBERS' BUSINESS

[English]

RAILWAY SAFETY ACT

The House resumed from November 5, 2014, consideration of the motion that Bill C-627, An Act to amend the Railway Safety Act (safety of persons and property), be read the second time and referred to a committee.

Mr. Adam Vaughan (Trinity—Spadina, Lib.): Mr. Speaker, this is a fascinating process that I have become witness to, as I start my second sitting of the House. These private members' bills appear to do something, but would in fact deliver little more beyond the title of the bill.

The events of the last couple of years have shown us the significance of rail safety. However, the trouble is that the bill, which seeks to make us feel safer, would not deliver the resources needed to deliver rail safety, particularly the inspectors. We also know that the problems plaguing the rail industry in our country are far more complex than simply saying we will inspect more.

We agree that providing much better inspection will lead to safety, but it has to be done. To do it, we need to hire inspectors. We also need to take a look at a whole series of other provisions that are contained within the rail infrastructure in our country, and they, too, must be strengthened.

I can give some examples. The reason this issue is of such concern to the residents and the citizens of Canada who I represent is that the northern boundary for our riding is the rail line that the Lac-Mégantic train ran through and the rail line of the Mississauga train derailment a generation ago, which caused unbelievable hardship in my corner of Canada. This rail line has had little in the way of upgrades or upkeep, largely because we have had a federal government that has neglected it. Following the Lac-Mégantic reports, we know that while commitments are made to rail safety, the follow-through is very rarely there.

There is a well known example within my riding. There is a stretch along Dupont Street where, even though we have great separation, not a single fence is secure. In fact, there are holes punched through the fences, usually close to the liquor store and bars, where people criss-cross the tracks. No matter how many times people call the rail companies or petition the government, no inspection is done of the basic safety provisions.

Private Members' Business

Having all the inspections in the world is all well and good, but if there is no follow-through, as I said, we leave our rail system extraordinarily vulnerable. That is a significant problem.

I have previous experience within the Federation of Canadian Municipalities and as a local councillor. When we ask the fire department if the city is safe, it will tell us yes. However, the reality is, and mayors across the country are speaking to this, that without advanced notice of dangerous goods moving through a city in real time, if an accident occurs and the local fire department does not have real time information, huge problems can follow, despite how many inspections may or may not have happened and how many inspectors there may or may not be.

We know the mayor of Calgary, in particular, has had the most difficult time getting his federal counterparts, including elected representatives, to stick up for cities and communities that have these rail lines moving through them. This is a significant problem, yet this bill, which claims to address rail safety, rolls past it, as it were. It is a problem.

We also know that capital infrastructure has not kept pace with the demands on the rail system. With the difficulties that the Conservative government has had creating pipeline access to tidewater, rail is being used more and more. In fact, the number of railcars rolling through midtown Toronto has dramatically increased. Their weight has dramatically increased as has their frequency. Furthermore, even though there are speed limits posted, but not shared with the public, the speed of trains moving through densely populated areas has also increased.

What do we get? A government that walks away from infrastructure spending, not only for municipalities and provinces, but federal infrastructure spending as well. It is just unacceptable.

Yes, we need more inspectors. The rules need to be tightened. However, the infrastructure needs to be repaired, maintained and sustained, not only for the sake of the economy but for the sake of the safety of people who live near the rail lines. It is not just people in my riding. Right across the country, settlements are strung across the rail lines. This is a significant problem.

The infrastructure spent here is diminished. We are giving up rail lines, not sustaining them. We have opportunities like the one we saw today in St. Thomas in Elgin county, where we can build rail capacity, support infrastructure development, and work with both the public and private rail sector to develop and deliver stronger infrastructure. We do not get a minister going to London. We get some backbenchers going. We do not get a deal in St. Thomas. What we get is the failure to act and to deliver.

It is not just the infrastructure that the government has let fall away. Building the rail capacity and the industrial basis to support a strong rail system is also disappearing from our country.

• (1720)

Rail safety is much more complex than simply having inspectors. If one simply announces that there will be new inspection rules and promises through the bill, through a headline, that there will be more inspectors but does not actually follow through in the budget with real hires, and does not sit down to work with the municipalities, provinces, and private sector rail supply companies, and our partners

south of the border to ensure continental rail security, then all one is doing is passing private members' bills.

We support the bill in principle. What we cannot support is the practice, or the lack of practice, on this critical file.

We had a large meeting in my riding a few weeks ago on the issue of rail safety. Are the trains following the rules? Are they even publishing the speed limit so they can be monitored properly? Is rail safety being attended to and are level crossings being eliminated in dense urban settings? On all of these issues, there has been no response beyond simply saying "We are taking care of it and everything should be fine". We know it is not fine, and that is the problem with the bill.

The bill seeks to comfort a fear that is present in our communities, but there is no follow-through. There is no dollar commitment in the bill. There is no substantial follow-through in building a stronger rail system. As I have said time and time again, when requests are made to the current government, all we see, all we hear, and all we experience is a failure to commit to rail safety and to the development of rail in this country as an alternative to some of the other dangerous practices in moving goods and services.

