



HOUSE OF COMMONS  
CHAMBRE DES COMMUNES  
CANADA

# House of Commons Debates

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OFFICIAL REPORT  
(HANSARD)

**Thursday, April 14, 2016**

—

**Speaker: The Honourable Geoff Regan**

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# HOUSE OF COMMONS

Thursday, April 14, 2016

The House met at 10 a.m.

## OPEN SCIENCE ACT

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*Prayer*

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**Ms. Elizabeth May (Saanich—Gulf Islands, GP)**, seconded by the member for Joliette, moved for leave to introduce Bill C-259, An Act to amend the Access to Information Act (scientific research).

## ROUTINE PROCEEDINGS

•(1005)

[*English*]

### CRIMINAL CODE

**Hon. Jody Wilson-Raybould (Minister of Justice and Attorney General of Canada, Lib.)** moved for leave to introduce Bill C-14, An Act to amend the Criminal Code and to make related amendments to other Acts (medical assistance in dying).

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

\* \* \*

[*Translation*]

### DEPARTMENT OF INDUSTRY ACT

**Ms. Elizabeth May (Saanich—Gulf Islands, GP)**, seconded by the member for Joliette, moved for leave to introduce Bill C-258, An Act to amend the Department of Industry Act (small businesses).

She said: Mr. Speaker, it is a great honour for me to rise today to introduce this bill for the second time. I did so in the previous Parliament, and now I am reintroducing this bill on the Department of Industry with respect to small businesses.

[*English*]

The proposal is very simple. It is based on something that is done in the European Union, which is referred as “think small first”. It would apply an advance evaluation to government programs, laws, and regulations, to ensure that their impact on small business is considered in the process of reviewing all the legislation and regulations that go through this place.

I am grateful for the opportunity to have it at first reading. I hope for support from all sides of the House.

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

She said: Mr. Speaker, I want to overdramatize it, but this is extraordinarily important legislation to ensure that never again will scientific information and research paid for by the people of Canada be kept from the people of Canada. It is a very simple, straightforward measure that requires that every government institution shall cause all records composed of scientific research to be published on a public website as soon as is practicable and as soon as the research is completed. It is about open science.

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

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### CANADIAN FORCES SUPERANNUATION ACT

**Ms. Irene Mathysen (London—Fanshawe, NDP)** moved for leave to introduce Bill C-260, An Act to amend the Canadian Forces Superannuation Act and the Royal Canadian Mounted Police Superannuation Act (deduction of disability pensions).

She said: Mr. Speaker, as the House most certainly knows, it is absolutely essential that our veterans get the financial support that they need. The current practice of clawing back disability benefits once a veteran starts collecting CPP is an outrage. The financial and other impacts of the veterans' impairments continue to exist once they start collecting their CPP, and they should continue to receive that support. The bill would ensure that any disability pensions received by an RCMP or CF veteran will not be clawed back once the veteran reaches the age of 65 and starts collecting CPP, or a similar provincial plan.

*The Budget*

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

\* \* \*

● (1010)

**CANADIAN FORCES SUPERANNUATION ACT**

**Ms. Irene Mathysen (London—Fanshawe, NDP)** moved for leave to introduce Bill C-261, an act to amend the Canadian Forces Superannuation Act and the Royal Canadian Mounted Police Superannuation Act (increase of allowance for survivors and children).

She said: Mr. Speaker, many veterans' spouses are forced to give up their own careers to support the veteran during the veteran's service when they are moved from city to city, making it difficult for the spouse to establish a career; or a spouse may give up work to care for an injured veteran. It is important that supports remain in place for the spouse and family after the veteran passes away.

Currently veterans' families receive an allowance after the veteran passes. This bill would raise the amount that the veteran's spouse or survivor or dependant children are provided for in an allowance. It would raise it to 70% of the veteran's annual allowance or annuity. This would provide much-needed additional financial support to families and to veterans.

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

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**PETITIONS**

## NATURAL GAS INDUSTRY

**Mr. Bob Zimmer (Prince George—Peace River—Northern Rockies, CPC):** Mr. Speaker, it is my honour today to present this petition, which represents thousands of people in British Columbia who want to see LNG go forward. I would like to respect the efforts of Kristi Pimm De-Maid and Alan Yu on this petition.

They petition that the economy of northern B.C. is resource-reliant, with natural gas being one of the resources that provides direct and indirect jobs to residents in the region.

Therefore, they call upon the government to approve at the earliest opportunity, the construction and operation of LNG plants, and the construction of natural gas pipelines required to supply these LNG plants with natural gas.

## DEMOCRATIC REFORM

**Ms. Elizabeth May (Saanich—Gulf Islands, GP):** Mr. Speaker, I rise this morning to present two petitions.

The first petition is from petitioners who are calling upon Parliament to immediately call a full public consultation on reform of the way that we elect ourselves.

The petitioners point out that the current system, the so-called "first past the post", is a system which allows the voting results to be perverse, and in fact allows a minority of voters to elect a majority of Parliament.

The petitioners call for this electoral reform process to begin immediately, which fortunately I believe concurs with plans in the Speech from the Throne.

## THE ENVIRONMENT

**Ms. Elizabeth May (Saanich—Gulf Islands, GP):** Mr. Speaker, the second petition is from many hundred residents of the communities of Saanich—Gulf Islands.

The petitioners are calling upon the government to prohibit the purchase of bottled water for personal use in federal government institutions as long as potable water sources are already available.

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**QUESTIONS ON THE ORDER PAPER**

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

**The Speaker:** Is that agreed?

**Some hon. members:** Agreed.

**GOVERNMENT ORDERS**

[English]

**THE BUDGET**

## FINANCIAL STATEMENT OF MINISTER OF FINANCE

The House resumed from April 13 consideration of the motion that this House approve in general the budgetary policy of the government.

**Hon. Robert Nault (Kenora, Lib.):** Mr. Speaker, it is a great pleasure and an honour to have the opportunity to speak today to the first budget of the new government. This is my opportunity to speak directly about the budget as it relates to northern Ontario and rural Canada. I want to start by saying that this is a historic budget, from the perspective of the investments that will be made in the north.

If we look at the Canada child benefit and the needs of northerners for child care, financial resources, aboriginal children, and communities that have a large segment of their population who are unemployed or on social assistance, this Canada child benefit will have a disproportionate way of improving the lives of northerners more than any other region in the country. There are thousands of families in the north who are living in poverty, who do not have jobs, who are on social assistance. They could have an opportunity to collect the child benefit, and it would make improvements to the lives of those families right off the bat. That \$23 billion that will be moved as early as July 1 will have a significant impact in regions like northern Ontario.

*The Budget*

I want to congratulate the government for understanding the importance of raising children, and also understanding that there have to be options. It is not all about child care spaces. It is about the importance of having enough financial resources to buy food and clothes. We have had debates in this House about aboriginal people in the last few days. I strongly recommend that people visit communities in the north that are isolated, where the cost of living is sometimes double that in the south. If people had an opportunity to visit these isolated communities, some 22 that I represent in northern Ontario, in the heart of North America, they will find that this will be a welcome and historic investment in the lives of these communities.

Because of the child benefit and the importance of it being tax-free and not clawed back, there will be an opportunity for people who are on social assistance and who fill out their income tax return to gain more opportunity to buy clothes, food, and other essentials for life. I want to ensure that members are aware of that.

Before I forget, Mr. Speaker, I want you to know that I am splitting my time with the member for Vaughan—Woodbridge.

The other major historic investment that could have a huge impact in northern Ontario is the investment in infrastructure. I have heard some comments across the way that it is not enough this year and that it is not what was expected. However, we all have to be very straight about how this will work.

It will be a historic investment of some \$120 billion of federal funds. That does not include in the discussion the share of the provincial, municipal, and first nations governments in infrastructure. If we look at it from the perspective of even being divided in thirds, we could in essence be talking about \$350 billion over 10 years, if all levels of government participate. That is a lot of money to be putting into the process of developing our country's infrastructure. This is where I want to talk more about the north than I normally do. In this place, there is a big difference in representing a large rural riding which is one-third of Ontario's land mass, with 13 municipalities, 42 first nations, and virtually no infrastructure. This is a great opportunity for us in this place to support the building of the north, for the first time in decades.

It is always interesting in this House to listen to members of Parliament, in particular from urban Canada, talk about the importance of transit in Toronto or Montreal or places like that. However, where I come from, there are no roads. When we talk about transit, we have to start from the basics.

• (1015)

If we are going to invest and build our nation, if we are going to improve the lives of first nation citizens who live in isolated communities, we are going to have to start from the very basics of putting the financial resources, the infrastructure dollars, into building all-weather roads and grids.

If we want first nations children to be successful, they have to start off with the same level playing field. These communities have to have the same infrastructure, the same abilities to see the progression of their lives in a positive way, as our children do. This infrastructure does not have to happen this year, because planning needs to take place.

Let us talk about all-weather roads and grids. I will use Pikangikum as an example, because I attended the funerals last week of the nine people passed away in a major fire there. There was a lot of conversation nationally about it. Pikangikum has a shovel-ready project to build a grid that would connect energy to the community and allow it to have sewer and water, an operational recreation facility, and housing that is connected to energy. All of this is ready to go. All we need is the green light from the Government of Canada and the participation of the provincial government. We could build an all-weather road and the grid next to it, starting this year.

That shovel-ready project has been sitting on the books now for a number of years. The previous government could have put that infrastructure in place for Pikangikum, but refused to do it. That is one of the reasons there are the kinds of tragic situations that we hear about on a regular basis.

My region, northern Ontario, does not have a twinned highway. It is the only region of the country, aside from the Northwest Territories and in some respects, obviously, the Yukon and Nunavut, that does not have that kind of infrastructure, from the Manitoba border into southern Ontario. When people talk about infrastructure, it is extremely important to realize that my region is coming from a long way back. If we want people to be successful, we have to start with the basic infrastructure that we all need and expect to have.

The other part of this budget that I think is extremely important for northerners is the section on social infrastructure. There is \$3.4 billion in the budget over five years for social infrastructure. What is social infrastructure? Social infrastructure includes affordable housing, early learning and child care, cultural and recreational infrastructure, and community health care facilities in places like reserves. Those are the kinds of historic things in this budget.

The next historic part of this budget is the environment, the whole concept of understanding what we need to do not only as northerners but as Canadians and citizens of the globe. We have to take our environmental issues a lot more seriously than we have in the past.

I always tell people I am a lake person. Where I come from, there are thousands of lakes, in some cases lakes that people have never set foot on because they are so isolated. There seems to be more water than there is land. We have to not only cherish that but protect it, because that is the history and the future of my region; it is all going to be based on water.

This budget put in place \$5.5 million for the watershed on Lake of the Woods, which is where I live, and it will have a huge impact in doing studies on the effects that climate change and pollution have on a lake as large as Lake of the Woods. It runs into Manitoba and the United States, as well as Ontario. It is a big lake with a lot of issues that need to be dealt with, and I commend the government for understanding what that means.

I stand here today to remind my colleagues in the House that making investments in infrastructure is not always political. It has to be done because it makes the most sense.

*The Budget*

•(1020)

We will not get a lot of political bang for our buck for spending billions of dollars in northern Ontario for one seat, two seats, or three seats, but we do it because it builds the nation and it improves the lives of a lot of people, now and in the future.

On behalf of northerners, I am thankful for being given the time to talk about some of the issues in the budget. I am sure we will get a chance to talk about many more.

•(1025)

**Mr. Mel Arnold (North Okanagan—Shuswap, CPC):** Mr. Speaker, I would like to make one correction to the member's speech.

The member stated that the area through northern Ontario is the only portion of Canada that does not have a four-lane highway. I would contradict that with the fact that there are areas through British Columbia that are also waiting to see our Trans-Canada Highway have four lanes. That is Highway 1 not only through my region of North Okanagan—Shuswap but through the Columbia—Kootenay region as well.

Would the member opposite join me in pressuring his Minister of Finance and Minister of Transport for improvements on those sections of the Trans-Canada Highway that do need to be four lanes, not just in his riding of northern Ontario but in the ridings in British Columbia that truly are a corridor for all of the trade of western Canada through to our western ports and the rest of the world?

**Hon. Robert Nault:** Mr. Speaker, I am on the same page as the member. I can assure him that I am lobbying the government every day to look at not only the way we will make decisions on our national infrastructure projects but also the way we will interact with the local communities and the provinces to make sure that the best decisions are made, and not just made for political reasons.

The infrastructure, as the Prime Minister has said many times, is not a very sexy topic. Most people just gloss over it.

I will give an example in northern Ontario of why this is so difficult for me to feel comfortable that this will ever happen in my term here in office. I hope I can say to the member that that may not be the case. Just the grid for 22 first nations communities that are isolated is a \$1.3 billion infrastructure project.

That is a lot of money to expect the governments to put in place, but that is the necessity of the situation in which we find ourselves. If we want to improve the lives of northerners and first nations northerners, we have to put that infrastructure in play here in the next couple of years.

**Ms. Sheri Benson (Saskatoon West, NDP):** Mr. Speaker, on many points the member raised, we would agree.

There are many barriers for parents to be able to access employment. Child care is not just about spaces; it is about being able to afford it. On that point, we would agree.

However, it is more than that, because it is about child care spaces. It is not an either/or situation, certainly for the folks in my riding. The single biggest barrier, regardless of whether parents can afford child care in Saskatoon West, is that spaces are not available. The

single biggest barrier to being able to be employed or go to school is child care spaces.

During the election campaign, we heard a lot from the Liberals about child care spaces and that the investment was going to be immediate. In this budget, we see that there is no child care funding for this year and we are going to have to wait.

I would like to hear the member's comments on why we have to wait.

**Hon. Robert Nault:** Mr. Speaker, as I have said before in this place in other speeches I have given, when a commitment is made during an election campaign and the commitment is significant by a very activist party, now a very activist government, I would not expect anyone in this House or any Canadian to believe that all the commitments made by the government would end up in the first budget.

It will take us a number of years to make significant changes, as it did when we took office in 1993 to change the direction of the Mulroney government. It took us four to five years to clean up the budget mess, just to get into a surplus.

Governments take time to direct and develop their structures. It will be the same issue here. Next year, people will be seeing things in the budget then, so that is important. In other budgets over the next three or four years, we will see the commitments made by the government starting to appear.

I know people are anxious. I know they think we should do it all in one year. However, if we were to take the NDP's philosophy and have a balanced budget, we would not be doing any of this.

In fact, child care will come, as we negotiate with the provinces, as we talk about infrastructure deals for child care spaces. We can look forward to those improvements in years to come.

•(1030)

**Mr. Francesco Sorbara (Vaughan—Woodbridge, Lib.):** Mr. Speaker, it gives me great pleasure today to rise and speak on the budget. This budget, which I like to refer to as the middle-class budget, or better yet, the growth budget, is an important step to help revitalize the Canadian economy, strengthen the middle class, and ensure a prosperous future for the residents of my riding of Vaughan—Woodbridge.

I see budget 2016 as a blueprint to undertake strategic investments for the future. As the father of two young daughters, Natalia and Eliana, I know this budget is a plan for the future not just of this generation but of successive generations, one that moves Canada forward in a number of concrete ways and ensures that all our children will inherit a more prosperous and hopeful country.

*The Budget*

I am proud to represent Vaughan—Woodbridge, one of the fastest-growing communities in Canada. Our community, like many across the country, is made up of dynamic hard-working Canadians who look forward to a good standard of living and a better future for their families. However, many of my constituents are working harder than ever and are not getting ahead. Budget 2016 would put people first, and it would deliver the help that Canadians and the residents of Vaughan—Woodbridge need now, not a decade from now.

As an economist and someone who worked in the global financial markets for nearly a quarter of a century, I can state with expertise that budget 2016 is fiscally prudent. It is a responsible approach to fiscal management, cemented through a fiscal anchor. Thanks to measures taken in the mid-1990s, Canada has the lowest debt-to-GDP ratio of any G7 country, and with interest rates at historic lows, now is the time to invest in Canadians to ensure our country's best days lie ahead.

However, Canada's fiscal strength rests largely in its low debt burden, and protecting this source of strength is of paramount importance. To maintain Canada's low debt burden and its fiscal advantage, our government is committed to reducing the federal debt-to-GDP ratio to a lower level over a five-year period, ending in 2020-2021. This commitment preserves the government's capacity to respond to potential future economic crises, so that future generations are not burdened.

I am extremely proud of budget 2016. I know it would make a positive difference in the lives of the residents of Vaughan—Woodbridge. I wish to highlight a few measures that are particularly significant to me and my constituents, including measures that strengthen the middle class, undertake strategic investments in infrastructure that build stronger communities, introduce the transformational Canada child benefit, and ensure a dignified retirement for our seniors.

One of the first actions our government took was to introduce a \$3 billion middle-class tax cut and to ask the wealthiest 1% to pay a bit more. In total, nearly nine million Canadians, including many in my riding, are now benefiting from this tax cut, leaving more money in their paycheques to save, invest, and grow the economy.

I am proud of this government's commitment to families with the introduction of the transformational CCB. The CCB would now be tax-free to parents, better targeted to those who need it the most, and much more generous. In fact, nine out of 10 families would receive more child benefits than under the current system, with an average increase of almost \$2,300.

Even more significant is that, with the introduction of a better targeted CCB, about 300,000 fewer children would be living in poverty. The CCB would be a leading force in our efforts toward poverty reduction, and for this our government should be applauded by all members of the House.

We know all too well the growing infrastructure deficit faced by cities and provinces across Canada, and we know that our economic well-being depends on our ability to move people, goods, and services. Our government listened during the election campaign and heard the unified voice from experts, including from Bank of Canada governor Stephen Poloz, who noted that "Infrastructure is an

ingredient to economic growth. It's sort of the enabler of economic growth". That is why we have made a historic commitment to invest \$120 billion in infrastructure over 10 years. This is a smart investment that is much needed. Studies have consistently shown that, for every dollar invested in infrastructure, approximately \$1.50 in economic activity is generated. Investing in infrastructure creates good, well-paying jobs that can help the middle class grow and prosper.

Our investments in infrastructure, be it public, social, or green, are not just about creating jobs and economic growth but, more importantly, are also about building communities that Canadians are proud to call home. Currently, congestion in the greater Toronto area is costing the economy billions of dollars and negatively impacting the quality of life of all residents. In phase 1 of the infrastructure plan, \$3.4 billion over three years would be invested in public transit, of which \$1.5 billion is earmarked for Ontario. This investment, along with the current infrastructure projects, including the Toronto-York Spadina subway expansion into Vaughan, would be tangible measures to begin to address the costs associated with congestion.

• (1035)

As we move forward, we will implement a plan for investment in infrastructure, but the government will also plan for a more innovative Canada. Innovation is today's driver of inclusive growth, and Canada must be in it to win it. In budget 2016, the government is defining a new vision for Canada's economy to build Canada as a centre of global innovation.

Our government will fund a \$2-billion investment over three years for a new post-secondary institution strategic investment fund to modernize on-campus research, commercialization, and training facilities. Budget 2016 also provides an additional \$95 million per year to strengthen Canada's world-class research capacity and excellence.

Canadians face a rapidly changing global economy, and for us to succeed we must foster citizens to be global leaders in their fields and have our creative and entrepreneurial citizens propel the economy forward.