We need a comprehensive national rail strategy. We need comprehensive infrastructure spending that deals not just with the capacity issues that are challenging us now but also delivers us a new rail future. Unfortunately, what we get is the bill before us, which as I said is just a title. While it can be supported in principle, the practice and performance of the government leaves us very nervous.

Hon. Steven Fletcher (Charleswood—St. James—Assiniboia, CPC): Mr. Speaker, it is a pleasure to speak to the bill brought forward by the member for Winnipeg South Centre, who has done an outstanding job in her first term, the first of many terms in Parliament.

I am pleased to have the opportunity to speak about our government's efforts to improve the safety of Canada's national rail system through current regulatory action and, more specifically, through Bill C-627, an act to amend the Railway Safety Act to further enhance the protection of Canadians, property and the environment.

I believe we all would agree that rail transportation is one of the utmost important modes of mobility in our country. Canada's railways are vitally important to our national economy. They are the most fuel efficient form of transportation in the movement of goods in interdependent transportation systems.

Private Members' Business

Although Canada's railway system is one of the safest, railways are not without risk. Increased rail traffic means increased chances for rail accidents, which disrupt freight, commuter and passenger services. This leads to lost revenue, increased public costs, reduced productivity for customers and in some cases terrible fatalities.

Canada has a robust rail safety program with strong federal rail safety rules and regulations in place to ensure that the safety and the protection of the public is a top priority.

The Railway Safety Act is the cornerstone of the federal rail safety regime in Canada. It provides Transport Canada with the responsibilities to oversee railway safety through inspectors and audits, supported by strong safety education and awareness.

Under the Railway Safety Act, Transport Canada's rail safety program is responsible for developing, implementing and promoting safety policies, regulation standards and research.

Transport Canada's oversight role includes monitoring railway companies for compliance with rules, regulations and standards, as well as for the overall safety of railway operations through audits, inspections and investigations. It will take appropriate action when required.

Transport Canada monitors and inspects the operation of 31 federally regulated railway companies and approximately 40 local railway companies. Railway safety inspectors located in five regions across the country are key in maintaining and improving the safety of our national rail industry. They inspect railway tracks and equipment and monitor operations on a regular basis.

Following the tragic events in Lac-Mégantic, Transport Canada took decisive action to improve railway safety and the transportation of dangerous goods by requiring that any person who imported or offered the transport of crude oil conduct classification testing, ensure that railway companies shared information with municipalities, which would further support municipal emergency planners and first responders, and that the least crash resistant DOT-111 tank cars be removed from dangerous goods service.

To address the Transportation Safety Board's recommendations in its final report on the Lac-Mégantic derailment, Transport Canada issued an emergency directive that required railway companies to meet standardized minimum requirements for handbrake applications and implement additional physical securement measures. Moreover, Transport Canada is recruiting additional staff to carry out more frequent audits.

• (1725)

Recruiting additional staff with engineering and scientific expertise for oversight of transportation of dangerous goods is another important component of the reforms.

Transport Canada, in response, is also creating a process for increased information sharing with municipalities, and also researching the properties and behaviour of hazardous materials and Canadian crude oil.

To reiterate, in its commitment to a safe rail transportation system, not only for communities across the country but also for Canada's economic well-being and further strengthening of the federal railway

safety regulatory regime, Transport Canada has accelerated the development of several key recommendations. To be more precise, the department accelerated the development of five regulatory packages to address the recommendations of the Rail Safety Act review panel on rail safety; to respond to the recommendations of the Office of the Auditor General's fall 2013 report; and to further improve the railway safety and strengthen the department's regulatory oversight and enforcement capacity.

The new railway safety administrative monetary penalties regulations were published in the *Canada Gazette*, part 2, on October 22, 2014, with a coming into force date of April 1, 2015. The regulations introduced a new tool in the rail safety program's enforcement regime that could be used to ensure compliance with the Rail Safety Act, as well as regulations, rules, orders, and emergency directives made under it.

Amendments to the transportation information regulation would improve data reporting requirements to better identify and address safety risks before accidents happen. This would improve safety by supporting better planning and performance measurement, allowing for more focused audits and inspections and targeted programs that address specific safety issues.

New railway safety management systems regulations are being developed to replace the existing regulations that came into force on March 31, 2001. They were the first of their kind in the federal transportation sector and introduced a formal framework that helps railway companies integrate safety into their day-to-day operations.

Besides increasing our level of protection from accidents and negligence, these new regulations would further advance a strong and enduring safety culture in the railway industry for years to come.

In addition to these regulatory actions stemming from the review, Transport Canada is also developing grade crossings regulations to efficiently manage and enable safer grade crossings. This would lead to reductions in collisions, fatalities, injuries, and property damage, and the potential for environmental disasters resulting from a spill of dangerous commodities. All individuals who use grade crossings, whether they are walking, driving a car, or a passenger on a train, would benefit from improved safety.

All these regulations are expected to come into force within the next year to build upon the existing strong rail safety program and federal railway safety rules and regulations in place to ensure the safety and protection of the public. They all complement Bill C-627 to provide Canadians with the safest railway system possible.

Private Members' Business

Furthermore, the Government made a commitment in the 2013 Speech from the Throne to ensure that adequate resources will be available to hold federally regulated railways accountable in the event of an incident.

The Railway Safety Act provides the department with the power to protect people, property, and the environment from potential harm by ensuring that railways operate safely within a national framework.

Under the Railway Safety Act, Transport Canada has a variety of tools available to enforce compliance and to respond to safety concerns or threats to safe railway operations, such as a notice and order to respond to threats to safe railway operations, a ministerial order to inform a regulated party of a particular rail safety problem and ordering them to address that problem, and prosecution.

● (1730)

There are many efforts to make our national railway system safer. Our nation was built on the railway and we will grow stronger with a safer railway as we move forward into the 21st century.

● (1735)

[Translation]

Mrs. Djaouida Sellah (Saint-Bruno—Saint-Hubert, NDP): Mr. Speaker, it is my pleasure to speak on behalf of the residents of Saint-Bruno—Saint-Hubert on a matter as important as railway safety. I have met with them on numerous occasions to hear what they had to say about this issue. I can say that they are very worried and they are calling for more stringent regulations to be put in place and, most importantly, to be enforced.

It is true that additional safety measures have been taken since the terrible accident in Lac-Mégantic in July 2013 in relation to the transportation of dangerous goods, but we can do more and we have to do better.

Bill C-627, which we are debating today, would give the Minister of Transport and railway safety inspectors the power to order a railway company or the owners of a crossing to do certain work, not only where railway safety is threatened, but also where the safety of persons and property is threatened. For example, the bill would allow the minister to issue an order requiring that a company take corrective measures in a case where barriers continued to malfunction on a track.

As a result, if I am interpreting this bill correctly, this implies that the minister is going to have each section of track inspected and that she could require the companies to take measures to improve safety.

On paper, this bill would meet the expectations of the people calling for more pedestrian crossings and more investment in making those crossings safe. However, it does not answer all the essential questions, such as how frequently these inspections will be done, and with what resources.

The railway safety budget was cut by \$5 million between 2012 and last year. This means that every year, there is a reduction in the railway safety budget. In addition, this bill talks about level crossings. The government already has a program for level crossings, but the money allocated to it is not being spent. There

is apparently \$3 million intended for improving level crossings left over.

My colleague from Brossard—La Prairie went to meet with the people of Verchères, next to my riding. The municipal councillors told him about something interesting. The municipality of Verchères applied for a grant from the grade crossing improvement program in 2010, to put up a safety barrier. Well, to date, it is still on a waiting list.

Now, they would have us believe that this bill will change things, and starting today, the Conservative government is going to listen to Canadians and provide them with safe level crossings? The government had money to invest in level crossings, but it has still done nothing. They must think we are fools.

The second clause of the bill caught my attention. The bill would give railway inspectors the power to forbid the use of railway works or equipment if it poses a threat to the safety of persons or property.

The Auditor General and the Transportation Safety Board of Canada have clearly said that the department does not have enough resources. The department itself is refusing to say how many qualified inspectors can conduct these audits.

● (1740)

We know that Transport Canada's Rail Safety Directorate is underfunded. It does not have enough staff and the employees it does have do not have enough training.

According to the Auditor General's fall 2013 report, Transport Canada needs about 20 system inspectors to audit each of the federal railway companies every three years. Right now, the department does not have that many qualified inspectors to conduct those audits. That is not very reassuring in terms of enforcing this bill.

There are still too many deaths and serious accidents at level crossings. Protecting the public and the environment basic government responsibilities. Self-regulation and self-inspection are not working. The government must address the lack of oversight and inadequate audits. In 2009, there were 19 deaths related to level crossing accidents. In 2013, that number rose to 31.

In my riding, there was a serious accident in 2013 because there was no pedestrian crossing. How many similar cases are there in other ridings?

The NDP has long called for the federal government to tighten the grade crossing regulations and implement the TSB's recommendations. The private member's bill contains some good elements. The government—and I do in fact mean the government—must undertake a complete review of the railway safety regulations and how they are enforced and find ways to improve them, rather than depending on private members' bills.

Private Members' Business

Obviously, I intend to vote in favour of measures that can improve level crossing safety or railway safety in general, but the government cannot shirk its duties. It has to take full responsibility for railway safety. A rigorous evaluation of the state of railway safety in the country is needed and we need to make that happen.

[English]

Mr. Peter Braid (Parliamentary Secretary for Infrastructure and Communities, CPC): Mr. Speaker, I am honoured to rise this evening to speak in support of Bill C-627.

I want to begin by congratulating my colleague, the member for Winnipeg South Centre, for putting forward such an excellent bill, for representing the interests and concerns of her constituents so effectively, and for coming to Ottawa to make a positive change. Her constituents should be very proud of her.

Bill C-627, an act to amend the Railway Safety Act (safety of persons and property), aims to provide greater protection to persons and property from risks inherent in railway operations.

The amendments proposed in this bill would emphasize the authority of the Minister of Transport and railway safety inspectors to intervene when required in the interests of the safety of Canadians and for the protection of property and the environment. It would be a step forward in supporting a comprehensive railway safety program and strong railway safety rules and regulations already in place to further strengthen the safety and protection of the public.

Before I describe this initiative further, I will highlight some of the important history of Canadian railway safety legislation.