The welfare of seniors is an issue that touches me greatly in my riding. Seniors helped build this great country we live in. Budget 2016 puts forward significant new investments to ensure that all seniors can enjoy a secure and dignified retirement. The planned increase of up to \$947 per year, a 10% increase to the guaranteed income supplement, is set to start in July. It will help the most vulnerable single seniors. Over 900,000 seniors, including many in my riding of Vaughan—Woodbridge, will be helped by this measure, but we are doing more.

We have kept our commitment to return the age of eligibility for old age security and the guaranteed income supplement to 65 from 67, and in the coming months we will develop a seniors price index to allow seniors to keep pace with the actual cost of living they face.

*The Budget*

In addition, our government will continue discussions with the provinces to enhance the Canada pension plan. An enhanced Canada pension plan would be a major step in improving retirement outcomes for workers and reducing the uncertainty that many Canadians feel about entering retirement.

Our commitment to seniors is simple. We are there for them.

Finally, budget 2016 is truly a blueprint for the future, a future that is not only hopeful but built on solid foundations which are fiscally prudent and boldly aspirational.

Our country's best days are ahead of us, and we will seize the opportunity to invest in Canadians, including the residents of Vaughan—Woodbridge. I am privileged to serve them.

God bless Canada.

**Mr. Charlie Angus (Timmins—James Bay, NDP):** Mr. Speaker, there are serious gaps in this budget in terms of commitments to our country. One of the huge gaps that I see is in the area of Northern Ontario, where we have the Ring of Fire development. This development would be a transformative project for the economy of our entire region, not just in the coming years but in the coming generations.

Indigenous communities living in dire poverty in the Ring of Fire region are looking to participate, but they need the infrastructure, the roads, the support to build a project that would transform our economy.

The Kathleen Wynne government had demanded the old Conservative government put \$1 billion into the project before the provincial Liberals would do anything, and of course the provincial Liberals have done nothing. Now the Kathleen Wynne Liberals are not asking the federal Liberals to put up a dime, and the government has lived up to that promise: the federal Liberals do not have a dime in the budget for a transformative resource development project that would involve indigenous communities and transform our economy.

I hear all this talk about infrastructure and how the Liberal government is looking to build an economy. Why, then, has it ignored one of the most important development projects in our nation, particularly in the north of Canada? There has been no consultation, and the government has given us no plan for our communities to survive economically.

**Mr. Francesco Sorbara:** Mr. Speaker, the pre-budget consultations that took place with the Minister of Finance and many MPs were the most elaborate in Canadian history. We discussed this with many communities in northern Ontario, southwestern Ontario, eastern Ontario, and the greater Toronto area.

Our infrastructure plan, which we will lay out in the coming years, will not be a top-down plan. It will be a bottom-up plan. We will listen to the communities and sectors that will be affected and we will work with them because they know best. The municipalities know best where these projects are, and we are continuing to listen to them. They will give us the guidance we need, and we will provide the resources they need for them to be successful.

• (1040)

**Mr. Ziad Aboultaif (Edmonton Manning, CPC):** Mr. Speaker, we have a \$120-billion investment over 10 years on infrastructure

alone, besides the almost \$30-billion deficit this coming year. Could the hon. member advise us, based on his background, of how many jobs we can create out of a \$120-billion investment in infrastructure?

**Mr. Francesco Sorbara:** Mr. Speaker, yesterday the Bank of Canada released its April monetary policy report. Incorporating the budget laid out by our government, its projection for the upcoming two years showed a substantial positive impact on economic growth in 2016 and 2017.

We will generate literally tens of thousands of jobs from our infrastructure plan over the coming years. These are good jobs. They are middle-class jobs. They have good benefits and allow families a brighter future.

**Mr. Kevin Lamoureux (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, I am always intrigued by questions coming from the New Democrats, and I will ask my colleague to provide some commentary.

They always want to say we should be spending more money on this and more money on that. They believe we should be spending billions and billions of additional dollars. On the other hand, they had a huge leap—if I could put it that way—when they said they were going to have a balanced budget guarantee. That balanced budget guarantee would have meant severe cuts in the budget.

Could the member give any indication of what he believes the NDP might have cut, while at the same time saying they would be putting more money into the budget? There seems to be a lot of potential hypocrisy there. Would he not agree?

**Mr. Francesco Sorbara:** Mr. Speaker, any promise by any party to balance the budget in times of low commodity prices and a sharp drop in revenues for the government is really irresponsible. It is irresponsible to Canadians for those cuts to occur.

It was ironic that the New Democrats did not say where they would cut. Would they cut child benefits? Would they cut benefits to seniors? It was a bit hypocritical of them.

Those cuts would result in a negative impact on economic growth and of course on jobs. We are the opposite of that. We will be investing in Canadians this year and for years to come.

**Mr. Earl Dreeshen (Red Deer—Mountain View, CPC):** Mr. Speaker, I proudly rise today on behalf of the people of Red Deer—Mountain View to speak to this Liberal budget for the upcoming fiscal year. I will be sharing my time with my hon. colleague from North Okanagan—Shuswap.

In this budget there is bad news and there is some good news. The bad news is for hard-working Canadians in this country and the good news is for some very sketchy Liberal pet projects.



*The Budget*

During the 10 years of Conservative government, there was a critical point that Canadians could count on: a promise made was a promise kept. We can imagine the surprise of Canadians when they realized that when the Liberals made a promise, it was not worth the paper that it was written on. Perhaps they thought they could take the Liberal campaign promises to the bank, but now they have found that the only thing going to the bank is a request to increase the limit on Canadian taxpayers' credit cards. That affects every Canadian.

My constituents come from all walks of life: oil and gas, farmers, teachers, social service workers, protection services, community leaders, small business owners, and so many aspiring entrepreneurs. As Conservatives, we had it right with our economic formula: tax relief, training our future workforce, and supporting trade.

Take, for example, the knowledge infrastructure program, or KIP, which we introduced as part of the Conservative economic action plan. KIP was a two-year, \$2-billion economic incentive to encourage infrastructure enhancement at Canadian post-secondary institutions. The program helped to provide economic stimulus, training, and subsequent employment for engineers, architects, tradespersons, and technicians in my community. It was delivered during a time of global economic distress, and it was done in an effective and expedient manner.

KIP also helped to generate the advanced technologies infrastructure needed to keep Canada's research and educational facilities at the forefront of scientific advancement. Both Red Deer College and Olds College received funding under this program, and I have been told many times by people at these institutions how helpful the program was for them. It had a track record of positive results, and Conservatives were able to fund such programs while being financially responsible.

During the past decade, central Alberta enjoyed a reputation of being one of the fastest-growing communities in the country. It was a region renowned for its economic growth, and we saw significant and rapid increases in population.

This entrepreneurial spirit was evident a short time ago when I was honoured to attend the Alberta Chamber of Commerce 2016 Awards of Distinction. I was extremely proud to see many of my constituents and their local businesses recognized on the provincial stage.

Melanie Tuck of Collegiate Sports Medicine took home the award for Woman Entrepreneur of the Year. Melanie and her team saw tremendous growth in both her Red Deer and Olds facilities as she used their expertise to help injured athletes, workers, and community members.

Also, Tannas Conservation Services out of Cremona was nominated in the category for young entrepreneur, while Platinum Homes and Developments from Red Deer was nominated in the small business category. These job creators and community leaders have done an incredible job in growing their businesses to the benefit of our communities.

Sadly, it is the entrepreneurial leaders, future business owners, small businesses, and community job creators that the government is targeting in budget 2016. With this budget, aspiring business owners will be hit with higher taxes, making it harder for them to save up to

start a business. Existing small businesses will also be hit with higher payroll taxes through the addition of over \$1 billion in new EI expenditures and higher premiums for all future employers.

Additionally, the budget killed the small business hiring tax credit, which was designed to help small businesses grow and create jobs.

Under the Conservatives, Canadians across the country enjoyed the lowest tax rates in 50 years. Low taxes mean more money in the pockets of every Canadian. It is not what we see in this budget.

Today more than 100,000 Canadians from across the country are out of work in the oil and gas industry alone. These Canadians have worked hard to take care of their families and they have paid more than their fair share into the system. For decades they helped pay down debt and they paid their dues. To thank them, the Liberals held a photo op in Calgary, telling struggling oil and gas workers that some of them would be getting a bizarre employment insurance extension plan. This is not the jobs creation plan that Albertans were promised. Unfortunately, this neglect seems to extend past Alberta, with the Liberals failing to identify a solid jobs plan for all Canadians.

The government told us to wait, that when the budget was delivered there would be a clear job plan for everyone. With the budget before us now, we know these were empty words from the Prime Minister.

• (1045)

The Prime Minister's favourite saying seems to be that Canada is back. Well, millions of Canadians are certainly disappointed to see that what is actually back is the old tax-and-spend Liberals, wrecking the economy and the financial well-being of Canadians.

After years of record economic growth and job creation under the Conservatives, the Canadian economy will now be handcuffed, thanks to this reckless Liberal spending.

The Liberals will not tell us this, but the truth is that in the last four months, the Liberals have blown through over a \$3 billion surplus as well as an addition \$5.4 billion. To pay for their reckless spending, Liberals have already raised taxes and will raise more in the future. With this budget, personal taxes are set to go up by \$1.3 billion this year and \$2.4 billion the next. Now they need to break their election promise to borrow even more.

The rhetoric does not mask the fact that if the Liberals were the open and transparent government they have claimed to be, they would have allowed us to table the real economic figures and updates in the House.

*The Budget*

Financial experts and economists warn us that this irresponsible spending will pile on billions more to the national debt over the next four years. This is reckless spending, with no foreseeable economic boost in the future. There is no clear economic leadership from the Liberals.

This is not the economic environment that will reassure Canadians. When investors and businesses lose confidence, investments start to decline and communities suffer. This is manifesting itself in Alberta at this time.

Budgets should be a source of reassurance to Canadians, assurance that their government is doing its best to encourage a strong economy, good jobs, and uncompromised services. On that note, this budget has failed.

My colleagues and I came back from our ridings sharing the same concerns of our constituents. Canadians are worried.

The government is cutting funds from important sectors. It cut \$3.7 billion from our defence budget, and the Liberals have short-changed public safety with a mere \$57 million at time when terrorism is a global and national threat.

In terms of provisions for the services we Canadians care about, the Liberals came out empty-handed. They have no clear path in supporting the long-term health of sectors such as home care, palliative care, support for seniors, or a provincial health care and social services scheme.

The leader of the opposition said it well when she said, “Without real economic leadership, there is no means to pay for all of these important social programs that so many Canadians rely on when they need our compassion.”

I sure hope that by the time budget 2017 comes along, the Liberals will stop taking economic lessons from the Prime Minister's government friends from Ontario, who have successfully ransacked local economies, cut essential services, and created mountains of debt for future generations.

Let me again remind everyone that our children, our grandkids, and their children did not sign up for this multi-billion credit extension to which these Liberals feel so entitled. They promised they would be responsible in their quest for change, but with this budget they have abandoned that.

The Liberals have also abandoned our allies when they were needed the most. They abandoned our natural resources industry. They have abandoned our farmers. They have abandoned the champions of religious freedom for persecuted religious minorities around the world. Now they are turning their backs on the future, economic stability, and quality of social services in our country. This budget will short-change Canadians today, tomorrow, and for generations to come.

Canadians and future Canadians, however, can count on the Conservatives to be on their side.

• (1050)

**Mr. Ken Hardie (Fleetwood—Port Kells, Lib.):** Mr. Speaker, the hon. member talked about leadership, but what we saw over the

10 years was leadership that put the country \$150 billion more in debt.

Last year at this time, we were still waiting for a budget. We saw oil prices start to drop, yet the previous government was like a deer in the headlights. The Conservatives promised us that we would be an energy superpower, and put all our eggs in one basket. Where did that leave the people of Alberta, or Saskatchewan, or the Maritimes?

Would the hon. member care to speculate what life would be like had the Conservatives won the election and had to stare down the issues we face today and still balance their budget?

**Mr. Earl Dreeshen:** Mr. Speaker, let us look at leadership and the types of things done under the previous government. The Liberals talk so much about deficits and the situation that occurred as though they were not around in 2008 and 2009, understanding the global economic disaster and realizing how well Canada was able to make it through that time.

The Liberals talked about all the extra dollars that were spent. The NDP and the Liberals said that we should have spent even more by adding dollars to various programs. Fortunately, we did not pay attention to them. That would not have allowed us to get to the stage where we could have removed the deficit.

There were deficits in the past few years associated with that. The reason was that we were respecting contracts we had with individuals. There could have been other ways of dealing with deficits, as was done in the 1990s, as I heard in some conversations this morning.

Having been a hospital board chairman at the time and understanding what the Liberals had done in cutting dollars to health care transfers and transfers to the provinces, it was important to have someone who understood the economics that was associated with it. We had a prime minister who understood economics and knew what all those binders from each of the departments meant versus simply recognizing the different colours, which is the Prime Minister we have now.

• (1055)

**Ms. Linda Duncan (Edmonton Strathcona, NDP):** Mr. Speaker, the top priority of my constituents in Edmonton Strathcona is health care. They are waiting for dollars for palliative care and pharmacare, and nothing came in the budget.

The member raised another important issue, which is the short-changing of public safety. One of the areas of public safety is rail safety. We heard testimony in committee this week from the Department of Transport's inspectors, saying that there were cuts to rail safety, including rail safety inspection. I now discover that two of the top most dangerous rail crossings in Canada are in my city. I am sure the member's constituents are concerned about rail safety. Does the member think that perhaps the government should be paying a little more attention to transport safety?

*The Budget*

**Mr. Earl Dreeshen:** Mr. Speaker, the member raised two issues. The first was on health care transfers. During the campaign there was a lot of discussion with regard to cuts to health care. We are well aware of the massive increases that went out to all the provinces for health care over the 10 years we were in power. It was more than a 70% increase. Page 240 of the budget shows the proposed increases. Members will note that there are years when those increases do not even meet the 3% escalator, which was the floor we had for our budgets. That is critical.

As far as transportation safety, it is critical. It is so important that we deal with the structural aspect of safety. Rail transportation is so important to Canada. As we expand and get new trade deals throughout the world, that really becomes one of the most important aspects. We have to ensure we keep the government on task for that.

**The Deputy Speaker:** We have run out of time for our five minutes of questions and comments. I see there is a fair bit of interest in participating in these rounds today. For subsequent periods for questions and comments, I might ask hon. members to try to keep their interventions as concise as possible, so more hon. members will have the opportunity to participate in that brief five minutes, which we all know goes by so quickly.

Resuming debate, the hon. member for North Okanagan—Shuswap.

**Mr. Mel Arnold (North Okanagan—Shuswap, CPC):** Mr. Speaker, I thank my colleague, the hon. member for Red Deer—Mountain View, for sharing his speaking time with me this morning.

It is an honour to stand today as the elected representative of the North Okanagan—Shuswap. In recent weeks, I have heard members on the government side speaking of being proud of the budget that was tabled by the Minister of Finance on March 22. At every mention of this apparent pride, I find myself asking how they can be so proud of this budget. How can the Liberals be proud of promising one thing and delivering something totally different, delivering a deficit much larger than what they said they would limit themselves to in the election campaign, promises made and promises broken? It is hardly something of which to be proud.

The bogus pride does not end there. During the election campaign, the Liberals also told the people of Canada that the Liberal government would “return Canada to a balanced budget in 2019”. Yet in budget 2016, it is completely silent on this promise and is vacant of any vision of returning our nation to a balanced budget. Surely, if the Liberals had a plan to deliver on their promise of a balanced budget in 2019, they would have put at least one line in their 269-page budget to say so.

Sadly, the government appears to be dodging another promise it made to Canadians and has no plan on how to pay back this out-of-control borrowing and spending. The people of Canada want results from their government. The hard-working women and men of this nation, who go off to their jobs day in and day out, and their children are the ones who are now on the hook to repay this Liberal deficit. If all taxpayers must share in the weight of this debt, then it should stand to reason that all taxpayers should receive equitable benefits from this spending.

Canadians deserve to know how the government plans to spend and ensure that this deficit spending is disbursed in an equitable

fashion from coast to coast to coast, in rural and urban communities alike. Yet we wait for any details on how this budget will help those taxpayers and who will carry the cost. When can Canadians expect to see the infrastructure projects move ahead in their communities? When can Canadians expect to see some benefit from the burden of debt the Liberals have placed and surprised taxpayers with on March 22?

It is clear the Liberals have a plan to spend to a much higher deficit than they committed themselves to, but it is not clear when Canadians can expect to see improvements to their highways and bridges, water and sewer treatment projects, low-income housing, and the list goes on and on.

I believe that balanced budgets are both appropriate and possible. My home province of British Columbia is proof that it is possible. Now, with consecutive balanced budgets, my home province has created an atmosphere of certainty, predictability, and responsibility that continues to encourage private investment, spurring on job creation and economic growth. I am happy and proud to live in a province where business investment continues to be strong, but I wonder how long that might continue if the federal government cannot manage our country's finances and uphold the confidence of business. After all, it is business, not government deficit, that is the true driver of economic growth.

In budget 2016, the Trudeau government had an opportunity to provide some stability for the economy and reassurance to investors and business owners. Instead, the Trudeau budget has delivered a cloud of uncertainty that—

● (1100)

**The Deputy Speaker:** I would remind the hon. member that we do not use the proper names of other hon. members in the House. The right hon. member for Papineau could be used as a substitute.

**Mr. Mel Arnold:** I stand corrected, Mr. Speaker, thank you.

In budget 2016, the Liberal government had an opportunity to provide some stability to our economy and reassurance to investors and business owners. Instead, the Liberals delivered a cloud of uncertainty that hangs over our economy.

The government promised to reduce the small business tax rate to 9% from 10.5% to allow small businesses to invest in their operations and their employees, but the government has now decided to subject small business to the higher tax rate of 10.5% and not deliver on the promised reduction. It seems the government has broken another promise on that one. The government has also terminated the small business job credit and has failed to follow through on the Liberal election promise to create a credit for hiring young employees.

*The Budget*

Broken promises, no plan to return to a balanced budget, and tax increases for employers: hardly a recipe for growth and certainly nothing to be proud of. There is no plan for the government for balancing the budget, no plan for job creation, just a murky commitment and increasing public debt. The sad reality is that the budget falls short of the need for leadership that this nation requires.

Whether they are managing the finances of their households or businesses, Canadians understand and desire the values and notion of living within their means, handling their debt with prudence, and being disciplined and decisive in their spending. Unfortunately, the government is out of touch with Canadians in those regards.

The reality is that no Canadian homebuyer or business operator would expect to secure a loan from a bank for one amount and then return to the bank shortly thereafter and demand up to triple that amount. What is more, the government has undertaken this scheme of bait and switch without presenting a plan for repaying the debt. This is irresponsible and reflects an apparent detachment from reality.

As homeowners who have to develop a repayment plan before securing a home mortgage, Canadians are saying this budget does not meet the same standards of accountability.

As a small business owner and employer, I understand the values of fiscal discipline, prudent planning, and living within one's means, and the costs of borrowing.

The people of Canada deserve better than what the government has presented in budget 2016. Canadians deserve to know how the government is plotting our economic future.

Last week, our own parliamentary budget officer was banned from sharing the government's five-year cost estimates. When the government finally succumbed to demands for information from parliamentarians and Canadians alike, it was clear what the Liberals were hiding: cost estimates for their policies that significantly shrink over time. Perhaps this is no surprise, considering the Prime Minister's previous assertion that budgets balance themselves.