For many years, the safety of Canada's federal railways was regulated under the Railway Act, originating at the turn of the 19th century when Canada's railway system was rapidly expanding. The Railway Act was designed for a bygone era. At that time, much of the national rail system was under construction to open new territory across this great land and to encourage settlement.

Let us fast-forward to 1989 when the Railway Act was replaced by the Railway Safety Act, which was designed to achieve the objectives of national transportation policy relating to the safety of railway operations, and to address the many changes that had taken place in the rail transportation industry in the years leading up to the changes. It was a time of privatization and restructuring, supported by a new federal policy that separated economic and safety legislation to provide the railway companies with the flexibility they needed to grow and prosper.

The Railway Safety Act gave direct jurisdiction over safety matters to the Minister of Transport, to be administered by Transport Canada, where responsibility for other federally regulated modes of transportation resides. Today, railway safety regulation continues to be governed by the Railway Safety Act, which was developed in a spirit of co-operation between industry and government. The act moved away from a one-size-fits-all regulatory approach to one that set objectives in rules and encouraged the responsibility of railway companies to target these rules toward their own unique safety and operational conditions.

Transport Canada undertakes its responsibility to maintain a safe national rail system through policy and regulatory development,

through outreach and education, and through oversight and enforcement of the rules and regulations it implements under the authority of the Railway Safety Act. As I mentioned, the Railway Safety Act was developed in a spirit of co-operation between industry and government. To facilitate a modern, flexible and efficient regulatory regime that will ensure the continuing enhancement of railway safety, the act provides for detailed safety requirements to be developed either by the government in the form of regulations or developed by industry in the form of rules. The act provides the minister with the ultimate authority to approve or reject industry proposals on the grounds that they are or are not conducive to safe railway operations.

Once approved, all rules have the force of law, and Transport Canada has broad powers to require a rule, a rule change, or development of its own regulation in areas laid out in the act. In the interests of railway and public safety, the Minister of Transport can order a company to formulate or revise a rule. If the industry refuses to comply, the minister can independently establish the rules.

Fundamentally, the legislative framework recognizes the responsibility of railway companies, like any other companies, for the safety of their own operations, and the federal government, through Transport Canada, retains the responsibility and the power to protect people, property, and the environment by ensuring that the railway companies operate safely within the national legislative framework.

● (1745)

There are currently 16 rules and seven engineering standards under the Railway Safety Act. The main rules cover rail operations, freight car safety, and track safety. These distinctions make Canada's railway system strong, and concrete action has been taken throughout the years to make it even stronger.

Since its introduction, the act has been amended twice, the first time in 1999 to fully modernize the legislative and regulatory framework of Canada's rail transportation system and to make railway companies more responsible for managing their operations safely. It also gave the general public and interested parties greater input into issues of rail safety.

On May 1, 2013, the act was amended again to further improve railway safety, reflect changes in the industry, and make the act consistent with legislation for other modes of transport. The amendments increased safety and consistency by strengthening the department's oversight and enforcement capacity, enhancing the implementation of safety management systems, increasing the importance of environmental management, and clarifying the authority and responsibilities of the Minister of Transport with respect to railway matters.

The amendments also clarified that railway safety inspectors exercise their powers under the authority of the minister and that the minister may enter into agreements with provinces on matters relating to railway safety, railway security, and the protection of the environment.

Private Members' Business

Over the past 20 years, we have seen significant changes in the rail industry, including industry restructuring, the privatization of CN, the proliferation of short lines, and the rapid growth in freight, passenger, and commuter rail services. Rail traffic between Canada and the U.S. has grown, and expanding trade with Asia has increased international container traffic through west coast ports.

As my brief outline illustrates, rail safety legislation has greatly evolved over the years to keep up with the expanding population, economic growth, and emerging technologies. This bill is the next step toward an even stronger legislative framework, putting even more emphasis on protecting the safety of Canada's most important resource, our people.

Bill C-627 proposes to amend the Railway Safety Act to provide the Minister of Transport with the express authority to disregard objections received for proposed railway work if the work is in the public interest; to expand railway safety inspectors' authority to restrict a railway's operations when its operations pose a threat to safety, including when the threat impacts the safety of a person or property; and finally, to add a new ministerial order to allow the Minister of Transport to direct a company to take specified corrective measures if railway operations pose a significant threat to persons, property, or the environment.

To summarize, the proposed amendments in the bill would increase the safety of Canadians, enhance the safety of our communities, and contribute to a stronger economy, a modern infrastructure, and a cleaner environment by providing the Minister of Transport with additional enforcement authority to further protect Canadians' property and the environment.

They align with the objective in the Railway Safety Act to “promote and provide for the safety and security of the public and personnel, and the property and the environment, in railway operations.”

We believe that these proposed amendments are timely. We are once again modernizing the Railway Safety Act to reflect the verifiably increasing requirements for public and railway safety, and these are changes all Canadians can agree upon.

In our 2013 Speech from the Throne, we included a commitment that the government would take targeted action to increase the safety of the transportation of dangerous goods. The bill is yet another testament that we intend to deliver on the commitment we made to Canadians.

In the interest of all Canadians, I urge all hon. members to give the bill their unanimous support.

• (1750)

Ms. Linda Duncan (Edmonton—Strathcona, NDP): Mr. Speaker, I appreciate the member raising this matter in the House, because it is a matter that is extremely critical to my constituents and, frankly, all Albertans.

The issue of rail safety is top of mind in Edmonton—Strathcona. Our riding is laced with rail lines, crossings, terminals, and loading for petrochemicals and bitumen. Up until about a month ago, tanker cars of bitumen and chemicals sat right in the centre of Edmonton—Strathcona, right in the busiest section of historic Old Strathcona.

Much to the delight of my constituents and to everybody's surprise in the City of Edmonton, Canadian Pacific has announced that it is now considering selling off some of those properties. I am very pleased. I have been working with city councillors, the Federation of Canadian Municipalities, and my constituents, trying to get Canadian Pacific to think seriously about improving safety for my constituents, let alone the nuisance of having rush-hour traffic backed up.

Rail safety is top of mind. However, it is not just the issue of inconvenience or the risk to residents. About a decade ago, the largest spill from a railroad derailment into fresh water in North America occurred in a lake where, for four generations, my family has had property, Wabamun Lake. To this day, a good portion of that Bunker C and pole oil remains in the bottom of that lake. Nobody knows what will happen to it.

There is, of course, heightened concern by residents in that Wabamun community to monitoring what is going on with train loads, the speeds, the state of the rail lines, and the crossings. I get repeated calls from residents out in that area, very concerned that the inspection is not catching a lot of the concerns.

I have heard from residents in Slave Lake, Alberta, with concerns that a rail bridge there that was partly burned out is not being maintained. Of course, at Christmastime this past year we witnessed the derailment in Banff National Park and the dumping of hazardous substances into a very important fishery in our national park.

Rail safety is top of mind to people in Edmonton—Strathcona, all Albertans, and all Canadians. Of course, Lac-Mégantic is one of the most recent incredible tragedies that could have been prevented if we had better measures in place and better enforcement.

Rail safety is a critical issue. We just heard that from one of the government members, and the government even said in its throne speech that the federal government is going to take action and it will be tabling legislation on rail safety. However, this is coming through a private member's bill, which of course raises the question about why the government is not coming forward with an omnibus bill with many long-awaited measures that the Transportation Safety Board has identified even as recently as in the Lac-Mégantic review.

It is time for the federal government to act, because railroads are 100% regulated by the federal government. My community, as with communities across Canada, lives with the frustration of trying to negotiate with the rail companies to address these kinds of issues, including safety issues at rail crossings, because the federal government has simply not stepped forward.

Private Members' Business

We need improved legislation, improved regulations, and more inspectors, but we also need the federal government to embrace this portfolio more deeply and to step forward and work with the Federation of Canadian Municipalities, which is trying to address these issues.

In tabling the bill, the member for Winnipeg South Centre suggested that the amendment she has tabled will, if passed, grant additional powers to the minister to intervene to improve safety at all regulated grade crossings. She mentions there are 14,000 public crossings and 9,000 private crossings, which is 23,000 crossings. I guess the obvious question is this. Can Canadians anticipate that, when this legislation comes forward, we are going to immediately have 23,000 crossing addressed? We have heard many members in the House raise concerns. Where is the additional manpower?

The amendments are puzzling for a number of reason. One of the most apparent ones is that the essence of those amendments appears to already be in the act. Very recently the government came forward and actually amended the law. In section 4(4), it actually clarified that railway operations are safely operated when there is a threat to railway operations that impact property and persons and so forth.

● (1755)

Later on section 4(4.1) was added, which specifically says:

For the purposes of this Act, a threat is a hazard or condition that could reasonably be expected to develop into a situation in which a person could be injured or made to be ill or damage could be caused to the environment or property, and a threat is immediate if such a situation already exists.

I am left puzzled as to how these proposed amendments are going to fit with the amendments the government only recently made. It would be useful to take a look at those in committee to see if they actually are needed, or if the committee needs to address some of the amendments the government only recently brought forward. The intent is good, but I am puzzled why these measures need to be added when the government seems to have already done so.

Of more concern is that at a time when communities are desperately begging the government to give them a greater voice in the kind of rail traffic going through communities, such as at what speed, the length of trains, and the types of cargo being carried, this bill would actually diminish the rights of concerned communities and property owners to seek reviews or upgrades where the risks are to health, environment, or property. It would actually give the minister power to ignore the objections and concerns. At committee, it would be very important to take a look at the wording, because it does not enable communities to have greater voice. It would diminish their power.

The powers assigned to the Minister of Transport to issue orders and corrective measures are good. There are a lot of those already in the bill. I would recommend, consistent with what most environmental laws now provide, that those powers be immediately assigned to inspectors, the field inspectors who are in the community and witnessing where there are dangerous situations, so they can be empowered to take immediate action. That is something else I suggest the committee take a look at.

The act already empowers the cabinet to issue regulations for rail crossing safety. Apparently, the government has not moved these forward. I look forward to being corrected on that. Otherwise, surely

the member would not have felt it necessary to come forward with amendments to the statute. That is another thing that could be looked at.