If the Liberal budget were based on reality, subject to prudence and tethered to reason, perhaps the Liberals would not be so motivated to hide the details, the small print and the large effect it has on our collective future.

One thing that was hidden in this budget is an increase in government tax revenues projected for the next five-year outlook. If one looks closely, there are predictions of government tax revenue increases from \$237.6 billion in 2015-16 to \$284.9 billion in 2020-21. This is an increase in government tax income of roughly 20% in five years.

Where is this increase coming from? Well, one increase is in projected GST revenue of almost 21%, from \$33.1 billion to \$40 billion by 2021.

We know where this increased revenue will come from, because there is only one taxpayer. Are these tax increases what Canadians can expect to continue to see and expect to have to pass on to future generations?

●(1105)

I fear that it may be what we can expect, unless the government can do something that it can truly be proud of and reverse this out-of-control spending and debt.

Canadians deserve the type of leadership and fiscal policy that places reason over popularity, prudence over impulse, and honesty over broken promises. Unfortunately, this budget does nothing of the sort.

**Mr. Dan Vandal (Saint Boniface—Saint Vital, Lib.):** Mr. Speaker, it has been a difficult week. This week we had an emergency debate on the suicide crisis in Attawapiskat and the dire situation across Canada for first nations and all indigenous people.

Budget 2016 finds \$8.4 billion of new money to combat the hopelessness in first nations communities and indigenous communities across Canada, including \$2.6 billion for primary and secondary schools on those reserves.

I wonder if the hon. member, in light of his statements, feels that we should be removing this money. Could the member comment on that? Should we actually be removing this money, or does the member in fact support the increased funding for indigenous populations across Canada?

**Mr. Mel Arnold:** Mr. Speaker, during the previous government's time, we showed that we could balance budgets increasingly, and in fact provided a surplus budget in the last year.

I certainly recognize the need, especially after the emergency debate which I took part in the other night, to support these northern communities. We need to support our aboriginal people. We do that through a strong economy, through having income coming in through business creation and job creation. We cannot do this if businesses do not feel confident in investing in Canada's future, which is indeed our aboriginals' future as well.

I certainly agree that we need to spend and recognize the needs of these communities, but at the same time, we also need to recognize the need to increase business investment in Canada.

●(1110)

[*Translation*]

**Ms. Anne Minh-Thu Quach (Salaberry—Suroît, NDP):** Mr. Speaker, I thank my colleague for his speech.

Since tabling the budget and since the election, the Liberals and the Minister of Agriculture and Agri-Food have promised that they will take action on milk proteins crossing the border with the United States.

On Tuesday, members of Quebec's dairy industry joined forces to demand that Ottawa do its job and, at the very least, enforce Canadian cheese compositional standards domestically. That would prevent diafiltered milk and milk proteins from crossing the border unnoticed and ending up in Canadian cheese. This problem is costing our producers lots of money and will end up costing dairy industry jobs. This has a real impact on dairy producers in my riding, who are worried about their jobs. They are worried because agri-food production in Canada in general is under threat from the TPP, the trans-Pacific partnership, and international trade agreements.

*The Budget*

Does my colleague think that the Minister of Agriculture and Agri-Food should keep his promise and enforce his own Canadian cheese compositional standards?

[*English*]

**Mr. Mel Arnold:** Mr. Speaker, this is certainly a concern in my riding, as well. We have many dairy producers in the riding. I have met with them. I understand their concerns.

This is something that has developed over time. When the previous trade agreements were put in place, no one envisioned that milk could be broken down into, I believe it is 26 different protein products. Those individual protein products were not covered in those trade agreements. Now they are being imported into Canada. It is certainly a big concern. I will be pressuring the Minister of Agriculture and Agri-Food to move forward on the restrictions on those diafiltered milk products coming into Canada, because it is definitely an economic impact for our dairy producers.

[*Translation*]

**Mr. Nick Whalen (St. John's East, Lib.):** Mr. Speaker, I will be sharing my time with the member for Saint Boniface—Saint Vital.

It was truly a pleasure for me to sit in this House as the representative of the people of St. John's East when the Minister of Finance presented the government's priorities.

[*English*]

During the three weeks since budget 2016 was laid before the House, I have had the opportunity to visit with many groups in St. John's East. We discussed their pleasure with the new direction our federal government is taking and the opportunity it signals to the local business community.

Economic indicators show that nationally, companies may already be investing with newfound confidence now that they have a government that is prepared to invest as well.

However, in my riding, people are anxiously awaiting the provincial budget to be delivered later today by the Newfoundland and Labrador Minister of Finance, Cathy Bennett. She has the difficult task of squaring the fiscal realities of a devastating collapse in oil prices with an aging population and a shrinking workforce. A \$2-billion deficit such as was experienced in Newfoundland and Labrador last year would be akin to Canada running on a \$140-billion deficit and is not sustainable.

However, the people of St. John's East are glad to know that the Government of Canada supports them and is here to help in tough times.

Infrastructure spending is important, but there are three other ways of particular importance to my community the budget will help Newfoundland and Labrador, and I hope these may convince the other progressives in this chamber to support the budget: support for seniors; the Canada child benefit; and support for our scientists.

Budget 2016 shows compassion for those seeking to retire and age with dignity. We understand that many seniors are suffering, and budget 2016 seeks to help them.

Budget 2016 will lift hundreds of thousands of children out of poverty. My constituents are heartened to see that we are delivering

on this promise immediately, notwithstanding a worse than expected economic forecast.

Finally, budget 2016 supports innovation, research, and entrepreneurship. The Liberal government has listened and understands the role that Canadians expect us to play in helping support economic growth in 21st century jobs.

● (1115)

[*Translation*]

First of all, the previous government raised the age of eligibility for old age security to 67. I believe that was a mistake. Our party campaigned against that change. Budget 2016 fulfills our promise to restore the age of eligibility for old age security to 65.

Second, the budget proposes to increase the guaranteed income supplement for single seniors by up to \$947 annually. Single seniors are the most vulnerable. This increase will be in place starting in July 2016.

[*English*]

By supporting those seniors who rely almost exclusively upon old age security and the guaranteed income supplement and may therefore be at risk of experiencing financial difficulties, the government is delivering upon our commitment to improve the quality of life for seniors most at risk.

Third, in order to ensure that the true higher levels of inflation that are experienced by seniors are taken into account, the government has committed to indexing the OAS and the guaranteed income supplement to a more generous seniors price index.

[*Translation*]

To help address child poverty, the CCB, or Canada child benefit, which replaces the Canada child tax benefit and the universal child care benefit, will be paid monthly to eligible families beginning in July 2016.

The CCB will be simpler. Families will receive just one payment every month. Since the CCB is non-taxable, families will not have to pay back a portion of the payments they receive when they pay their taxes.

The CCB is better targeted to those who need it most. Lower- and middle-income families will receive more money, while those who have higher incomes will receive less money than under the current system.

Since the CCB is more generous, families who receive it will see an average increase in benefits of nearly \$2,300 over the next year.

Nine out of 10 families will receive more money through this child benefit than under the current system. This will lift about 300,000 children out of poverty right away.

[*English*]

This is a more simple, tax-free, better targeted, and more generous benefit, one of which Canadians can and should be proud.

### *The Budget*

With respect to innovation and investment, Memorial University of Newfoundland is a key participant in past and future economic growth in my province and our country. Its main campus as well as its marine institute campus are both located in my riding of St. John's East.

The post-secondary institutions strategic investment fund will provide \$2 billion over the next three years toward improving research and innovation infrastructure. This initiative has tremendous potential to harness the creativity of the dedicated researchers at Canada's world-class post-secondary institutions.

Canada's post-secondary institutions and affiliated research and commercialization organizations are at the front line for fostering science and research excellence. They train the workforce of tomorrow and create knowledge and insight necessary for a thriving clean economy. This strategic investment fund will enhance and modernize research commercialization facilities on Canadian campuses and will improve the environmental sustainability of these facilities.

The new fund will open new pathways for the future success of our institutions. For example, a university could repurpose and modernize underutilized space for use in a specialized field of strength or to meet energy efficiency standards. A college could create sector-specific training facilities in the Red Seal trades. On-campus business and technology incubators could be expanded to better support entrepreneurs and start-ups. Where these institutions support prototype development or proof-of-principle assessment, the program will be indirectly supporting the industry partners of those institutions.

As part of budget 2016, the Government of Canada has also proposed more funding, an additional \$95 million a year, for granting councils to support discovery research, including \$30 million for the Canadian Institutes of Health Research, \$30 million for the Natural Sciences and Engineering Research Council, \$16 million for the Social Sciences and Humanities Research Council, and \$19 million for the research support fund, to support the indirect costs associated with federally sponsored research undertaken at outside institutions. This more than triples the funding provided to the granting councils in 2015. It increases it to \$140 million this year alone.

Support for science and innovation does not stop there, with other measures to support internships, fellowships, genetics research, theoretical physics, stem cell research, and funding for the commercialization of health research. Our government understands and supports the independent work of scientists and their role in developing a modern economy.

Memorial University hopes to benefit in key research areas where it is a leader, such as in cold oceans research, naval architecture, oil and gas engineering, medicine, and many others.

These measures are pivotal. They are necessary to grow the middle class and revitalize the Canadian economy, and they also chart a new course to growing the middle class. Real change is being delivered.

Last October, Canadians sent a clear message that they wanted real change, both in how government does things and what it is

doing. They asked for a government that would deliver on its commitments and would be focused on what matters most to them, like caring for our seniors, lifting children out of poverty, growing the economy, creating jobs, strengthening the middle class and those working hard to join it.

We are listening to what Canadians need, and our policies and this budget reflect what we have heard.

For my province, this also includes certain targeted measures which demonstrate an understanding of our local situation. Federal transfers are increasing by \$31 million this year, in addition to the almost \$32 million in stabilization funding in the last fiscal year; \$5 million to help grow much-needed public transit; \$134 million in accelerated infrastructure spending; and \$22 million for an improved ferry mooring system for Marine Atlantic. As well, many of the changes to EI provide essential support to Newfoundland and Labrador during this commodity prices crisis.

With evidence-based policy and a sense of fairness, budget 2016 ensures that Newfoundland and Labrador will not be left behind and Canada's best days lie ahead.

• (1120)

**Mr. Kevin Waugh (Saskatoon—Grasswood, CPC):** Mr. Speaker, I would like to congratulate the hon. member on his election in October.

We, too, feel the pain of the energy sector, like he does in Newfoundland and Labrador, along with Saskatchewan and Alberta. However, as we all know, as he stands in the House today expecting a deficit budget provincially in Newfoundland, we, too, expected a deficit budget here on March 22. Unfortunately, we expected a \$10-billion deficit, but what we were dealt with was a \$30-billion deficit, three times as much. We are really concerned about this.

The hon. member talked about seniors and OAS. Well, they are only getting pennies more. The Liberals took away the TFSA from seniors. It is still there, but we had increased it.

The other thing the Liberals have taken away, and which I have heard time and time again in my riding in Saskatoon, is that seniors now are going to pay more because the Liberals took away income splitting.

I ask the member from Newfoundland, what does he think that seniors have gained in this budget that the Liberals proposed on March 22?

**Mr. Nick Whalen:** Mr. Speaker, certainly I understand that in this commodity prices crisis, many people are suffering. I and our party feel that we are doing what is necessary to provide them the necessary support in this troubling time, and we are putting a plan in place to see future growth and new clean energy jobs.

*The Budget*

With respect to seniors, we have in fact put real money in the hands of families and the most vulnerable seniors. Single women seniors will receive up to \$947 more per year, which is meaningful money to seniors who are living on such low incomes. It is a 10% increase in that envelope of money that they receive.

There are changes to some of the other tax benefits that the previous government provided which really only benefited the most wealthy seniors. These changes are for people who need the help of the Government of Canada to make ends meet and to put good quality food on their tables. Seniors who have over \$5,000 in disposable income at the end of the year to reinvest in TFSA's do not need the help of the Government of Canada to do that. It is the people who are living on fixed incomes, buying food at the dollar store and other places, and are not able to access clean, high-quality, highly nutritious food who need our help, and these are the people the Government of Canada is helping.

**Mr. Kevin Lamoureux (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, I appreciate the very well-articulated words from my colleague.

In this budget we see a number of measures from which Canadians in every region of the country will benefit. I would highlight a couple of them. One is the Canada child benefit program, which will lift hundreds of thousands of children out of poverty. We could talk about the middle-class tax cut. Some nine million Canadians will get more money in their pockets. By doing that, at the end of the day we will have fewer people living in poverty situations and we will have a healthier middle class.

By the actions that are taken in this budget, including on infrastructure—I do not want to let slip by the amount of money we are investing in infrastructure—would the member not agree that what we are really doing is investing in Canada's middle class, and that by doing that we will have a healthier middle class and thereby a healthier economy also?

• (1125)

**Mr. Nick Whalen:** Mr. Speaker, I would even go farther to say that the new direction and new approach are transformational, putting this extra money where it is needed at the levels of the economy into the hands of the people who spend essentially every cent they receive every month. They are not able to save for their retirement. They are not able to save for their children's education. They are not able to take vacations or buy fancy clothes. This puts money into the hands and the pockets of people who are going to spend it very quickly.

It accelerates the money through our economy. It should lead, and we hope that it would lead, to stronger economic growth. When millions of Canadians have more money to spend in their local communities, it will create local jobs. We know that is true. While we are asking the more wealthy to pay a bit more to help support these initiatives, we know that when people are struggling in Saskatchewan, Newfoundland and Labrador, and Alberta, it is the right thing to do at the right time.

**Mr. Dan Vandal (Saint Boniface—Saint Vital, Lib.):** Mr. Speaker, as always, it is a genuine honour to rise on behalf of the people whom I represent in Saint Boniface—Saint Vital, who, on

October 19, voted for a change in leadership, a change in direction, and a change in priorities for our country. I am very happy to say that budget 2016 delivers on those promises.

As a former city councillor for many years, and a former chair of public works, I am proud to say that this budget delivers on our commitment to rebuild Canada's communities and rebuild Canada's cities.

Cities all over the country, from Ottawa to Moncton, from Moncton to Vancouver, are in desperate need of the most basic infrastructure: regional roads, residential streets, back lanes, sidewalks, bridges, community centres, libraries, and that is just the infrastructure above ground. The infrastructure below ground is equally important, and some would say even more important: the water systems, the waste-water treatment systems.

Cities and municipalities, especially rural municipalities, simply cannot afford to do it themselves. The time is right for investment by the federal government, especially with the interest rates being as low as they are.

Let me give hon. members a real-time example from Winnipeg, the city I represent. Winnipeg currently spends \$1 billion a year on strictly above-ground infrastructure, all the items I mentioned previously. A report about six years ago by the heavy construction industry said that Winnipeg should be spending another \$380 million, in addition to the \$1 billion, just on above-ground infrastructure. If we did spend an extra \$380 million, this would not actually improve the infrastructure, but it would maintain the infrastructure at its current state. That is the level of crisis in our cities across Canada. Let me repeat, because it bears repeating: an extra \$380 million over the \$1 billion for our city of Winnipeg would not improve the infrastructure; it would maintain it at its current state.

Cities cannot do it themselves. It is time for the federal government to invest.

I am especially proud that our first slice of infrastructure spending will be on what is arguably the most important infrastructure of all, the underground infrastructure, our water systems, our waste-water treatment systems.

We have to understand that for years and years, provincial governments and federal governments have been extremely reluctant to invest in our underground systems for a very simple reason and a very cynical reason: we do not often get to cut a ribbon when pipe is placed underground. It is not a play structure. It is not a sexy bridge. We do not often get to cut a ribbon when the underground infrastructure is placed, but nonetheless, it is probably the most important of all, because nothing is more important than clean water and a clean environment.

That is why I am proud that budget 2016 makes green infrastructure its first priority. It is filling a void that previous federal and provincial governments have created, because again, make no mistake about this, cities and municipalities, especially rural municipalities, cannot do it by themselves, and budget 2016 recognizes this.

*The Budget*

We will also be giving families more money to help with the high cost of raising their children. We will be introducing a more generous, simplified and tax-free Canada child benefit to give families more money for their children. Our Canada child benefit will be geared to income to help those who need it the most: single and low-income families. Our plan will raise over 300,000 children out of poverty. This is an incredibly important measure that will help provide children a better opportunity and a brighter future.

Families in Manitoba, the province I represent, alone will receive \$490 million more in child benefits the next year from the previous year.

Another part of the plan in this budget which I am very proud of is the raise in the guaranteed income supplement for low-income seniors by 10%. This will give one million of our most vulnerable seniors, often single women, almost \$1,000 more per year.

• (1130)

As I previously noted, this has been a difficult week. Earlier in the week we had a thoughtful, emotional, and important discussion on the suicide crisis in Attawapiskat and the incredibly horrible conditions of indigenous folks on reserves as well as in cities across Canada. I was heartened that on the day of that debate, the Minister of Justice rose and said that we are being held back by the shackles of the Indian Act and that the solution lies in removing those shackles and continuing an honest nation-to-nation relationship with indigenous folks, Métis people, and Inuit people all over the country. I agree with that.

I am extremely proud of our indigenous platform and what is in budget 2016. There is targeted funding to improve the physical conditions that indigenous communities live with. There is an increase of \$8.4 billion of new money over the next five years. We will invest \$2.6 billion of new money in primary and secondary education over the next five years. We will invest \$970 million of new money in school infrastructure over five years. We will invest \$935 million of new money over five years for prevention to keep kids out of CFS, child and family services. We will invest \$554 million of new money over two years for housing on reserves.

Nobody is naively saying that better infrastructure is the only solution. Far from it, but it is an excellent start. Ultimately, in addition to better schools and clean water, it will be a relationship between Canada and our indigenous communities based on respect, on honour, on honouring the treaties, on honouring decisions of the Supreme Court on land claims that will help our families and our communities all over the country.

[*Translation*]

On Friday, the Parliamentary Secretary to the Minister of Finance came to Saint-Boniface—Saint-Vital to talk to members of the community about budget 2016.

During the first roundtable discussion at the Université de Saint-Boniface, we met with stakeholders from the francophone economic sector. They commended us on our inclusive budget, a budget that invests in the future. They are excited about our investments in green technologies and innovation and the choices this affords them. These investments in a green economy offer new market and job opportunities, beyond the traditional markets.

The members of my community also talked about how important cultural organizations are to the vitality of official language minority communities. The budget includes a \$675-million investment in CBC/Radio-Canada, a national institution that is crucial to official language minority communities.

In St. Boniface, ICI Radio-Canada Manitoba is an important member of the Franco-Manitoban and Franco-Métis communities that supports and promotes our culture. The federal budget recognizes the contribution of cultural industries to the Canadian economy by committing \$1.9 billion to arts and culture over five years.

These investments will support major national institutions, protect both official languages, and support industries that showcase Canadian culture, including the Canada Council for the Arts, Telefilm Canada, and the National Film Board of Canada.

• (1135)

[*English*]

There is not enough time to discuss everything. I am proud of this budget, and I have not even talked about the middle-income tax cut, which will benefit nine million Canadians. I have not talked about our infrastructure investment in rapid transit.

Budget 2016 will lift 300,000 children out of poverty. It will offer nine million Canadians a middle-income tax cut. It will improve living conditions for one million seniors through a 10% increase in the GIS.