Finally, I look forward to this matter being brought before this place. I am deeply concerned that one of our major industrial sectors, the rail sector, has increased its shipments of dangerous cargo, including raw bitumen, petrochemicals, and so forth more than a thousandfold in the last couple of years. Yet the government has not seen fit to amend the Canadian Transportation Act and the Canadian Environmental Assessment Act. A public review of that increased traffic of hazardous substances would allow for environmental impact assessment.

The government member who spoke before me pointed out that this is a growing industrial sector. There has been increased traffic, including of hazardous substances, and yet the government has not seen fit to amend its laws to make sure that this kind of activity undergoes at least a proper environmental screening and assessment so that the communities that might be impacted could have a voice in that decision-making.

● (1800)

Mrs. Cathy McLeod (Parliamentary Secretary to the Minister of Labour and for Western Economic Diversification, CPC): Mr. Speaker, I am very pleased to stand to speak to private member's Bill C-627. I also want to congratulate the member for Winnipeg South Centre on a bill that really reflects the needs that she saw in her own riding. It is very interesting. As we look at this particular bill and speak to it, we are all looking at our ridings and what the impact might be on them. We heard from different members about having a lot of rail running through their ridings. I myself represent Kamloops—Thompson—Cariboo, which is 45,000 square kilometres. We have CN, which runs from the Alberta border down through Edmonton to Vancouver, and we have CP, which goes through the Calgary route. When I heard the number of crossings mentioned by the previous member, I was thinking that perhaps the bill would have an extraordinarily higher effect in my riding, because out of those 18,000 or 23,000 crossings, the riding I represent has quite a number of them.

When I was first heading into the election campaign of 2008, I certainly remember going across one of the highways in the region. We were suddenly warned to slow down and go very slowly, because this was a very hazardous crossing. In this way I was first introduced to a very hazardous crossing very early in my election campaign. Of course, I am very pleased to see that there have been improvements.

It is important to reflect that the vast majority of the crossings in our country are well maintained, but there are instances and circumstances that make this particular bill both appropriate and necessary.

As a government, we are committed to the safety and the security of Canadian communities. I think we all agree that ensuring a safe, dependable, and modern transportation system is essential to supporting the continuing advancement and prosperity of this country. It is for that reason that I am very proud, as I mentioned earlier, to support Bill C-627, an act to amend the Railway Safety Act (safety of persons and property).

Private Members' Business

Many of us have spoken about the tragedy in Lac-Mégantic. Members will recall that Transport Canada took immediate action to further improve railway safety and transportation of dangerous goods. I want to quickly itemize some of them: classification testing for shipments of crude oil; increased information-sharing with municipalities to facilitate emergency planning; and the removal of the least crash-resistant DOT-111 tank cars from dangerous goods service.

I have had conversations with a number of the members of the FCM who were at the rail transportation safety committee. They have been very pleased with their conversations with our minister in terms of her responsiveness to the concerns they identified.

To build on these actions, Transport Canada responded to the Transportation Safety Board's recommendations by issuing an emergency directive that requires railway companies to meet standardized minimum requirements for handbrake application and to implement additional securement measures.

Transport Canada is also in the process of recruiting additional staff to carry out more frequent audits, recruiting additional staff with engineering and scientific expertise to oversee the transportation of dangerous goods, creating new processes to increase information-sharing with municipalities, and conducting additional research on the hazards of Canadian crude oil.

In addition to these departmental actions, the Standing Committee on Transport, Infrastructure and Communities has launched a comprehensive review of the state of railway safety in this country. Among other things, this review specifically targets the issues of railway safety, management systems, and the transportation of dangerous goods. It will further increase our understanding of the challenges and opportunities related to rail safety.

Since its introduction, the Railway Safety Act has been amended twice. It was first amended in 1999 in order to provide for a fully modern framework for Canada's rail transportation system. This framework was truly progressive, making railways more responsible for managing their operations safely.

More recently, the act was amended on May 1, 2013, in order to further improve rail safety and to reflect the industry's evolution. To keep pace with industry changes, the amendments further strengthened the department's oversight and enforcement capacity, enhanced the implementation of safety management systems, increased the importance of environmental management, and clarified ministerial authority and responsibilities.

● (1805)

This bill, which would enhance the power of the minister and inspectors to intervene when people and property are at risk, is the next step towards an even stronger piece of legislation and a stronger legislative framework, putting even more emphasis on pre-emptive prevention and the protection of Canada's most important resource: its people.

Approval of this bill would be an important step in supporting a comprehensive railway safety program that would further strengthen the safety and protection of the public. Without a doubt, modernizing the Rail Safety Act to reflect the increasing requirements for public and railway safety is timely.

These are changes that few Canadians can argue about. In listening to the debate so far this evening, it appears that few parliamentarians can argue against them either. Without a doubt, modernizing the Railway Safety Act to reflect the increasing requirements for public and railway safety is timely, and these changes Canadians can agree with.

In closing, many ridings throughout this country have rail lines running through them, and we all recognize the critical importance of the rail system in transportation. I understand that almost 60% of what is transported by rail is destined for export markets, which is a critical part of our economy. Obviously, it is of great importance to match or balance our support for prosperity and jobs with making sure that it is as safe as possible.