There is \$8.4 billion of new funding for indigenous infrastructure and education and \$2 billion for arts and culture over five years. As well, Canada's largest-ever infrastructure program is being introduced in this budget.

I am incredibly proud of this budget, and it should be unanimously approved in this chamber.

**Mr. Pat Kelly (Calgary Rocky Ridge, CPC):** Mr. Speaker, I do not think the budget is likely to be unanimously approved. In fact, I know that it will not be, or I think it is very unlikely that it will be unanimously supported in this House, in part because it breaks a number of commitments that were made by the Liberal Party during the last election campaign. The promise of a \$10 billion deficit was a serious promise that most Canadians took at its word when it was made, and this budget blows right through that promise.

In the door-to-door campaign in my riding, these were real questions and issues that came up. Voters want to know how much debt is going to be taken on, if any, by the new government, and how we are going to repay this debt over time. The budget fails to address that question. It fails to fulfill the election promise of a so-called mere \$10 billion deficit, and there is no plan to return to surplus at any point.

Would the member care to comment on how we are going to repay money that is being borrowed under this budget?



*The Budget*

**Mr. Dan Vandal:** Mr. Speaker, it is true that when we took office the economy was in worse shape than we had thought. The reality is that we are going into debt to rebuild our communities, to rebuild our cities, to rebuild our rural municipalities, and I think that is something Canadians want. I know they certainly wanted it on October 19 when they voted in the new government.

It is actually quite funny to hear representatives from the previous government accuse us of being in debt. The previous government ran eight consecutive years of operating deficits, it ran a trade deficit every single year that it was in power, and it had the lowest rate of GDP since the dirty thirties.

[*Translation*]

**Mr. Romeo Saganash (Abitibi—Baie-James—Nunavik—Eeyou, NDP):** Mr. Speaker, I would like to thank my colleague for his speech, which was very apropos.

We know that living conditions in indigenous communities are deplorable and are comparable to third-world living conditions and even worse in some cases. For example, we have been discussing Attawapiskat for a few days.

When I look at the budget, housing is one of the issues that concerns me the most when it comes to the living conditions in indigenous communities.

The budget leaves an impression on everyone because of the big numbers. I think that many people were surprised at the money to be allocated to indigenous peoples over the next five years, starting in the third year in some cases.

I would just like to give this example: \$554 million is set aside for on-reserve housing, including \$416 million over two years that will flow through Indigenous and Northern Affairs.

If we divide up this money among the 630 indigenous communities across the country, they will each receive about \$330,000. It costs about \$200,000 to build just one house in my riding in Nunavik because of the cost of materials and transportation in the far north.

What can the communities in Nunavik do with one and a half houses a year for, say, the next 10 years?

• (1140)

**Mr. Dan Vandal:** Mr. Speaker, I would like to thank the member for that good question. I have a great deal of respect for him.

Over five years, \$8.4 billion will be allocated for residential housing, with \$554 million over two years. Education is also important. I know this is not ideal. It took generations to create the situation in which we find ourselves today, and it is going to take generations to fix it.

As a new MP who came into office five or six months ago with new advisors, I consider this a good start. I am committed to continuing the good work that will be done on these serious issues, and I hope that the hon. member will help us.

[*English*]

**Mr. Alistair MacGregor (Cowichan—Malahat—Langford, NDP):** Mr. Speaker, before I begin, I want to let the House know

that I will be splitting my time with the hon. member for Abitibi—Baie-James—Nunavik—Eeyou.

We have all been waiting for this budget for some time now, and I am honoured to stand in the House today to speak to it. Listening to ministers speak about this budget, Canadians have to sit through endless and effusive hyperbole that is liberally filled with both bombast and pomposity. Liberals are indeed masters of self-congratulation.

Unfortunately, the composition of the budgetary document breaks the covenant made during the election campaign with the Canadian people, as the Liberals do time and again when they say one thing and do the other. Like the progressive paint jobs the Liberals have applied to themselves in order to mask what the party really stands for, this budget's cover features a picture that cannot do anything but evoke an emotive response from those who gaze upon it: a mother and daughter holding hands as they walk on a yellow brick road toward the shining sun and a construction crane. It is beautifully crafted symbolism of good days ahead and the building of a new society. We can see that the Liberals are really hoping Canadians will judge this book by its cover.

Progressives have been walking through the desert for 10 years, waiting for a drop of change. It is little wonder, then, that the first glass of water offered to them seems to be so good. New Democrats are here to tear this cheerful mask off the Liberal budget and show Canadians what we are really dealing with.

There are families that I speak to all the time who are struggling with extremely expensive child care costs that often keep women at home and out of the workforce. This is one of the most important social policies of our time, and it is not being addressed. The Liberals need to know that child care cannot be provided with a small financial transfer to individual families.

Actually, Liberals do know. In a 2006 interview with the *National Post*, the Liberal Minister of Foreign Affairs, then the member for Saint Laurent—Cartierville, said:

We need child-care facilities to provide Canadian parents with real choice. It's a matter of social justice, but also of sound economics: child-care facilities are a good way to encourage flexibility and mobility of our workforce, at a time when, often, two parents are working outside the home.

As New Democrats, we could not agree more. We need a well-funded public policy on child care similar to what so many countries have done. The NDP will continue to propose its plan for \$15-a-day child care, with spaces for those who need it.

### *The Budget*

We have spoken in the House a number of times about the social determinants of health, and one of these very strong social determinants is the right to food security. Food security is, by its very nature, linked to agriculture, which plays a key role in my riding of Cowichan—Malahat—Langford, as it does in many communities across Canada, yet this budget devotes a scant two pages to merely discussing the topic. There are no measures for organic or small-scale farmers. There is nothing to support value-added production, something that is critical for the industry. This is not the way to build the agricultural base that small communities need.

Canada needs a healthy society, and I want to take a moment to point out how the budget lacks the infrastructure needed for actually creating one.

A healthy society takes care of its seniors. People should never have to buy poor-quality food or skimp on prescription drugs just to be able to pay their rent. It is alarming that this so-called "progressive" Liberal government has totally abandoned its commitment to build long-term care facilities for seniors and increase the GST credit for new rental home construction.

The Conservatives unilaterally cut health transfers, and the Liberals have not given any indication that they will reverse these cuts. We must build a health care accord now, but there is no money set aside in this budget to do so.

I think we were all encouraged when we heard the Liberal promise of \$3 billion over four years for home care. Home care is desperately needed, given Canada's aging population. We must act now on this issue, and it was good to see that both parties were on side, so it is a large disappointment to see that this promise is nowhere to be found in the budget now in front of Parliament.

● (1145)

The budget is also missing funding for mental health, long-term care for seniors, and palliative care. The lack of palliative care is clearly disappointing, especially given that, during the 41st Parliament, we passed a motion saying that we would work on high-quality home-based and hospice palliative care. The motion was not reflected in the budget document, and it is a glaring omission in light of the physician-assisted dying legislation we will soon be debating.

When we speak about a sustainable society, we need to address climate change, the great challenge of our time, together. New Democrats welcome the low-carbon economy fund, but we would obviously like to see it get started sooner than 2017 and actually include details on what it means or how it works. We are still subsidizing the fossil fuel industry for the foreseeable future. The Liberals promised to repeal this Conservative subsidy in their election platform, but we still do not see it. New Democrats will continue to push the government on its promises and to propose new solutions to our pressing problems.

When we talk of green infrastructure to help us transition to a sustainable economy, we remain concerned that the level of funding is inadequate for small and remote communities to receive access to these funds. I know I speak for many communities, when there is so much to be updated and restored.

In my riding of Cowichan—Malahat—Langford, the effects of climate change are being felt, both last year and in the foreseeable years. The Cowichan River is reaching dangerously low levels, and we really need to update the weir to hold back more supply. That is one thing on which I will be pressing the government. We need to have this kind of funding for our infrastructure, to make it more resilient, because climate change is happening.

Why are the Liberal members of Parliament from British Columbia not standing up for B.C. ferries? I see \$51 million in the budget for the Atlantic ferries, but nothing for the B.C. ferries. Why are they not standing up for our coast? BC Ferries is arguably the largest ferry transportation system in the world, and there is zero mention from the Liberals. I hope Liberal MPs from B.C. have a great time talking to their constituents about that glaring omission.

On indigenous rights, the government has not kept its promises to first nations in the budget. Education funding in the budget is \$800 million short of the government's election promises. Even then, the funding is so back loaded; it does not come into effect right now to address the underfunding crisis.

Cindy Blackstock, who spoke to our convention this weekend, has stated that the government is \$130 million short on meeting its legal commitment, set out by the Canadian Human Rights Tribunal ruling that the child welfare program discriminates against indigenous children.

These promises have come up short, but even then, we must do more right away as a turning point for our indigenous communities as they are living from crisis to crisis. It is totally unacceptable in our country. This point was emphasized time and again by all parties during our emergency debate on Tuesday evening, and I hope we follow through. I hope the debate was not just a one-off and that some meaningful action comes through in this noble House.

In this period of sunny ways and sunny days, the Liberal light can be quite blinding after years of Conservative darkness. It will take time for Canadians' eyes to adjust to the fact that the budget would not deliver on Liberal electoral promises.

Canadians want progressive change, and we will be in the House fighting to make that change a reality. We will stand up against the tempting promises of the Liberals that were never intended to be fulfilled. As New Democrats, we remain united in a vision for a better Canada that is built on common goals of solidarity, equality, fairness, and prosperity for all.

*The Budget*

• (1150)

**Mr. Andy Fillmore (Halifax, Lib.):** Mr. Speaker, I thank the hon. member for his words, particularly the comments around infrastructure. As a city planner in suburban, rural, and urban areas for some 25 years, I understand well the importance of credible investment in infrastructure.

The truth is that our government has inherited a shocking situation of deferred maintenance and investment in infrastructure over 10 years that has left a ticking time bomb of deferred financial and human health and safety liability for the government to now deal with.

One of the things I am most proud of in the government's budget is the historic infrastructure investment. Far from putting our children and grandchildren into debt to pay for this investment, we are investing in their future and, in the long term, making life much better for them. I wonder if the hon. member would agree that this is in fact the time to be making enormous investments in Canadian infrastructure after a very long drought.

**Mr. Alistair MacGregor:** Mr. Speaker, the member will find no argument from this particular section of the House on the need for infrastructure funding. As I alluded to in my remarks, we have been wandering through the desert for quite some time. I will agree that the Liberal budget does include some much-needed funding for infrastructure, but it is the other parts that I really wanted to hammer home.

During the election campaign, the Liberals made some specific promises. It adds to the disappointment in politics when someone says one thing and ends up doing another. Canadians were really looking for some progressive change. When we start reading the fine print, we can see that the amount is a little less and it is back loaded. The actual amount promised is not going to happen until the 2019-20 fiscal year. That is going to be after the 2019 election.

Infrastructure is welcome to see. I will certainly be writing letters to respective ministers to see that my riding gets its fair share, as all MPs in the House will be doing.

[*Translation*]

**Mr. François Choquette (Drummond, NDP):** Mr. Speaker, I would like to thank my hon. colleague for his excellent speech.

He spoke a lot about the importance of fighting climate change. I completely agree with him that we need to address this issue. Unfortunately, in the budget, the Liberals presented the same targets and objectives as the Conservatives did. That is extremely disappointing.

I would like to talk today about another issue that is very important to people in the greater Drummond area and my rural region in particular, and that is supply management and the importation of diafiltered milk, which is currently throwing the market completely off balance, is totally unfair, and violates federal regulations.

Why have the Liberals not done anything about this? What are they waiting for? When will they take action?

This is very important to farmers, dairy producers, and my region, the greater Drummond area.

What are the Liberals waiting for? When will they take action? Why does the budget not address the diafiltered milk issue?

• (1155)

[*English*]

**Mr. Alistair MacGregor:** Mr. Speaker, as to the why, I am not sure I can answer that question, but it is a real disappointment. We have heard far less than satisfactory answers in the House from the Minister of Agriculture. They have been short, almost one sentence answers that gave no detail. As the member pointed out, farmers in the supply management business really do have some legitimate questions.

Supply management is an incredibly important tool for farmers. I have had the honour of meeting with several constituents who operate under the system in my riding of Cowichan—Malahat—Langford. It gives them a sense that they know what their income is going to be. That quota is so important for making the farming industry a sustainable one. Many families that are engaged in the quota system can pass on their farm to the next generation because that next generation knows it can make a living. It is incredibly important for not only the House but for all provincial legislatures as well to stand up and be real champions for that and not roll over when imports masquerade as something else.

I appreciate my colleague's work on this issue, along with that of our agriculture critic. These two fine champions will bring this issue up time and time again and really hold the Liberal government to account.

[*Translation*]

**Mr. Romeo Saganash (Abitibi—Baie-James—Nunavik—Eeyou, NDP):** Mr. Speaker, it is always an honour and a privilege for me to rise in the House, particularly to speak to the budget.

As everyone knows, the government's budget reflects its choices. Like all of my colleagues on this side of the House, I had a lot of hope for the first Liberal budget. We are quite disappointed because, this time, we were expecting real change. The members opposite are always saying that Canadians voted for real change on October 19, but we have yet to see any. The choices and priorities set out in the budget are rather disappointing.

I have a large riding with huge needs. My riding has always been neglected, forgotten, and underfunded by the federal government. Once again, I have no choice but to express my great disappointment with this budget.

During the election campaign, I spoke about my riding's priorities. For example, there are many seniors in my riding and they have always been one of my biggest priorities. However, the budget does very little for them.

*The Budget*

The youth unemployment rate is about two times higher than the national unemployment rate. For many years, we have been proposing measures to help young people find jobs, including a \$4,000 tax credit for small businesses that hire young people. This is a reasonable measure that would help young people. These are the kinds of things that concerned me during the election campaign and that still concern me today.

Furthermore, home mail delivery is another important issue in my riding. A northern, rural riding like mine needs this service. The government promised to restore this service, but as members on this side have pointed out many times, this budget does not even contain the words “Canada Post”.

Nonetheless, I think there are many measures in the budget that should be highlighted. For example, the budget talks about shelters for indigenous women. There are about 14 shelters for some 630 communities in Canada. We are all aware of the problems facing indigenous communities, and there are huge needs. However, the budget allocates about \$500,000 per community for shelters, which is nowhere near enough.

As I mentioned, in the north, in a riding like mine, construction costs are very high. I do not think \$500,000 will be enough. In addition, as the representative for the riding of Abitibi—Baie-James—Nunavik—Eeyou, I must mention that the section in the budget on shelters does not apply to Nunavik or the James Bay area, which are also part of my riding. This is a concrete example of why I am so disappointed.

Forestry is one of the major industries in my riding. I have been bringing up this issue since I became a member of Parliament, nearly five years ago.

● (1200)

Forestry is a major industry in Quebec and in my riding. Tens of thousands of my constituents work in this industry.

Each year, every time I rise to talk about the government's budget, be it the former or the current government, I am disappointed by the lack of measures to provide direct assistance to this industry in my riding. For example, there is nothing here about the forest communities program or the investments in forest industry transformation program. One thing we know for sure is that it is important to invest in innovation and research and development in this industry. That is critical for the jobs in my riding that are tied to forestry.

I also want to raise the subject of employment insurance. This is a particularly tricky issue for my riding. Employment insurance figures and statistics for a riding like mine are pretty complicated and hard to understand. There is no logic to how this works in my riding. The statistics are compiled for three different regions: Nunavik, James Bay, and Abitibi-Témiscamingue. It is crazy because the situation is so different in each of these three regions of northern Quebec, which are part of my riding, that there is no logical way to approach employment insurance there. We should also condemn the government's ongoing tendency to dip into the employment insurance fund. We have condemned that repeatedly, actually.

We need to talk about the parts of this budget that affect indigenous peoples. Once again, disappointment. We have talked

about issues facing indigenous peoples a lot in the past few days, but people seem to forget that the needs in this country are so great. It is disappointing to see that the government did not bother to come up with a comprehensive approach to the needs of Canada's first nations. For example, as I pointed out earlier, the budget for housing breaks down to about \$300,000 per community per year for the next two years.

Building a house in Nunavik or James Bay costs about \$200,000. How can we continue to mitigate the effects of the housing crisis on communities when this budget provides enough funding for just one and half houses per community for the next two years? The fact that the government is not taking a holistic approach to indigenous issues is troubling.

There are many points I wanted to raise. Indigenous languages are once again being ignored. Out of the 52 indigenous languages that are still spoken today, only three will survive and flourish, and mine is one of them. I am privileged that I can say that. Again, we all know the importance of language in indigenous communities and the importance of cultural continuity among aboriginal youth. That is one reason why the suicide rate is so high in those communities. Our indigenous youth have become lost between two worlds, between the indigenous world on the one hand, and the western world on the other hand. One way to help them would be to address the language issues that are so important to our communities.

I wish I could go on, for I am just getting started, but I will take any question members may have.

● (1205)

[English]

**Mr. Kevin Lamoureux (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, I have heard a number of New Democrats talk about the things they would like to see in the budget, and that is okay. We have seen the most progressive budget in the last decade-plus.

Initiatives in this budget will lift children out of poverty, 300,000-plus with the Canada child benefit program. Many progressive measures are being taken in the budget.

I like to believe that some members are progressive thinkers when it comes to how we can help society, whether it is our children through the Canada child benefit program, or our seniors through the guaranteed income supplement, which is getting a dramatic increase of up to \$950 on an annual basis depending on one's income. There are so many good reasons to vote for the budget, because it is progressive.

Does the member believe the NDP would run a larger deficit, or would it still advocate for a balanced budget, something the New Democrats committed to in the last federal election?

[Translation]

**Mr. Romeo Saganash:** Mr. Speaker, I wanted to be across the aisle after October 19, but here we are.

The Liberals have a responsibility. They made promises and they need to keep those promises. That is not what is happening. For example, the Truth and Reconciliation Commission made 94 calls to action, but there is no money in the budget to address that. The Truth and Reconciliation Commission recommends, for example, that the UN Declaration on the Rights of Indigenous Peoples serve as a framework for reconciliation.

How are we going to achieve this reconciliation with the very little money announced for first nations in this budget? The Canadian Human Rights Commission tribunal ordered them to resolve the problem at the first reasonable opportunity. The first reasonable opportunity the CHRC is talking about was on March 22.

What did the Liberals do? They chose to ignore the CHRC order. They chose to defy that order. There is a word for that in our legal jargon. I think I am making myself clear. That is what is missing.

The Liberals know it. They are the ones who set the 2% cap in 1996. That 2% cap for first nations programs and services lasted 20 years. Imagine how far behind we fell in 20 years because of the cap they themselves imposed.

• (1210)

[English]

**Ms. Linda Duncan (Edmonton Strathcona, NDP):** Mr. Speaker, I would like to give my colleague an opportunity to elaborate on what he would like to see happen in this place in support of first nations and Métis communities of Canada.

**Mr. Romeo Saganash:** Mr. Speaker, we have been talking about these issues over the last couple of days, and they are important issues.

If there is one important issue in the country, it is the condition in which the first peoples of our country live. It is a shame for a country as rich as Canada, one of the richest in the world.

There is no lack of examples that we can use to tackle these issues. One of them is in my riding. We signed the first modern treaty in the country in 1975. It is a global approach to housing, education, police services, justice, economic development, health and social services, even maintaining the Cree way of life if a Cree chooses that way of life. Therefore, it is a global approach, and it seems to be working.

Granted, it is not the perfect solution, but at least that global approach is working in northern Quebec. I would suggest that we take inspiration from that example for the future of first nations in our country.

**The Deputy Speaker:** The Chair has received notice of a question of privilege and we will hear on that question now.

The hon. House Leader of the Official Opposition.

\* \* \*

### PRIVILEGE

ALLEGED PREMATURE DISCLOSURE OF CONTENTS OF BILL C-14

**Mr. Andrew Scheer (Regina—Qu'Appelle, CPC):** Mr. Speaker, I rise on a question of privilege regarding the premature disclosure of the contents of Bill C-14, an act to amend the Criminal Code and to

### Privilege

make related amendments to other Acts (medical assistance in dying) introduced earlier today.

On the same day the bill was put on notice, details of the bill were reported in *The Globe and Mail*. The article begins:

The Liberal government is set to introduce its much-anticipated physician-assisted-dying law on Thursday, a bill that will exclude those who only experience mental suffering, such as people with psychiatric conditions, according to a source familiar with the legislation.

This is not a case of journalistic speculation. The reporter identified someone in the know who provided to her specifics of the bill. The journalist continues to refer to this source later in the article:

The bill also won't allow for advance consent, a request to end one's life in the future, for those suffering with debilitating conditions such as dementia. In addition, there will be no exceptions for "mature minors" who have not yet reached 18 but wish to end their own lives.

Those three issues, however, will be alluded to in the legislation for further study, according to the source, who is not authorized to speak publicly about the bill.

These are very specific elements of the legislation. The CBC *The National* gave similar details last night, and it too referenced sources.

Now that Bill C-14 has been introduced and we now know the details, we also know that those details were reported in *The Globe and Mail* and elsewhere in the media prior to its introduction.

On March 19, 2001, the Speaker ruled on a question of privilege regarding an incident whereby the media was briefed on a justice bill, Bill C-15, before members of Parliament. The Speaker indicated that there were two important issues in that case: the matter of the embargoed briefing to the media and the issue of members' access to information required to fulfill their duties.

In his ruling, the Speaker said:

In preparing legislation, the government may wish to hold extensive consultations and such consultations may be held entirely at the government's discretion. However, with respect to material to be placed before parliament, the House must take precedence....The convention of the confidentiality of bills on notice is necessary, not only so that members themselves may be well informed, but also because of the pre-eminent rule which the House plays and must play in the legislative affairs of the nation. To deny...information concerning business that is about to come before the House, while at the same time providing such information to media that will likely be questioning members about that business, is a situation that the Chair cannot condone.

That matter was referred to the Standing Committee on Procedure and House Affairs. The committee concluded:

...the protocol of the Department of Justice whereby no briefings or briefing materials should be provided with respect to a bill on notice until its introduction in the House of Commons should be adopted as a standard policy by all government departments. We believe that such a policy is respectful of the House of Commons and its Members. It recognizes the legislative role of Parliament, and is consistent with parliamentary privilege and the conventions of Parliament.

The committee went on to say:

This incident highlights a concern shared by all members of the Committee: apparent departmental ignorance of or disrespect for the role of House of Commons and its Members. Even if the result is unintended, the House should not tolerate such ignorance within the government administration to undermine the perception of Parliament's constitutional role in legislating. The rights of the House and its Members in this role are central to our constitutional and democratic government.

*The Budget*

On October 15, 2001, the content of another justice bill, Bill C-36 was leaked to the media. The Liberal government House leader at the time, Don Boudria, rose in his place and did, in my opinion, the right thing. He stated:

Last Friday afternoon I received a copy of Bill C-36. As is my role as Leader of the Government in the House of Commons, I do what is known as a review of the bill. I took precautions then and earlier with the minister and all of her staff to ensure that the bill was not in any way given to the media or otherwise. I was given that assurance by everyone I spoke to.

On Saturday I saw extracts from the bill in the media. They were not all factually correct but enough of them were that it caused me to be as concerned as the hon. member when raising this question in the House.

I cannot say much more other than to apologize on behalf of whoever is guilty of this. I use the word guilty because that is what comes to mind, given the respect that I have for this institution. Anyone who breaches that respect is guilty of an offence in my book. The problem is that we do not know who it is.

The situation here before us is identical. We do not know who leaked the contents of the bill. The article refers to "a source familiar with the legislation".

● (1215)

On the same day that the question of privilege was raised, the Speaker ruled and said:

I have to say at once this appears to be similar to the issue raised earlier before me with respect to Bill C-15. In my opinion it appears that there has been again a breach of the privileges of the House in relation to this piece of legislation.

The hon. member for Winnipeg—Transcona in his remarks tried to assist the Chair by suggesting that it was for the Chair to investigate the matter and come up with the name of the culprit and so on. I respect his opinion of course in all matters, but in this matter I think his view is perhaps wrong. There is a body that is well equipped to commit acts of inquisition, and that is the Standing Committee on Procedure and House Affairs....

Accordingly, in my view this is a matter which ought to be sent to the committee.

In my opinion, we clearly have a breach of privilege. The contents of Bill C-14 were leaked to *The Globe and Mail* and perhaps others, and we do not know who the culprit is.

We in the opposition are very concerned about this dismissive view of the role of the House. I trust that members of the government are equally concerned and would want to get to the bottom of it, as Mr. Boudria did in 2001.

I have no doubt, Mr. Speaker, that you too would be concerned, and that is why I ask that you do as your predecessors have done and refer this matter to the Standing Committee on Procedure and House Affairs.

In conclusion, if you would permit me to speculate here for a moment, Mr. Speaker, I suspect that Mr. Boudria had the usual struggles that House leaders and their staff have with ministers' communication directors who like to preposition the government's message on a bill. However, they did not understand the role that the House played then, and perhaps they do not now, but members of Parliament certainly do. I do not think any member, regardless of what side of the House he or she sits on, wants to have their independence taken over by staff in ministers' or departmental offices.

**Hon. Andrew Leslie (Orléans, Lib.):** Mr. Speaker, I listened to the intervention of my hon. colleague from the Conservative Party concerning the troubling suggestion that someone from the government prematurely disclosed the contents of Bill C-14, the

bill concerning medical assistance in dying, which was introduced earlier today.

I am not aware of the details surrounding the media report referred to by the member, but I want to assure the House that our government takes any breach of the privilege of members and of the House very seriously.

I can tell the House that at no point was anyone authorized to publicly discuss the specific details of the bill prior to introduction.

On behalf of the government, I unreservedly apologize to the House and to members. Our government will work to ensure that this does not happen again.

● (1220)

**Mr. Peter Julian (New Westminster—Burnaby, NDP):** Mr. Speaker, I appreciate the member for Regina—Qu'Appelle, with his vast knowledge of procedure and practices here in the House of Commons, raising the point. I appreciate the chief government whip's apology.

I want to get on the record that it is indeed a very serious case in the case of Bill C-14. There is no doubt about this.

I want to cite the current government House leader when he was faced with a similar situation, not in government but in opposition, around the case of Bill C-52. The member for Beauséjour, now the government House leader, said the following on information coming out prior to disclosure of the bill in Parliament:

We believe this situation constitutes a fundamentally unfair contempt of Parliament, and we would ask you to rule on this very serious matter.

He went on to say, in the case of Bill C-52, that:

Before the opposition received an embargoed copy or before the bill was actually tabled in the House of Commons, some of us were responding to very specific media questions following...[disclosure of the bill].

He then said there is no doubt that this was a very serious breach of privilege.

Therefore, I think it is important to note the concerns of both the Conservative official opposition and the NDP opposition. We certainly look forward to the follow-up that the government will be doing in this regard.

**The Deputy Speaker:** I thank the hon. opposition House leader, the chief government whip, and the hon. member for New Westminster—Burnaby for their interventions on this matter.

We will look at the question, obviously, and get back to the House in due course.

We will carry on at this point, if there are no other interventions. Resuming debate, the hon. member for Scarborough—Rouge Park.

\* \* \*

**THE BUDGET**

FINANCIAL STATEMENT OF MINISTER OF FINANCE

The House resumed consideration of the motion that this House approve in general the budgetary policy of the government.

*The Budget*

**Mr. Gary Anandasangaree (Scarborough—Rouge Park, Lib.):** Mr. Speaker, I am sharing my time with the member for Sackville—Preston—Chezzetcook.

I am pleased to speak this morning in support of our government's budget. I want to start by congratulating our finance minister and our Prime Minister for delivering not only on our election promises, but on building a visionary budget, one which I am confident will irreversibly change the lives of millions of Canadians for the better.

This budget represents a significant shift in the direction of our country. We are asking top income earners in Canada to pay a bit more so that the majority of Canadians will have more money to spend on important staples, such as food, shelter, and child care. This will greatly benefit those on the lowest end of the income ladder.

This is all the more important, as budget 2016 sets the groundwork to bring in a group of people who have suffered generations of failed government policies and neglect toward equal opportunity in government services. Of course, I speak of Canada's indigenous population.

This budget takes the first steps in healing old wounds and bringing about true reconciliation in our country. It is a statement that restores a promise that generations of Canadians have known: that no matter who we are or where we came from, if we work hard, we will get ahead.

Today I want to devote my time to focus on two sets of policies of which I am particularly proud.

This budget announced historic investment in infrastructure and our indigenous peoples, programs that will create a more equitable and prosperous country.

First, with regard to infrastructure, Canada lags behind in investment to our infrastructure. Investment in infrastructure is an investment in our collective future. I compare infrastructure investments to a personal decision that I had to make many years ago. I recall the time that I was accepted into law school. Like most students, I had no money to go to school. However, I looked at it as an investment. I borrowed money. I went to law school, built a successful practice, and paid the money back. I had a more stable career. I put a great deal of money back into the tax system, and I created jobs.

The investment we make in our infrastructure today is analogous to the decisions that individuals and families routinely make. Many Canadian cities are currently experiencing infrastructure backlogs. With the lowest debt-to-GDP ratio of any G7 country, there has never been a better time to invest in building roads and institutions that will keep our economy strong. We have historically low interest rates, currently hovering around 2.5%. This compares with 6%, 15 years ago; 10%, 25 years ago; and 18%, 35 years ago.

Equally important is the need to boost our economy. We know that in many parts of this country there is a dire need to infuse capital to kick-start the economy. Our current commitment to infrastructure does just that. It takes advantage of historically low interest rates, infuses capital into our economy, creates jobs, and secures important, much-needed infrastructure projects for our future. We are allocating

\$11.9 billion to build infrastructure that we need now, and to make long overdue repairs to aging systems.

On public transit, we are putting \$3.4 billion toward phase one of our government's plan to improve public transit in Canada. Public transit opens doors to employment and educational opportunities that are not possible without it. Investment in public transit not only provides a quicker way for people to get around, it helps to equalize the playing field for urban Canadians.

I represent a riding with high youth unemployment. I know that improvement in our public transit system will pay dividends over the coming years to our youth and our community.

In addition to these historic investments, our government has committed \$3.4 billion for affordable housing, community centres, and child care centres. These funds will ensure our communities are better places to live and provide more low-income Canadians of all ages with peace of mind.

All of these investments will start to provide an immediate boost to our economy and will better the lives of Canadians in my riding of Scarborough—Rouge Park and across this country.

I am particularly proud of our post-secondary institutions strategic investment fund. Budget 2016 plays a major role in supporting post-secondary institutions in Canada. We have allocated \$2 billion in additional funding that will be matched by the provinces and territories, to build and update research labs, training facilities, and on-campus incubators. These investments will ensure that Canadian post-secondary institutions remain leaders in innovation and research.

● (1225)

I am proud to say that my riding is home to the University of Toronto, Scarborough campus, and to Centennial College, both hubs of learning in Scarborough. I am pleased that our Minister of Science was at Centennial College in Scarborough last week to announce the post-secondary institutions strategic investment fund. Many university and college presidents, student groups, and community members were in attendance. We were mesmerized by the incredible demonstrations of talent by Centennial College students, who have the key to the collective future in new technology, the new jobs that we often speak of.

The University of Toronto Scarborough campus has a master plan, which principal Bruce Kidd and members of the Scarborough team shared with the members of this House. The master plan supports the renewal of Scarborough as a region. I believe the post-secondary institutions strategic investment fund will greatly support UTSC in our region and escalate the much-needed development that will lead to a more educated workforce, more equipped scientists, incubation of new businesses and technology, and ultimately more jobs.

*The Budget*

As an example, this January 29, I had the privilege of taking part in the opening of the new environmental science and chemistry building at the University of Toronto. It is a magnificent structure. It uses 40% less energy for a building of that size and meets the coveted LEED gold standard. This building houses world-class researchers, and Ph.D. and other graduate students. They are looking to help us. As countries address issues such as global warming and greenhouse gas emissions, the output from this building will help us develop the technologies, policies, and workforce to build the green economy of the future, an economy that can grow and help the middle class.

Let me now turn to our historic investment into indigenous communities. The Prime Minister has made it abundantly clear that there is no relationship more important to him, this government, or our country than the one with our first nations, Métis, and Inuit peoples. I note that this morning the Supreme Court of Canada expanded the definition of Indian under the Indian Act to include the Métis nation and non-status Indians, in the Daniels v. Canada decision. In effect, our investment in indigenous communities is even more pressing today.

Two days ago, our House debated the most recent suicides in Attawapiskat, and the broader issue of suicide in indigenous communities. This is yet another tragedy, but sadly not unfamiliar to those who live in these communities. We know there is no easy fix, and we know that money alone will not fix this problem. However, we know that the long-term solutions exist if government puts its energy and resources to it. Five hundred years of colonization, oppression, and failed policies cannot be undone overnight. The devastating news that we hear from many indigenous communities is a reflection of this history.

Budget 2016 will move forward with the goal of renewing the relationship with our indigenous peoples. I believe this budget will serve as a down payment to resetting the relationship. Though programs announced in budget 2016 will not solve the long-standing problems overnight, it is the first step to ensuring that some day soon all indigenous children will be able to have the same hopes, aspirations, and opportunities as any other child in Canada. To this end, budget 2016 proposes an investment of \$8.4 billion over five years, beginning in 2016-17, to improve socio-economic conditions, education outcomes, and the well-being of our indigenous population. This investment is a significant increase over funding that would have been made available under the Kelowna Accord.

Of this funding, \$2.6 billion is earmarked for improving on-reserve education, including funds for special education and first nations language education. There is \$634 million earmarked to improve child welfare, and \$1.2 billion is to be allocated toward social infrastructure, with a focus on health and housing. These are investments that our indigenous communities desperately need right now. They will provide youth with the opportunity to build their communities.

Boil water advisories are common in many first nations communities, and we are earmarking \$2.24 billion in water and waste water infrastructure.

The spending cap, as mentioned earlier, is a very important challenge that has faced first nations communities. We will remove

the spending cap after a number of years where this has stagnated the growth and the needs of indigenous communities.

In conclusion, this budget is one that we should all be incredibly proud of. It invests in our future and the future of our children. It is a statement on who we are as a people, and it opens a new chapter in the relations with our indigenous population. Budget 2016 is a truly inclusive approach to governing Canada, and it will pave the way for the prosperity of all Canadians well into the future.

• (1230)

**Mr. Mark Warawa (Langley—Aldergrove, CPC):** Mr. Speaker, I have a very important question concerning the legislation that was just introduced today by the government on assisted suicide and euthanasia.

We know that the government announced \$3 billion over four years in its platform to directly fund palliative care. In the legislation that has been introduced, it is a critical part of that formula to have palliative care funded by that \$3 billion. My question to the hon. member is this. Why does the budget not include that \$3 billion? Why was it just on a platform? Was it just aspirational? Why is the government not funding palliative care in this budget as it promised it would? The situation has been highlighted by the legislation it has just introduced on assisted suicide.

**Mr. Gary Anandasangaree:** Mr. Speaker, I believe we are now six months into a four-year government. This is the first budget we have introduced. There are a number of commitments our government made during the election, and I am confident that we will fulfill those commitments over the coming years.

With respect to health care in general, we have a very able Minister of Health who is working with our provincial counterparts to reset the arrangement on health care across the country. I believe she will be meeting with her provincial counterparts shortly. Over the next year, I am hoping we will have a new accord that will ensure long-term stable funding for the required health care needs of Canadians.

**Ms. Sheri Benson (Saskatoon West, NDP):** Mr. Speaker, I thank my hon. colleague for his speech and comments, and particularly for the emphasis he put on the importance of first nations people in Canada—the first people of Canada. Therefore, like many of us on this side, I am surprised that the promise and the reality between election and becoming government meant that there was a shortchange for education. Although we saw a promise during the election of \$2.6 billion over four years for first nations education, post-secondary education, and skills training, what we see is a shortchange. As budgets are about choices, I am wondering why the government decided to make that choice for this budget.



*The Budget*

●(1235)

**Mr. Gary Anandasangaree:** Mr. Speaker, we know that education is at the centre of any type of renewal with our indigenous population. It is a very important tool and the ultimate equalizer in our society. From our experience around the world, we know the value of education and what it allows people to become when they grow up. I am personally invested in it, and I know it is important to our indigenous communities.

I am proud of our government's commitment of \$8.4 billion over five years toward a number of very important things, \$2.6 billion of which is earmarked for education. Of that number, we will also be investing in special needs, which is a very important aspect in some of the communities with which I have engaged.

As I said earlier, it is a down payment. I believe that over the years we will do the right thing.

**Mrs. Celina Caesar-Chavannes (Parliamentary Secretary to the Prime Minister, Lib.):** Mr. Speaker, I would like to thank my colleague for his speech and for representing his riding as well as he does. He spoke quite eloquently about our government's investment into infrastructure and post-secondary education.

I have two post-secondary institutes in my riding, Durham College and the University of Ontario Institute of Technology. I am wondering if my colleague could speak further to how that investment into post-secondary education, along with the doubling of grants and the ability of students to not have to pay back their loans until they earn a threshold of \$25,000, opens up possibilities for the students in his riding, who are probably from marginalized communities, as I know his riding well. How does that help those students?

**Mr. Gary Anandasangaree:** Mr. Speaker, my friend and I share very similar values and very similar demographics in terms of whom we represent.

There are a number of very important initiatives for young people. I believe the number one incentive for young people to go to university is what they will get out of it. I believe our investment into jobs, job training, the 35,000 new jobs under the Canada summer jobs program, and our commitment to co-op placements are very important indicators—

**Mr. Darrell Samson (Sackville—Preston—Chezzetcook, Lib.):** Mr. Speaker, it gives me great pleasure to stand today before the House to speak to budget 2016. This budget is extremely important to allow growth and prosperity to the middle class.

My speech will touch on three major areas: investment in the middle class; our relationship with indigenous people, which is extremely important; and of course the historic investment in infrastructure, which would see growth and prosperity in the near future.

During the campaign, I met a gentleman named Tyler in my riding of Sackville—Preston—Chezzetcook, and in talking with him, I realized the challenges he had. He was making a modest income, he had three young kids, and his wife was a stay-at-home mom, supporting the children. With that income, it is quite challenging for families. When we look at how items in the budget could support Tyler's family, it is quite impressive.

By that I mean that the Canada child benefit program would see \$1,116 per month going toward the support of his family and some of the challenges of the costs. That represents \$13,400 of tax-free money. There is no question that this budget would make a big difference to his family and many young families across the country.

There are many families out there, some who are even more vulnerable and have even more challenges, and this budget would support more than 300,000 families and pull them out of poverty. We would also see nine out of 10 families benefiting from this budget.