I congratulate the member for Winnipeg South Centre on a very positive and important measure.

Ms. Joyce Bateman (Winnipeg South Centre, CPC): Mr. Speaker, it is always a great honour to speak in the House of Commons as a member of Parliament representing Winnipeg South Centre. Today it is a double honour, and indeed a great pleasure, to have the opportunity to thank all of my colleagues on all sides of the House of Commons for their support and interest in my private member's bill, Bill C-627.

My private member's bill proposes amendments to the Railway Safety Act that would help ensure the safety and security of all Canadians. I am thrilled that after I identified a specific legislative gap regarding remediation at rail crossings, which is very helpful for rail safety in urban settings, I have been joined by so many of my colleagues in filling that gap to better protect Canadians.

The amendments I proposed to the Railway Safety Act would give additional powers to the Minister of Transport to intervene when required on an issue of safety and would help ensure the safety of Canadian citizens and our communities. Additionally, this proposed legislation seeks to empower railway safety inspectors so that they may quickly intervene to restrict the use of unsafe work and equipment and to forbid or restrict the use of unsafe crossing work or road crossings. I believe this bill is part of the continuing evolution and improvement of rail safety standards that we all value.

Our government takes the safety of Canadians and the Canadian rail system very seriously. It is committed to ensuring that appropriate levels of safety are always maintained. As members are well aware, our record as a government on rail safety is impressive, and I would really like to single out the hon. Minister of Transport for her leadership as well as her very hard-working parliamentary secretary. This is a vast responsibility that touches the life of every Canadian and the well-being of every Canadian family. I am very grateful to contribute to enhancing our record of rail safety for Canadians with the content of my private member's bill, Bill C-627.

Adjournment Proceedings

I thank all of my colleagues for their support and I truly appreciate the response I have received to the various communications on my bill that I have sent to every member of the House of Commons.

As my colleagues, the hon. member for Kitchener—Waterloo and the hon. member for Kamloops—Thompson—Cariboo, noted in their remarks, there is no greater privilege than to serve the needs of our constituencies. With this bill, I have enhanced the safety of my constituents in Winnipeg South Centre and, happily, also the safety of every Canadian.

I thank the members of the House of Commons and ask each one of them for their support for Bill C-627.

● (1810)

The Acting Speaker (Mr. Bruce Stanton): The time provided for private members' business is now expired.

The question is on the motion. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

The Acting Speaker (Mr. Bruce Stanton): I declare the motion carried. Accordingly, the bill stands referred to the Standing Committee on Transport, Infrastructure and Communities.

(Motion agreed to, bill read the second time and referred to a committee)

ADJOURNMENT PROCEEDINGS

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

[*Translation*]

CANADIAN HERITAGE

Ms. Annick Papillon (Québec, NDP): Mr. Speaker, it is always a pleasure for me to talk about issues that matter to Quebec City in the House.

In December 2014, I asked a question about a major and highly anticipated event, the 2017 tall ships. Quebec City would like to host about 40 tall ships as part of the 150th anniversary of Canadian Confederation.

From what I understand, the City submitted its detailed proposal to the government in May 2013, but it has yet to receive an answer. There has been nothing but radio silence. We have no idea whether the Conservatives plan to support this project.

I would like to point out that we are just days away from a deadline, which is in February. A decision about this project needs to be made this week. If the federal government does not get on board with the plan, the City of Quebec can withdraw its bid in February 2015 at the latest. The Quebec City tall ships project could be compromised if the federal government does not confirm funding in the next few days.

We have heard nothing but radio silence from the Minister of Canadian Heritage on this, despite the many times she has risen in the House to say that she understands how important the 150th

anniversary is to Quebec City. It is indeed very important, and we want things to be done right. Unfortunately, even though she came to Quebec City many times last summer and fall, we have not had an answer. Frankly, it is disappointing, because we expect an answer. We need one soon in order to set the budget. The year 2017 is just around the corner. We are talking about booking 40 prestigious tall ships that could sail up and down the St. Lawrence and stop in Quebec City for us. It is important to be able to take care of things in advance so that they are done properly and budgets are respected.

Unfortunately, we now see that the Conservative government desperately lacks any vision, given that it has completely abandoned international events that draw millions of tourists and generate huge economic spinoffs. We know that in the tourism sector, one dollar invested translates into seven dollars in direct economic spinoffs. That is important.

The federal government had a program to help major festivals in the country, but since that program was eliminated in 2011, subsidies for festivals in Quebec have gone from 24% to 18%. We all know that just last year, the Conservatives decided to reduce the budget of the Canadian Tourism Commission by 20%. It is a marketing budget that helps these events get exposure and brings national and international tourists to just about every corner of Quebec, which is very profitable for us.

Someone very important to us reminded us that we want more money in order to generate more economic spinoffs. That someone is Daniel Gélinas, director general of the Quebec City summer festival, a huge festival that puts on more than 300 shows every summer. It is high time to get on board with this.

The Conservatives' inaction and the lack of funding has already created victims. The International Festival of Military Bands in Quebec City has folded after 15 years. It is important to remember that the Festival of Military Bands in Quebec City was so extraordinary that it attracted people and bands from all over. People came to Quebec City to learn from this expertise, knowing that such a massive and top-notch event could be organized.