It is very obvious that this is a major investment in the middle class. Studies have shown in the past that, when we invest in young families early, it reduces the costs to government in the future. That is the type of government we have here.

The second point I would make is about our indigenous people.

●(1240)

[*Translation*]

I would like to talk about indigenous people and the challenges they have been facing for far too long. What is really impressive is that this government is going to invest in these communities because they have enormous challenges. Past governments of all stripes did not really invest as much as they should have, and that is why this budget is important.

What kind of investments do we have here? The government is going to invest \$8.4 billion to support indigenous people. Furthermore, I am pleased that it will invest \$2.6 billion in education. This is vital for primary and secondary education on reserves.

It is very important to note that only 36% of indigenous youth graduate from high school, compared to 72% for the general population. As we can see, this is a very serious situation that must be addressed. That is what this government intends to do. There is also a great need for renovations to school infrastructure in indigenous communities. This money will also be used for that purpose. Furthermore, an investment will be made to provide access to clean drinking water and improve health services and the quality of education. As we know, education is probably the most important thing we can give young people. This investment will help them develop their skills and also help them return to their communities to make a contribution, which is key for any group of individuals.

*The Budget**[English]*

I would also like to talk about the tax credit for teachers, which is extremely important. Many teachers use their own personal money so that they can add equipment or material to their classrooms. I see this happening often. I have personal experience. I am a teacher, my wife is a teacher, and my two daughters are teachers. This tax credit of 15% would be a big piece to support this initiative, up to \$1,000 of course. It recognizes the investment made by teachers and the hard work they do for students across Canada.

For the last part of my speech I would like to talk about the infrastructure investment. When we talk about infrastructure, people think right away about bridges and roads, but the investment in infrastructure by this government is about more than that. It is about social investment, digital investment, and environmental investment. These are much larger categories and would help a greater number of people.

Let me talk about social infrastructure. Many communities in my riding require affordable senior housing. This would ensure that seniors stayed in their own communities where they could see their children and their grandchildren grow. That is important. Statistics Canada has indicated that Nova Scotia has one of the oldest populations in the country. The needs in my riding of Sackville—Preston—Chezzetcook are extremely important.

As well, we are seeing investments for veterans. Our government would reopen the nine veteran offices that were closed by the past government. We owe a deep debt of gratitude and appreciation to all veterans for their service. This is one small step, but we are going in the right direction.

Also, with respect to digital infrastructure, rural broadband access is important in my riding and across Canada. I have participated in the rural community caucus, which has clearly announced that broadband is a top priority. Our government would invest \$500 million over five years in this budget for high-speed Internet, which would allow small rural and remote communities to thrive and provide people with the necessary equipment for the challenges of the 21st century.

I am working on many major projects in my community: for example, the Burnside-Sackville expressway, the dredging of the inlet in Eastern Passage, the Aerotech Business Park, and so forth. What I like about this budget is that the categories would be set now for us to take advantage of and get these jobs done. It is extremely important that every member in the House, not just Liberal members, has access to these types of categories to help the people in their ridings.

It is a nice feeling to stand here today and know that we are seeing steps toward what we promised to our constituents in this budget, and many of the things we promised are going to get done. Over the next four years, we will see many more great things happen to help and support all Canadians.

• (1245)

**Mr. Earl Dreeshen (Red Deer—Mountain View, CPC):** Mr. Speaker, I too am a teacher and I understand the significance of the extra costs associated with making sure classrooms are adequately supplied.

The member mentioned a specific group of people who would gain a tax credit, but the tax credit for the group he mentioned has been taken away. The tax credit for families with children involved in sports and music lessons has disappeared. This tax credit was something for the entire population.

The member also mentioned young families and the extra dollars they will have. I am curious to know whether the Liberals have taken the time to see the significance of income splitting for families. No tax would have been paid under those circumstances either.

I am just curious as to whether or not the member heard both sides of the argument during the campaign.

**Mr. Darrell Samson:** Mr. Speaker, I thank the member opposite for asking the important questions and the two points in reference.

There is no question that the budget is a comprehensive and impressive one, because not only does it help taxpayers with a 7% tax reduction, which is a very importance piece, but it also invests in the Canada child benefit program, which is tax-free money. That tax-free money is a lot more, almost \$3,000 more, than any family was receiving. Those monies will enable families to invest in different types of sports programs and have support for the costs of these items.

The income-splitting question is a good one, because the individuals the member is speaking of would be making a lot more money. Of course, we have income splitting available for seniors, and that is what is important.

This is a very comprehensive budget that supports many Canadians across Canada.

*[Translation]*

**Mr. François Choquette (Drummond, NDP):** Mr. Speaker, I thank my hon. colleague for his speech and comments. I really enjoy working with him on the Standing Committee on Official Languages.

Speaking of which, I am wondering why the budget does not contain additional efforts to promote linguistic duality. For example, the budget of the Commissioner of Official Languages is still frozen and so is the budget for the ACFA under the roadmap. Those budgets have not been indexed for nearly 10 years. That is very worrisome.

Another thing that really worries me about this budget is that it does not really include many measures to combat climate change, even though such measures are necessary.

Unfortunately, as members know, the Liberals went to Paris with the same targets as the Conservatives, when everyone, even the Liberals, were saying that the Conservative targets were minuscule and that the Conservatives were certainly not doing what was needed to combat climate change.

We are still waiting for the Liberals to present a serious plan. Unfortunately, greenhouse gas emissions will increase in the coming years. As a result, we need to make a clear and drastic shift toward green energy.

*The Budget*

• (1250)

**Mr. Darrell Samson:** Mr. Speaker, I thank my esteemed colleague. Not only is he a member in this House, but he also sits on the Standing Committee on Official Languages.

I am happy that he asked this question, since it is an extremely important one.

We are certainly in the process of examining the roadmap. We have started fast-tracking some major consultations to ensure that the roadmap better meets the needs of our communities and organizations.

There are two important notes, here. I think that the minister has already made some excellent changes. There were some serious problems in the past, and I experienced this myself when I was the superintendent of the Conseil scolaire acadien provincial. First of all, the various organizations had to wait a very long time before getting funding guarantees, and as a result they lost some very good employees. They could not keep them because they did not have guaranteed funding. This has been fixed. Furthermore, there were no multi-year funding agreements. The minister just announced this change.

These are two excellent and major changes made by this government.

**Mr. Rhéal Fortin (Rivière-du-Nord, BQ):** Mr. Speaker, this budget reveals the government's real priorities. It shows not what the government said it would do, but what it is really willing to do and where it is really putting the money. The Bloc Québécois is taking this process very seriously.

We want to be absolutely sure that we are speaking on behalf of Quebecers and that we understand their needs and support them in getting the tools they need to address the challenges they face. That is why we met with about a hundred groups of people from all walks of life, people from cities and the regions, people involved in social and environmental work, workers, students, seniors, and the unemployed. We cast a wide net so that we could accurately convey what Quebecers want.

Not everyone agreed about everything, of course, but we were surprised at the strong consensus on one important thing: Quebec is not Canada. Our challenges are not the same, our economy is not the same, and our way of doing things is not the same either. Everyone agrees that Ottawa needs to take that into account.

We have identified four key priorities. The first one involves protecting our public services through transfers. Second, we need to rebuild our infrastructure through a flexible, effective program that allocates money quickly so that we can meet the needs and boost the economy. Third, we have to take care of people, particularly through employment insurance, which was systematically gutted in recent years. Lastly, we need to reinvest in the economy, but not in a foolish or haphazard manner. Those investments must meet the needs of the Quebec economy.

Since we are proactive, we even offered some suggestions for obtaining additional revenue: taxing banks and cracking down on tax havens. This budget is zero for four. It provides nothing for transfers, nothing meaningful for employment insurance, nothing to suggest

that the infrastructure program will work quickly and effectively, and nothing to meet the needs of our economy. The budget does not meet any of Quebec's specific needs, either socially, economically, or fiscally. We will therefore be voting against this budget.

Of course, the budget does contain some interesting measures. Investments for indigenous communities are long overdue. The federal government's record when it comes to indigenous issues has become a disgrace. Many indigenous people are living in third world conditions. The needs in terms of housing, health care, education, and public safety are overwhelming.

The crisis in Attawapiskat in the past few days has brought to light the sense of abandonment that these people feel every day. Therefore, we applaud the investments that were announced in this budget. Clearly, putting money on the table is not enough. We must meet the needs of indigenous peoples and listen to them. They must be real partners.

It is in the Liberal DNA to centralize decision-making in Ottawa. Quebec knows a thing or two about that. The nation-to-nation approach that the government announced in its throne speech, and that it refuses to use in Quebec, I would add, should be more than just a slogan. Our indigenous brothers need more than money. They also need respect for their differences and their distinctiveness. Otherwise, things will not change. The Indian Act, with its colonial approach, treats them like minors. That law must go.

There is also the new child benefit, which is another attractive measure. We want to see the law before giving our full approval, but I find it attractive, more generous than former programs, non-taxable, and better targeted to those who need it. It remains to be seen how it will be harmonized with Quebec programs.

The OECD finds that Quebec has the best and most original family policy in North America. Our people do good things. A consistent family policy is an effective family policy. Financial assistance from both levels of government, child care services, and parental leave all have to be coordinated. No one should ever fall through the cracks because two government programs are poorly coordinated.

Now that the budget has been tabled and the government has to come up with a program, Ottawa needs to sit down soon with the Government of Quebec to adapt its program to our specific reality. Unfortunately, that is where the fine words end. For the rest, it is disappointment after disappointment.

First, let us talk about transfers. If there was one thing that became quite clear during the pre-budget consultations, it was the need to restore transfers to a level that ensures the viability of the Government of Quebec and the sustainability of the public services that depend on it.

*The Budget*

•(1255)

Of all the governments, the federal government has the most room to manoeuvre. As it provides almost no services, it will not feel the impact of the aging population, particularly on health care. Unlike the provinces, whose deficits are recurring because they are structural, the federal government runs a deficit because of a temporary economic slowdown. Economic conditions aside, the trend is clear. The parliamentary budget officer, the Conference Board of Canada, and the Council of the Federation agree that in 20 years, Ottawa will be on track to pay off its debt, while the provinces will be in an untenable financial situation.

The scope of these financial problems goes beyond Quebec. It is the status of province that is not viable. These prospects are quite worrisome. In fact, unless there is harsher unending austerity, Quebec will all but implode.

Health care costs have increased by more than 5% a year, on average, in the past 10 years. By reorganizing services to increase efficiency, Quebec is hoping to limit this increase to 4.4% in the future. The 6% annual increase in federal health transfers was a start in helping Quebec get caught up. After hitting a low of 18% as a result of severe budget cuts by the Liberals at the end of the 1990s, Ottawa now contributes 22% of costs. We are very close to reaching the 25% target set by the Romanow commission, which was put in place by Ottawa. Unfortunately, the Conservatives put a stop to the increase as of next year. At the end of the plan, the federal government's share will have dropped to 18%, the same as it was during the worst years. However, things will be even worse, as a result of the aging population. Everyone in Quebec has been critical of this. We need to continue getting caught up. The government needs to continue increasing transfers by 6% a year, until Ottawa is once again responsible for one-quarter of the system costs. Since this is intended to cover health care costs, the allocation must also take needs into account. It does not make sense to allocate the funds automatically, on a per capita basis. We need to take seniors into account. What is there for seniors in the budget? Nothing. The Liberals are maintaining the Conservatives' cuts. Quebecers would be better off getting used to austerity and wait lists. This government just confirmed that those times are not over.

It is not just health transfers. Quebec's future depends on its young people. Transfers for education and social programs have not even begun to catch up, as if education and child care services were not important. The government was asked to increase transfers by 6% per year until they got back to the same level as before the cuts that were made in the 1990s. That would represent nearly \$900 million a year for Quebec. What is in the budget? Nothing.

As I said earlier, the federal government provides almost no services, and when it does, it does not manage them very well. What the Liberals and Conservatives have been doing with employment insurance for the past 20 years is outrageous. EI was supposed to be an insurance program, but it has turned into an employment tax. Rather than providing workers with insurance for when they fall on hard times, the government is charging them extra taxes. The government has let workers down. It has put women, young people, and seasonal workers in dire straits. They have had to go on welfare because they are not eligible for EI. Ottawa is treating seasonal workers like fraudsters. The government is forgetting that it is not

the workers who are seasonal but the jobs. Like everyone else, these honest citizens still need to eat 12 months a year.

There is not a lot of tourism in the Gaspé in winter. Not a lot of construction either. Trying to pave a road in the middle of January is impossible. Trying to find a teaching position in July is impossible. These people are not fraudsters; they are the very people for whom employment insurance was created during the depression in the 1930s. People everywhere told us that they wanted the government to restore employment insurance, which has been gutted. That is what we asked for. Employment insurance must once again become what it should never have stopped being: insurance. The system must once again be accessible and independent. Ottawa must stop dipping into the fund as though that money were its own.

Is there something about this in the budget? Precious little. Ottawa reduced the waiting period, which is good. However, it did nothing to make the system more accessible or to extend the benefit period. What is worse, Ottawa is extending benefits in regions where the economy is tied to oil production, but not anywhere else. Montreal's unemployment rate is higher than Calgary's, but the government is extending benefits for Calgarians only. Seasonal workers in the regions are worried.

•(1300)

Benefits run out at this time of the year, yet there is nothing for them. We have gone from having a broken system to having a system that is broken and unfair. That is not what I would call an improvement.

Let me say a few words about infrastructure. The federal government is currently contributing roughly \$1 billion to Quebec's infrastructure through the various building Canada plan programs. That funding represents only roughly 5% of public infrastructure spending in Quebec, while the Government of Quebec covers the other 95%, including for health, education, and the municipalities. Needless to say, the additional investments announced by Ottawa are welcome. However, it is not enough to just put money on the table. The money needs to be made available quickly and the programs need to be flexible enough to meet the needs on the ground, something that only the authorities in Quebec City and the municipalities can determine.

The experience with the 2009 infrastructure plan is instructive. Ottawa wanted to interfere in the choice of projects, which made the whole process unending: 27 months to conclude a framework agreement that opened the door to studying the first projects, followed by negotiations, project by project, for 15 months on average. It took three and a half years before money was released from the federal treasury, which meant the program had to be extended. The same thing happened with the 2014 program. The money was frozen in Ottawa because of federal-provincial squabbles caused by the federal government's attempts to interfere.

If the government really wants to have more money available to fight the economic downturn now, it must not repeat the same mistakes. The only federal infrastructure program that works well is the federal gas tax fund. The provinces receive block payments, and Quebec and the municipalities jointly select the projects to be funded. It is simple, quick, and effective.

*The Budget*

What did the government present in its budget? In its new programs, the Liberal government decided to keep doing things the same old way, even though it is not working, rather than doing something that works. By all indications, the municipalities are once again victims of the bickering between Quebec and Ottawa that will have federal interference paralyzing the process for months, if not years, even though the needs are urgent now.

Worse still, the community infrastructure funds that will pay for projects like community centres, cultural infrastructure, and social housing were incorporated into the propaganda funding for the 150th anniversary. Will municipalities and community groups be forced to spread federalist propaganda in order to access funding? This feels just like the Liberal sponsorship scandal all over again. By all indications, these programs, as they are now, will be completely ineffective, and the municipalities will not see one red cent of the money promised for a very long time.

This brings me to economic policy. The government said that it wanted to reinvest in the economy, that it wanted a more sustainable economy. We agree. When the Conservatives were in power, all they cared about was oil and western Canada. Look where that got us. Now it is Ontario's turn to reap the benefits of federal largesse. Once again, Quebec is being ignored.

The Quebec economy is different than the Canadian economy. People often forget that. Canada has a subsidiary economy, particularly in the oil and auto sectors. Protecting head offices is not a Canadian priority. The country's economy is not terribly innovative, and its businesses do relatively little R & D.

Things are different in Quebec. Quebec accounts for 45% of Canada's technology exports. Quebec entrepreneurs invest 50% more in research than their counterparts in Canada. That information is from Statistics Canada. Quebec has an aerospace sector and a multimedia industry. Quebec has renewable resources like hydro-electricity and forests. That is Quebec, and federal policies must reflect that.

I was surprised to see the level of support for an economic policy that meets our needs among all the people we heard from in the pre-budget consultations. On the left and on the right, in urban and rural areas, there must be support for business innovation. We must support investment, especially since the weak petrodollar makes production equipment more expensive. We need a real aerospace policy that supports our major players, who are world leaders. We cannot say it enough. We need programs that support our SMEs, which are also innovators. What we need is a real innovation strategy.

Quebec has a 21st-century economy. Our strengths lie in sectors that will grow in the future: technology, the environment, renewable resources, and culture. Quebeckers are creative.

• (1305)

The federal government's policy is unbelievably poorly adapted to our needs, and things are not improving under the new government. It wants to do more research itself. That is fine. It wants university researchers to do more research. That is fine as well.

However, at the end of the day, the government wants to make up for the fact that businesses elsewhere in Canada do not innovate

much, and it is not proposing to support innovative Quebec companies. Its policies do not seem to take into account that Quebec is Canada's technology engine.

We are not asking for charity: \$1 billion for Bombardier is 10 times less than the \$10 billion invested in GM. All we are asking for is a policy that addresses our needs. That is all.

In that respect, this budget is downright disastrous. It does nothing for the sectors our economy is based on. There is nothing for Bombardier or the aerospace sector in general, nothing for the forestry sector, nothing for the farmers who were sacrificed in the negotiation of the agreements with Europe and Asia, and no sign of a plan for electric transportation.

What is worse, if the government uses our money to make up for low innovation spending by Canadian businesses outside Quebec, it could end up creating competitors for us west of the Ottawa River.

The budget allocates a significant amount of funding to government research concentrated in Ontario and university research that focuses on the needs of industry. The government intends to then turn over the findings of that research to industries that are not very innovative to help make up for their shortcomings.

There is nothing for our innovative Quebec industries. However, the government plans to allocate new funding to oil companies: \$50 million to help them cause less pollution. The government has set aside money for the automotive industry and has extended the program that funds the industry's research until 2021.

There is nothing for Quebec. The Conservatives told Quebec no with a smirk. The Liberals are telling Quebec no with a smile, but when it comes right down to it, the answer is still no.

In the last election, for the first time in 30 years, Quebeckers elected a majority of government members. Quebeckers have tried everything to succeed in a country that is not their own.

Budget 2016 gives us an idea of what that has accomplished. The Minister of Innovation, Science and Economic Development is working to kill Bombardier, the Minister of Transport is working to dismantle Air Canada, the Minister of Employment, Workforce Development and Labour is working to starve unemployed workers and empty out the regions, the Minister of Finance is working to choke the government, and the Quebec Liberal caucus is applauding their efforts.

Obviously, we can draw only one conclusion from the federal budget, and that is that Quebeckers cannot count on a Canadian party to develop Quebec; Quebeckers cannot count on a Canadian government to develop Quebec; they can only count on themselves.

Taking charge of our destiny and relying on our own strengths has a name. It is called the emancipation of a people, of a nation. It is called independence.

• (1310)

[English]

**Mrs. Celina Caesar-Chavannes (Parliamentary Secretary to the Prime Minister, Lib.):** Mr. Speaker, I would like to thank my colleague for the work he does for his constituents.

*The Budget*

My colleague spoke about employment insurance. The government believes that employment insurance should be available to those who have lost jobs and are looking to care for children or loved ones in a time of need. We have made great improvements to the EI system through budget 2016, improvements that will allow for changes for new entrants and re-entrants into the EI system.

We have also called for improved service delivery so processing times can be reduced and people can have access to money faster when they need it. We have reduced wait periods from two weeks to one week. We have extended the working while on claim. We have also made it easier and more flexible to access compassionate care.

Does my hon. colleague think these changes and investments will impact those not only across the country but those in the Quebec region as well?

[*Translation*]

**Mr. Rhéal Fortin:** Mr. Speaker, as I said at the beginning, there are some good things in this budget. Not all of it is bad, but it does not take long to get through the good stuff and find out that the bad stuff is so bad it pretty much cancels out the good stuff.

For employment insurance, the extended benefit periods apply to 12 regions in Canada. The Minister of Finance was very careful not to include Quebec when designating those regions. I cannot list them all by heart, but they are in Alberta, Manitoba, Saskatchewan, northern Ontario and the Maritimes, New Brunswick, I believe. There is nothing for Quebec. The extensions apply only to regions whose economy has been affected by the oil crisis.

The petroleum economy is not viable. We all know that it is an energy source of the past. Quebec is turning to green energy. Not only is the government still investing in petroleum and handing over compensation for Alberta's losses, but it is also paying for problems related to the oil crisis through changes to employment insurance. That is nice, and I am sure the people who will benefit will be happy. I agree that it is a good measure.

However, it is good only for Canada. Quebec is getting nothing even though we are paying 25% of the cost of the system. Employed and unemployed workers in Quebec pay employment insurance premiums every week. The government is going to use their premiums to compensate regions that are struggling because of the oil crisis. We are dissatisfied and disappointed in this budget.

**Ms. Anne Minh-Thu Quach (Salaberry—Suroît, NDP):** Mr. Speaker, I thank my colleague for his speech. He raised the issue of child services and the importance of ensuring that our young people are treated better.

According to a UNICEF publication, Canada is one of the wealthiest countries with the most inequalities when it comes to how children are treated. UNICEF ranks Canada 26th out of 35 countries when it comes to education, health, income, and a fourth category that I do not recall. UNICEF is urging Canada to reinvest in family incomes and child services.

When we know that the Liberals made new investments to reduce taxes for the wealthiest Canadians and did nothing about the taxes for those who earn less than \$45,000, meaning the majority of Canadians and Quebeckers, it makes us wonder about their strategy to reduce inequality, especially for children.

When we know that inequality carries over throughout a lifetime, beginning with young children, it is a little more difficult. We also know that health transfers did not go up, even though the Liberals promised during the election campaign that they would review the Conservatives' cuts. This has a big impact on the quality of life of our children and their chance to flourish.

What are my colleague's thoughts on this?

• (1315)

**Mr. Rhéal Fortin:** Mr. Speaker, I thank my colleague from Salaberry—Suroît for her question.

I agree with her, and I think it is terrible. We in the Bloc Québécois believe in free education for children, and that begins with early childhood centres. We believe in social equity, and that begins with the taxes that we pay.

This evening my colleague from Joliette will be moving a motion on tax havens. That is where it begins. Rather than taking money from workers who make \$30,000 or \$40,000 a year, why not eliminate tax havens and recover billions of dollars? Why not raise the tax rate for banks? There is no reason not to, and yet the government refuses. The people wind up paying for that.

As for family benefits, yes, the Prime Minister did announce during the election campaign that those benefits would be tax-free, but that does not go into effect until next year. Benefits paid out last year are taxable this spring.

These are nasty surprises for taxpayers in Quebec and across Canada. We are very disappointed in how this government is managing the education file and treating young Quebeckers and young Canadians and the parents watching over them.

**Mr. Marc Miller (Ville-Marie—Le Sud-Ouest—Île-des-Soeurs, Lib.):** Mr. Speaker, I would first like to thank my Quebec colleague for his passionate yet flawed speech. I would like to say to him that there are 40 Quebec MPs in the government party who advocate for Quebeckers every day. We have a government that is led by a Prime Minister from Quebec.

If my colleague has read the budget, he has misread it. I doubt that he has read it, or the Constitution, because he should be bringing many of his concerns to the Quebec government.

*The Budget*

With respect to the budget, the member has expressed concerns that are not specific to Quebec. They apply to all of Canada. However, he made no mention of the Canada child benefit, which is truly revolutionary for transfers to Quebec and the rest of Canada for Canadian and Quebec families. In Quebec, 80,000 children will benefit, and their lives will change drastically. Nine out of 10 Quebec families will benefit thanks to this budget. We have not had this kind of reform to our allowance system for 30 years. I would like to hear what he has to say about that, because families that will benefit would like to know. That is something he forgot in his speech, and it is in the budget.

**Mr. Rhéal Fortin:** Mr. Speaker, I thank my colleague opposite. I want to thank him for thanking me for a flawed speech. I look forward to giving a speech that is more to his liking and hearing the Liberals applaud.

That being said, I sympathize with what my colleague said about the 40 Liberal members who are part of the Liberal caucus. I sympathize with them because, from what I understood from the member's comments, their government made all the decisions about the budget, not them. They have to live with that. That is unfortunate. I sympathize with them, but what can we do? They are the ones who are in power.

If our Prime Minister wants us to form a government, perhaps we could think about it and come to an agreement with him, but for now, the budget is a Liberal budget produced by a federal Liberal government. That is what I was criticizing.

**Mr. Ramez Ayoub (Thérèse-De Blainville, Lib.):** Mr. Speaker, I will be brief. I would like to ask a question because it seems obvious that we are not always all on the same planet.

Your party has very clear intentions. However, with regard to how Quebec fits into the federal budget, I would like to quote a comment made by someone who should know what she is talking about. I come from the municipal sector, and Suzanne Roy, president of the UMQ said that the federal budget was a good budget. She said:

We can say that we have been heard. The government responded to the municipal sector's main expectations. What is more, the Government of Canada is sending the message that it wants to build a solid partnership with the municipalities for the benefit of all members of our communities.

I would like to hear what you have to say about that.

• (1320)

**The Assistant Deputy Speaker (Mr. Anthony Rota):** The hon. member for Rivière-du-Nord will have 30 seconds to respond, but before I turn the floor over to him, I would like to remind members to speak through the Speaker, not to the Speaker.

**Mr. Rhéal Fortin:** Mr. Speaker, for the information of my colleague, my neighbour from Thérèse-De Blainville, Rivière-du-Nord is in Quebec, on planet Earth.

My colleagues from Joliette and Pierre-Boucher—Les Patriotes—Verchères met with the UMQ. Its demands are the same as the Bloc's. We were calling for clear budgets that do not cause endless squabbles between Quebec and Ottawa, which we unfortunately did not get.

I am sorry to tell my colleague that his interpretation of the UMQ's position does not seem to match what we took away from our tour of Quebec.

[English]

**Hon. Hedy Fry (Vancouver Centre, Lib.):** Mr. Speaker, I am very pleased and proud to stand here and support this budget.

I know everybody is listening to thousands of pieces of information about programs here and there, but the big thing about the budget is that it invests in two important things. It invests in the economy and creating jobs, and it invests in people, helping Canadians have more money in their pockets spend, to afford to do things they need, and to cope. For me, these two key issues are very important.

First and foremost is the economy. We need to invest in the economy now. We have had a stagnant economy and not very good job creation over the past 10 years. Everything has stayed steady because we have depended on one commodity only to float the economy and jobs, and we have seen what has happened. We have no control over global markets, and oil prices have gone down.

We are trying to diversify the economy, not only by investing in natural resources, of which we have a lot, but also by investing in the 21st century economy, creativity, and innovation. To do that, we have to reinvest in those areas that have been ignored for quite some time.

We want to kick start the economy now so it can start moving and then develop a long-term economy. Therefore, we are investing immediately in infrastructure.

As members well know, we are investing \$11.9 billion in infrastructure, which is phase one. I want to point out that this budget is not the only and final budget this government will bring in. This is our phase one budget. When we invest in infrastructure, we are investing in green infrastructure, looking at waste water, encouraging electric vehicles, simple things like that which will move us forward.

We know that infrastructure brings jobs and gets people working immediately. Therefore, we are building roads and bridges. Road and bridges have to take our people, goods, and services across the country to ports and areas in which we can move them around the world. It is an important investment. For public transit alone, we are talking about \$3.4 billion over three years.

Also, what most people do not understand is that from coast to coast, ferries are important points of transportation. British Columbia will benefit from the 25% tariff being taken off of ferries. This will allow us to have bigger and better ferries, and to fix the ones we have right now. Again, when we can move our goods and services, that puts us into the competitive arena.

We are also investing in social infrastructure. We are investing in housing, which is the first part. Building new housing and renovating old housing is real work for real people, which will continue over the next five years and into the future. As the economy grows, we will see more building going on.

*The Budget*

We are talking about the spectrum of housing. It is not only low-income and social housing in which rent is geared to income, but we are also looking at building home care for seniors. We are looking at how we can work with provinces and municipalities to build affordable housing. Because of that, the affordable housing budget of Canada Mortgage and Housing Corporation has been doubled.

When the Liberals first brought in a national housing strategy back under Lester Pearson, CMHC was created. However, CMHC seemed to have lost its way in the last 10 years. Now we have now brought it back to do what it was supposed, which is to invest in affordable housing.

Many Canadians and their children cannot afford to buy houses, and may be living farther away. However, investing both in housing and transit closes that loop. In other words, we can get them to work and back home in a faster period of time.

We are also investing in the new 21st century economy. We are looking at investing in research and development, and science. We are looking at investing in areas such as commercializing our technology, which is a huge. We have universities that are second to none. They are coming up with important new discoveries, and the ability to commercialize some of that work is very important.

• (1325)

We developed the ebola vaccine here and we sold it, gave it away to a big company. We now have to buy it when we want it. That is not the kind of industry. We want to be a place where people can come here and talk about how we can develop good pharmaceuticals.

Over the years, we have shown excellence in environmental medical technology. This is where good, well-paying, solid, environmentally friendly green jobs will come from and it will give Canada a name in the world as a niche market and a place when looking for this environmental technology.

I do not know if many people know this, but we happen to be best for sound and special effects in film, not just in North America but in the world. Everyone is beating a path to our door because of our new ability to deliver sound and special effects. This creates jobs. These jobs start at \$63,000 a year. We are not churning out people in film school fast enough to fill those jobs. Canada can excel in communications technology, film, arts and culture and be the place the world looks to when it wants to find excellence.

We are looking at our ability to develop communications technologies, green technology and translational technologies. We are actually able to develop innovations in health care that we can commercialize to the rest of the world. Therefore, that translational research is very important. That is the kind of technology, the kind of new economy about which we are talking. That is where Canada can begin to excel.

With regard to aerospace, we have McDonnell-Detweiler, the Canadarm, the ability to bring in things like CASSIOPE that can download and upload enormous amounts of information and time. RADARSAT, which Google and all of the world now uses to tell us who is on what street and how to get from A to B, is Canadian, developed in my province of British Columbia with McDonnell-

Detweiler. Let us go back and gear to be excellent in certain things. When we talk about investment, this is an example.

I am just reminded, Mr. Speaker, that I may be splitting my time with the member for Parkdale—High Park.

We are talking about that kind of investment in the economy, but the economy is not just an abstract thing. The economy is people. People are the ones who work, who produce, who make Canada competitive. Therefore, we are looking at how we invest in people so Canada can once again become a more productive nation and be competitive in a global economy. We have not been doing that very well.

We are reinvesting in skills so people can transition from economies that are not doing particularly well to the new economies. Retraining people is a huge investment, and is an important for people in the workforce.

Let us look at the young people coming into the workforce. We are now doubling the Canada student summer job program, with apprenticeship programs. By doubling it, every year 35,000 new students in university will be able to learn and train for these new jobs. This had been severely cut under the last government. We are bringing this back. We are telling students who come out of university that until they find a job that will pay them \$25,000, they do not have to repay their loans.

We are bringing in grants for students to go to university and stay in university, up to a thousand new dollars a year.

We are investing in the fastest growing population in our country, which is the aboriginal people. If we recall, there was something called the Kelowna accord under a past Liberal prime minister, Paul Martin. It would have invested \$5 billion over five years into housing, education and health. It would be administered by aboriginal people for aboriginal people in partnership with the provincial and federal governments.

As soon as the last government came in, it was cancelled. That meant there were 10 years in which none of those programs were used, and aboriginal communities were 10 years behind in being able to participate fully in the economic, social and political life of our country. We have now brought it back. Ten years is almost a lost generation.

We had an emotional debate in the House about what was happening in Attawapiskat. This is not a new thing. It is because of despair and hopelessness. Communities need to participate fully in the economic life of their country and know there is hope that their next generation will do better, that they can find meaningful work in which they can find dignity. This is important. Working with indigenous people on a nation-to-nation basis is very important.



*The Budget*

•(1330)

I could go into arts and culture, which creates 1.1 million jobs in this country and brings about \$37 billion a year into our GDP.

These are the things we are investing in, people, the economy, jobs, and putting Canada back on the world stage.

**Mr. Mel Arnold (North Okanagan—Shuswap, CPC):** Mr. Speaker, there are a few things the member opposite did not mention in her speech. I have heard other members from the government speak about how they are proud of this budget, but what I have not heard them speak about and what I am wondering if they are equally proud of are the cuts that are made in this budget to the textbook tax credit, the children fitness tax credit, and the arts tax credit, and the cuts that were promised but were not made to the small business tax credit.

Perhaps the member would like to comment on whether she is proud of those cuts.

**Hon. Hedy Fry:** Mr. Speaker, one can call it what one wishes, but the point is that those tax credits did not achieve the goals they set out to achieve. Those boutique tax credits, as we call them, supported only high-income families or high middle-income families who had the money to put their children into sports, or to put their children into arts and music, and at the end of the year, they got the money back in tax credits.

We are talking about families who cannot afford to do that now, so they cannot afford to wait a year. Many families do not pay that much in taxes to be able to get back that money.

What we are trying to do is level the playing field by bringing in the child benefit. The additional money that families in the low-income and middle-income brackets are going to get will allow them to do those things for their children, enrol their children in sports, buy their children sports equipment and musical equipment now, today, and not wait for the end of the year, or never being able to afford it because they do not qualify for a tax credit.

The important thing to remember is that the money we are giving is going to benefit nine out of 10 families in this country, low-income and middle-income families, and it will be tax-free. I would like to point out that the tax credits before were not tax-free. The child benefit was a taxable benefit. This is money that will be in people's hands now so they can participate today.

**Mr. Alistair MacGregor (Cowichan—Malahat—Langford, NDP):** Mr. Speaker, as a fellow British Columbian, I am very interested to hear the comments of my colleague, the member for Vancouver Centre, on BC Ferries.

It was noted in a news article last year that Atlantic Canada's ferries are subsidized to the rate of 350 times more than BC Ferries, and BC Ferries is, arguably, the largest ferry system in the world.

Also, the Liberal government is removing the 25% tariff on ferry imports.

I wonder, as a fellow British Columbian who has probably used the ferry system, why she is standing against local manufacturers for ferries and why there is nothing in the budget to help BC Ferries.

Will you not stand with us on this side, with your fellow members of Parliament from British Columbia, for BC Ferries? They do need some federal help.

•(1335)

**The Assistant Deputy Speaker (Mr. Anthony Rota):** I want to remind the member that I will not be standing with anyone. I think who he meant was the hon. member for Vancouver Centre.

The hon. member for Vancouver Centre.

**Hon. Hedy Fry:** Mr. Speaker, actually, I am standing with BC Ferries.

We heard from BC Ferries. We heard from the ferry system in British Columbia. What they need to help them is significant reinvestment in ferries and the ferry system. I might also note that this government has just announced huge investments in British Columbia itself into shipbuilding and into helping build some of these. At the moment, we do not have the capacity to build new ferries and the problem is that ferries had to be imported and that 25% tariff hurt them.

They told us specifically what they wanted. We listen to what people tell us they need. We do not decide that we know better than they do.

**Mr. David de Burgh Graham (Laurentides—Labelle, Lib.):** Mr. Speaker, very briefly, I want to congratulate the member on the milestone she achieved this week of being the longest-serving female member in the history of this House. I think it is a very important marker for her and I think she should be recognized for her 23 years of selfless service here.

She talked about the benefits of this budget for our country. I want to hear more about how it is going to help in her riding.

**Hon. Hedy Fry:** Mr. Speaker, in my riding we have a huge arts and culture sector, a huge film sector. This is a new economy. These are the new jobs. We can help by pushing for those. They are already in this budget. By voting for the budget, the hon. member will be helping not only my riding, but a very strong industry in British Columbia.

**Mr. Arif Virani (Parliamentary Secretary to the Minister of Immigration, Refugees and Citizenship, Lib.):** Mr. Speaker, I rise today to speak to the 2016 budget. The document was created after listening to what thousands of Canadians wanted to see from their government. It reflects the priorities of Canadians and embodies the real change that the people of Parkdale—High Park voted for on October 19 last year.

Today, I want to organize my thoughts around three central themes that infuse the core of this document: first, our government's commitment to a fair and more inclusive society; second, our objective of helping Canadian children thrive; and third, the goal of creating a long-term vision for Canada.

### *The Budget*

On the first theme, I came to this country as a Ugandan refugee in 1972. I was 10 months old at the time. My father, my mother, my four-year-old sister, and I arrived with nothing more than a couple of suitcases. However, we lived in a society where my sister and I, the children of working-class parents, had access to the same opportunities as everyone else. We were treated with respect and dignity. We were shown that no matter where we came from or how limited our means, we lived in a country where our success was limited only by our imagination and our capacity to work hard.

However, over the last 10 years, the previous government systematically eroded the foundation of that fair and inclusive society, putting in place barriers to success and limiting rather than empowering people to reach their full potential.

I am proud that our new government is doing things differently. We are committed to restoring a fair and inclusive society

First and foremost, as part of that commitment is repairing our relationship with indigenous peoples. Over the generations, that relationship has suffered from both passive neglect and active hostility. First nations, the Métis nation, and the Inuit do not enjoy anywhere near the same quality of life as other Canadians. With the 2016 budget, our hope is that this relationship can begin anew. Our government is taking its first steps by launching a national inquiry into missing and murdered indigenous women. Coupled with this, we are investing \$8.4 billion over five years to create opportunities and improve the socio-economic conditions of indigenous people. Correcting this relationship and improving the plight of our first peoples is not only beneficial for the collective, it is also a moral imperative. I know that the residents of my riding know this as well.

Organizations in Parkdale—High Park have already been taking action. I am proud of the work that Wigwamen has been doing in my riding to rebuild this relationship. Wigwamen is Ontario's oldest and largest urban indigenous housing provider, with 214 units throughout Toronto, including in Parkdale—High Park.

Our commitment in this budget to fostering a fair and more inclusive society extends to protecting many of our most vulnerable. We are working toward lifting seniors out of poverty. Our government is restoring the retirement age from 67 to 65, and increasing the GIS that is provided for single low-income seniors by nearly \$1,000.

Budget 2016 also targets housing and homelessness. Our social infrastructure investments include \$504 million over the next two years alone to construct affordable housing units, and \$573 million to address repair backlogs in social housing.

More importantly, this budget dedicates \$112 million in the next two years alone to homelessness, which also includes much-needed support for things that relate to mental health and addiction.