I find it very unfortunate that we cannot keep running these events, especially because the federal government would just have to contribute a modest amount given that the provincial and municipal governments were on board. The initiative only required a little support.

● (1815)

With the disappearance of the International Festival of Military Bands in Quebec City, we wonder today whether Quebec City will have to cancel another international event, the very exciting Rendez-vous 2017 tall ships regatta, because of the Conservatives' inaction.

[*English*]

Mr. Rick Dykstra (Parliamentary Secretary to the Minister of Canadian Heritage, CPC): Mr. Speaker, I appreciate the opportunity to respond to the member's comments.

Adjournment Proceedings

Whether as a municipal councillor over the years, as an employee of the provincial government, or here as a federal member of Parliament in the House of Commons, when I negotiate things on behalf of the people in my riding, I certainly want to defend them in the House of Commons and I certainly want to promote them in the House of Commons. However, I find that when I negotiate on behalf of my riding, on behalf of the region of Niagara, I am a lot more successful in those negotiations when I do them behind closed doors. I do not attempt to criticize those who are within a particular ministry to assist them in achieving the goal, which the member for Québec City is trying to do. I find that being critical publicly does not always enhance one's ability to succeed in assisting those she obviously cares deeply for in her riding.

Tourism makes an important contribution to the Canadian economy, with 618,000 direct jobs across Canada, including in Niagara and the riding of Québec City. Last year, tourism revenue in this country was just under \$85 billion.

The Government of Canada is proud to support initiatives that bring clear economic tourism benefits to communities across our country. We have made significant federal investments and support the industry, underlining the importance of tourism to the local, provincial, and Canadian economy.

The Department of Canadian Heritage provided funding for the 2014 SAQ New France Festival, which helped visitors to Québec City discover the history and the way of life of North America's first European settlers.

The department also provided funding to allow the l'Assemblée de la francophonie de l'Ontario to organize artistic and cultural activities during the festival and to extend its reach outside of Québec. We also saw investments provided for the festival's 2013 and 2014 editions through the Québec economic development program

The Government of Canada also supported the Festival d'été de Québec in 2014 and 2015. Taxpayers across this country invested significantly in programs from Canadian Heritage to offer a wide range of musical performances, street theatre, circus arts, and more. This was in addition to the funds provided to the Québec economic development program to promote and market the festival internationally in both 2013 and 2014.

This year the Department of Canadian Heritage provided significant funding to the 2014 edition of the Rendez-vous naval de Québec.

In 2014, as in past years, we supported many projects that benefited Québec City and helped to raise the profile of the greater Québec region. I would argue that the member herself has applauded some of these investments. She in fact bragged a bit about them when the opportunity arose in her riding to talk about the investments made, in part, by the efforts she put forward.

Canada's 150th anniversary of Confederation in 2017 will provide an opportunity to reflect on what we have achieved as a country, to promote a sense of strong pride among Canadians, and to inspire a bright future for Canada in Québec and across our country.

We are well aware of the timelines and the required plan to prepare for Rendez-vous 2017. It is an ambitious and attractive project in the context of the 150th anniversary of our Confederation. We are consulting, discussing, negotiating, and preparing. The member will be happy to know that Québec City is going to be included in a significant way in those celebrations.

• (1820)

[*Translation*]

Ms. Annick Papillon: Mr. Speaker, I must represent the people of my riding and the events that take place there.

I love to hear that investments are being made back home, because that benefits the people there. However, the government has been lazy on some files. For example, it took seven years to look at rebuilding the Quebec City Armoury. There have been some lengthy and often unjustified delays.

Some events have vanished altogether because of a lack of federal funding. I think I have reason for concern. That is why I have a very simple question. Do the Conservatives understand that they need to set this budget by February? That is just a few days away. If they do not, the event could be in jeopardy, and I want it to go on.

Do the Conservatives plan on making a positive announcement by February 2015 to reassure everyone, especially the organizers and financial backers of this project?

[*English*]

Mr. Rick Dykstra: Mr. Speaker, the member referred to a couple, including the festival program, which, as you know, benefited your riding, the riding of St. Catharines, and ridings across this country as a stimulus program. She mentioned the programs not running again.

Her community and her city benefited greatly from that two-year festival program that was an economic stimulus. It generated economic benefits across this country, put people back to work, and ensured that Canada was going to work through the issue of a worldwide recession in such a way that we actually created jobs in this country over the last number of years, whereas in other countries, they are still trying to catch up from that mess.

We are very much aware that in 2017 we will have to make some significant decisions. We all agree that the 150th anniversary of Confederation is significant in and of itself. We believe that all Canadians, including those in Quebec City, deserve the opportunity to celebrate and deserve the opportunity to participate. Our government is preparing for memorable celebrations that will take place in 2017. I cannot think of anyone in this House who would actually criticize an attempt to celebrate our country's anniversary, especially its 150th.

• (1825)

The Acting Speaker (Mr. Bruce Stanton): The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow at 2 p.m., pursuant to Standing Order 24(1).

(The House adjourned at 6:26 p.m.)

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