Budget 2016 also strengthens protections for the survivors of domestic violence. Our infrastructure plan will allocate \$90 million over two years for the construction and renovation of shelters and transition houses for victims of violence. Unfortunately, my riding is no stranger to this issue. For 23 years, the excellent staff at The Redwood shelter in Parkdale—High Park have been providing a safe and empowering space for women and children fleeing domestic violence. Notwithstanding its incredible work in our community, the

need for safe spaces for women fleeing domestic violence in Toronto and other cities around Canada persists. This budget acknowledges that and works toward fulfilling that need.

A fair and inclusive Canada is one that promotes access. Budget 2016 will also make the objective of post-secondary education more attainable by doubling the size of the Canada student grant for youth from low-income and middle-income families.

We also know that helping people afford an education alone is not enough. We are committed to helping our youth transition from the classroom to the workforce by investing \$495 million next year alone in the youth employment strategy. Again, the task of preparing our youth to succeed involves the community, and West Neighbourhood House in my riding has been contributing to this task for decades. Through the Toronto Youth Job Corps program, West Neighbourhood House in Parkdale connects youth to the workplace through employment, school, or training for young people between the ages of 16 and 29. It is helping kids who are out of school and out of work develop important life and employment skills that will help promote future success.

• (1340)

This budget's commitment to enhanced funding for youth employment reflects the fact that we value the work being done by entities like West Neighbourhood House.

Helping our children thrive is the second thematic point. The task of positioning our youth to succeed and contribute to our collective well-being begins much earlier than the post-secondary education that I just referenced. Evidence shows that children who have a strong start at the beginning of their lives have a greater chance of success later on.

Time and again at the doorstep, young families in my community of Parkdale—High Park told me about how difficult it is to raise kids in today's economy. I have two young boys of my own: Zakir is age five and Nitin will be two tomorrow. If I could be permitted a brief indulgence, Mr. Speaker, I would just like to say happy birthday to my little guy and that I will see him tomorrow.

More importantly, as a father of a young family, I know that it is rewarding raising a family, but it is very challenging in this economy. Enter budget 2016. It will give Canadian families more money to help with the high cost of raising their children by replacing the current complicated system of child benefits with a single CCB, the Canada child benefit. It is simpler and it is more generous.

Gone are the days of the previous government's universal benefits cheques sent to persons with seven-digit salaries who frankly do not need government help in raising their families. Gone also are the days when the previous government would issue a cheque, only for it to be clawed back by the taxman the following April.

This new child tax benefit is tax-free, and it is targeted so that low-income and middle-income families will receive more benefits than those with the highest incomes.

*The Budget*

We campaigned on a very specific promise to deliver assistance to those that need it the most. This targeted Canada child benefit coupled with the middle-class tax cut that we passed on January 1 this year will do exactly that.

Turning to the third point, we have a long-term vision for Canada that is encapsulated in this budget. Some of the aspects of that vision have already been articulated from the day we assumed office.

We believe in equality; hence, we have a gender equal cabinet.

We believe in evidence-based policy; hence, there is the immediate reinstatement of the long-form census.

We believe in daring to name the danger of climate change; hence, we renamed the ministry, led in Paris at the COP21 summit, and invested \$3.4 billion in this budget alone, for the next five years, to address climate change.

We also believe in compassion. A subject near and dear to my heart, we have accepted 26,000 and counting Syrian refugees into this country.

With this budget, another part of our vision becomes clear. We believe in Canadian culture. The support in this budget for the CBC and other organizations that promote Canadian culture illustrates this.

The residents of my riding include a large number of artists, writers, filmmakers, TV producers, musicians, actors and editors. They contribute to the culture of Toronto, and they are a huge economic engine for our country. We believe in cultivating that creative and economic engine, not impeding it. That is why this budget includes an investment of \$1.3 billion over five years to support arts and culture organizations, including \$550 million alone for the Canada Council for the Arts.

Our plan is not simply about promoting Canadian creative output, it is also about preserving Canadian cultural icons. Time and time again on the campaign trail and thereafter, the residents of Parkdale—High Park told me that, after a decade of neglect, to save the CBC. We have listened, and we have responded. Budget 2016 commits \$675 million to the CBC over the next five years as a reaffirmation of the vital voice that CBC/Radio-Canada plays in our public discourse in promoting our two official languages and supporting our shared culture and values.

In conclusion, this budget is transformative. After 10 years of neglect, this budget signals to Canadians that they finally have a government that is willing to invest in this country, in its people, in its institutions, and in its infrastructure.

Most importantly, the budget illustrates our government's commitment to creating a more fair and inclusive society, and helping all Canadian children get the best start in life possible.

Budget 2016 crafts a long-term vision for this country that reflects our shared values, values like equality, compassion, and a commitment to evidence-based policy. I am proud of this budget, and I will be wholeheartedly supporting it. I urge all members of this House to do the same.

● (1345)

**Mr. Ziad Aboultaif (Edmonton Manning, CPC):** Mr. Speaker, that was a very detailed overview of the budget. Anyone can read it in the book.

With a very expensive budget for money we do not have, could the member opposite advise us of how many jobs the \$30 billion first-year deficit will generate in the Canadian economy?

**Mr. Arif Virani:** Mr. Speaker, the short answer is that countless jobs can be created with this kind of investment. It takes a bold vision to agree to invest in infrastructure, to invest in the economy and to stimulate it, but it is actually not that bold a decision. It is quite facile when we have extremely low interest rates and a debt-to-GDP ratio that is the envy of the G7.

It is a prime opportunity to invest in the economy. It is something that we campaigned on during the election. It is something we are fulfilling with this budget and will continue to fulfill as we meet our overall infrastructure investment targets of \$60 billion over the next 10 years.

The statistics are already coming in from Stats Canada apropos my friend's question in respect to the job creation, which is already occurring and will continue to occur in this country because we finally have a government that is daring to invest in the economy when it is sorely needed.

**Ms. Sheri Benson (Saskatoon West, NDP):** Mr. Speaker, I noticed in my colleague's speech that he spoke about the importance of helping those who need it most. I would like to hear his comments on a particular choice that the Liberals made in the budget, which was to keep \$800 million in stock option loopholes open for very wealthy CEOs while shortchanging on first nations education.

The Liberals say they are investing \$2.6 billion, but this is over five years, not four years, which is a reduction of \$800 million, and it is back-loaded in the last two years. On top of that, we know that the Canadian Human Rights Tribunal has again told the government that we are discriminating against indigenous children on child welfare.

I would like the member to comment on those choices that were made in the budget.

**Mr. Arif Virani:** Mr. Speaker, I thank my hon. colleague for her question and her concerns on these very pressing issues.

The budget involves choices. Any legislative policy, any government initiative obviously relates to choices. Balances are struck and certain issues will come to the fore and be prioritized.

*The Budget*

First nations are a commitment that cannot be understated by this government. I urge the hon. member opposite to consult the two things that are in common among all of the mandate letters issued by the Prime Minister to all 30 ministers of this government. The only thing that is in common, other than the Prime Minister's signature, is to repair the relationship we have with our first nations communities. No one should underestimate or discount the level of commitment and prioritization that has been made in this regard.

Just a few days ago, we had a very robust debate initiated by one the hon. colleague's members, the member for Timmins—James Bay, about the deplorable conditions in which our first nations exist. We acknowledge that. We are working as quickly as possible to remedy that situation.

Can more be done? Absolutely, more can be done, and we are working to address these issues as quickly as possible. We are trying to make this as non-partisan an issue as possible.

I have no doubt about my friend's conviction in assisting in that regard. Obviously, addressing the needs of first nation communities continues to be a priority, and I hope to work with her on it going forward.

• (1350)

**Mr. Frank Baylis (Pierrefonds—Dollard, Lib.):** Mr. Speaker, in the last election when I was knocking on doors, some of the households had received a cheque from the previous government's child benefit plan. The problem was that they had spent that cheque, and I felt bad when I had to inform them that actually they would be paying tax back on that cheque.

The new Canada child benefit, I understand, is tax-free, and I would like to hear from my colleague how that will have a better impact for middle-class families.

**Mr. Arif Virani:** Mr. Speaker, it will have a better impact because it is more honest, open, and transparent. We will be giving people something that they can rely upon and spend, knowing full well that it is not going to be clawed back later.

A tactic like that is actually the politicization of a benefit, and it was used by the previous government to give with the one hand and take back with the other. That is not the kind of politics we practise on this side of the House and it is not the kind of politics we are endorsing with the budget. To the contrary, we are endorsing a plan that will put more money in people's hands and make sure that it stays there so they can make decisions about it going forward.

**Ms. Rachael Harder (Lethbridge, CPC):** Mr. Speaker, I will be sharing my time with the hon. member for Elgin—Middlesex—London.

While I was pleased to see some measures, such as a short-term extension of employment insurance benefits for oil and gas workers in my riding and some investments in social housing, I found that the budget borrowed heavily from future generations, without a plan for job creation and without any sort of thought toward returning to a balanced budget.

The budget borrows a lot of money. It will borrow \$30 billion this year and over \$100 billion over the next four. How can Canadians trust a government that has broken its promises right out of the gate?

The government demonstrates an attitude of entitlement and an absolute disregard for the hard-working taxpayer.

The Prime Minister has said he wants to place emphasis on our young people, but the only thing he is doing for our nation's youth is simply saddling them with a horrendous debt and thereby making it extremely difficult for them to move ahead in life after graduating from school.

I have listened to union economists, Liberal politicians, and various pundits talk about how insignificant this deficit is, so let us talk about that.

The budget borrows \$118 billion over six years from future generations. To put that in perspective, the Bow tower, which is the tallest skyscraper in Calgary, cost \$1.2 billion to build. This means that our present budget could build 100 Bow towers. That is 50 skyscrapers more than the entire downtown core of Toronto.

The most worrisome part of the deficit is that there is absolutely no plan to eliminate it.

I would like to take a closer look at the budget and what it means for the hard-working people of Lethbridge that I represent.

First, let us look at jobs. I was saddened by the fact that there is no long-term vision to get Alberta's economy back on track. The budget confirms that the government is not interested in helping Alberta recover from a terrific downturn in the oil and gas industry and the loss of tens of thousands of jobs. The government's lackadaisical approach to job creation simply will not benefit anyone.

I am both proud of and confident in the entrepreneurial spirit and strong work ethic of the people of Lethbridge. I represent thousands of small business owners who are smart, willing to take calculated risks, and eager to give back to the community by creating jobs. Small businesses are the heartbeat of the Canadian economy. They drive our innovation and entrepreneurial effort as a nation and they employ more Canadians than any other sector.

During the campaign, the Liberals promised to lower taxes on small businesses. However, they have failed to come through. Our Prime Minister lied. This broken promise will cost small businesses across Canada a billion dollars a year, money that could have been reinvested to create jobs.

Let us talk about families.

Our previous Conservative government made families a priority. This was rooted in our belief that families are the fundamental building block of Canadian society. In order to pay for their new child benefit, the Liberals have eliminated the universal child care benefit, the children's fitness tax credit, and the children's art tax credit. Furthermore, the Liberals have also followed through on their threat to eliminate income splitting for Canadian families, an initiative that helped thousands of families in the Lethbridge region.

The government claims that families will get more money under its child benefit plan, but when we look at it closely, we see the big picture: the middle class actually loses out. Parents understand better than government what is in the best interests of their children, but the budget removes choice from parents, limits options for families, and ultimately puts more power into the hands of government instead of the hands of parents.

I was disappointed to note that the infrastructure spending proposed to trigger economic growth is already earmarked for big cities, in particular Toronto, Montreal, Ottawa, and Vancouver. This appears to be a big-city budget that would do very little for a small centre like Lethbridge.

Furthermore, there is little in the way of investing in rural areas. In my area, we have many roads and bridges in the county that have not been repaired or maintained since the 1950s. These roads and bridges are used each and every day to help get agricultural commodities to market, which is very important for Canada as a nation. Overall, the budget is in blatant disregard of our primary producers and ignores their needs, thereby ignoring the needs of Canada as a whole.

I would like to draw attention to two other areas that I am quite passionate about. Those are persons with disabilities and our nation's young people.

As in the Speech from the Throne, there is a glaring omission, and that is help for persons with disabilities. The only immediate item for people with disabilities is a small \$2-million-a-year increase to the enabling accessibility fund, a \$14-million fund that was created by the late Jim Flaherty.

• (1355)

This is in contrast to the Conservative budgets, which created new programs such as the registered disability savings plan and the Canada disability savings grant to help families save for the future of a child with a disability. As well, Jim Flaherty created the enabling accessibility fund in order to create access to public spaces by persons with a physical impediment. The Liberal government promised to introduce a national disabilities act, but this promise, like so many others, has not come to fruition in the 2016 budget.

It is my sincere hope that in the coming years, the new government will actually meet with representatives of the community of persons with disabilities in order to understand the significant challenges that they face each and every day. I have had the immense privilege of listening to many of their stories and I am encouraged and amazed by their perseverance, resilience, and hope. I believe the Liberal government can do better—in fact, must do better—to build an inclusive Canada.

The Liberal government describes itself as a champion of young people. The Prime Minister has expressed that he intends to prioritize Canada's youth, but the monetary lines in the budget simply do not match his rhetoric.

That said, there are a few good things in this budget that I can support—

**Some hon. members:** Oh, oh!

### *Statements by Members*

**The Assistant Deputy Speaker (Mr. Anthony Rota):** Order. If I could have your attention, please, we do have a member who is speaking. If we could have a little respect in the room, we would certainly appreciate it. Thank you.

I am afraid it will only be about 30 seconds more, but please go ahead.

**Ms. Rachael Harder:** Mr. Speaker, the increased access to the student loans program is positive and builds upon the legacy of the Conservative government to increase accessibility to post-secondary education. Though it is true that grants will increase slightly this year, it is equally true that most students will see a decrease in their grant amounts as the Liberals implement a progressive income bracket for grants in subsequent years. This means that despite the focus on youth in this budget, the total sum of these measures will not significantly reduce the cost of achieving a post-secondary education.

**The Assistant Deputy Speaker (Mr. Anthony Rota):** The hon. member for Lethbridge will have three minutes remaining to finish her debate after question period.

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## STATEMENTS BY MEMBERS

[*English*]

### CLARENCE KENNEDY

**Mr. Mike Bossio (Hastings—Lennox and Addington, Lib.):**

Mr. Speaker, I rise in the House today to pay tribute to the warden of Lennox and Addington County, Clarence Kennedy, who passed away in office in March.

Integrity was his hallmark, and Clarence was a model of service to his community. He wore many hats, as many talented people like him so often do. He was a farmer in a strong farming community. He was a teacher with the Lennox and Addington Board of Education and the Limestone District School Board for 33 years. He was also a long-serving councillor and then reeve of Stone Mills Township. We were also fortunate to see him made warden of Lennox and Addington County for 2016, although his time in that office was far too short.

Canada's rural communities need more farmers, teachers, and public servants like Clarence. As a new MP, I greatly benefited from having experienced people like him to work with in service to our constituents.

I ask this House to please join me in thanking Clarence Kennedy for his service. May he rest in peace.

\* \* \*

• (1400)

### 2016 ESSO CUP

**Mr. Robert Kitchen (Souris—Moose Mountain, CPC):** Mr. Speaker, this Sunday, April 17, I will have the privilege of dropping the puck at the 2016 Esso Cup, AAA hockey's national female midget-age championship in Weyburn, Saskatchewan, which runs from April 17 to 23 at Crescent Point Place.

*Statements by Members*

There will be 150 players from all across Canada in Weyburn, competing to win the title of national champions. I would like to specifically recognize the home team and my constituents, the Weyburn Gold Wings, and I wish them the best of luck.

I would also like to encourage all members in this House and all Canadians to come to Weyburn, Saskatchewan, also known as the opportunity city, and take in a game while cheering on those outstanding athletes. The chance to see some of our best female hockey players and maybe a future Olympian or two is nation-building.

I thank all the employees and volunteers who are working tirelessly to organize this event. To all the teams competing, I extend my best wishes and good luck on winning the 2016 Esso Cup.

Go, Gold Wings, go.

\* \* \*

[Translation]

**CORPORATION ROSE-ART GALLERY**

**Mr. Yves Robillard (Marc-Aurèle-Fortin, Lib.):** Mr. Speaker, every year, in my riding, Marc-Aurèle-Fortin, the Corporation Rose-Art gallery, which was founded in 1991, brings together on Sainte-Rose Boulevard more than 90 artists, painters, and sculptors from Quebec and elsewhere. During this symposium, more than 20,000 visitors come to this historic street in Marc-Aurèle-Fortin.

Last week, I had the privilege of being the guest of honour at an event for Laval's next generation of painters. I rise today in this chamber of our democracy to highlight the contribution that our young artists from Laval and across the country make to our society.

[English]

I look at the young generation of new artists and their predecessors and take pride in the fact that artists from all walks of life are encouraged to follow their passion.

[Translation]

Thank you and bravo to our next generation of artists, and especially those who can be found on Sainte-Rose Boulevard in the summer.

\* \* \*

[English]

**CANADA POST**

**Mr. David Christopherson (Hamilton Centre, NDP):** Mr. Speaker, Hamiltonians were front and centre in the fight to save home mail delivery. They know just how important this service is for seniors and those with mobility issues, as well as the other important services Canada Post provides across our country.

In the middle of the last election, while visiting the mayor of Montreal, the Prime Minister said that his party would restore home mail delivery. Those comments were very clear and can be seen on video. However, now, in a classic bait and switch, the Prime Minister says that he is not going to be restoring home mail delivery because his platform only commits him to a moratorium on the previous government's plan to end door-to-door mail delivery.

This is just another example of Liberals campaigning on one thing and doing exactly the opposite when they are in power. After a winter of frozen community mailboxes, stolen letters, and mail littering the streets, Canadians expect the Prime Minister to honour his word and commit to fully reinstating home mail delivery, because as anyone—

**The Speaker:** Order, please.

The hon. member for Brossard—Saint-Lambert.

\* \* \*

[Translation]

**NATIONAL VOLUNTEER WEEK**

**Mrs. Alexandra Mendès (Brossard—Saint-Lambert, Lib.):** Mr. Speaker, since this is National Volunteer Week, I would like to highlight the exceptional and truly essential work done by the millions of volunteers who keep our communities going.

We have seen wonderful examples of that over the past few months as more than 25,000 Syrian refugees were welcomed across Canada. Without devoted and tireless volunteers, this amazing humanitarian operation could never have happened.

I would like to draw attention to the vigorous and enthusiastic efforts of volunteers in Brossard—Saint-Lambert who helped out at Maison Internationale de la Rive-Sud and worked with St. Lambert's Christian communities, organizations responsible for welcoming the dozens of Syrian refugees who settled in our riding and helping them integrate.

● (1405)

[English]

With deep gratitude for the inspiring work they did and do, I offer them all my lasting admiration.

\* \* \*

**GARRY LEFEBVRE**

**Hon. Kevin Sorenson (Battle River—Crowfoot, CPC):** Mr. Speaker, I rise in remembrance of a constituent of mine, Garry Lefebvre, who passed away on March 16, 2016.

Garry was well known and well respected all across our country and especially in Alberta.

He was a man of strong Christian faith.

Garry was an athlete and played eight seasons in the Canadian Football League for the Edmonton Eskimos and the Montreal Alouettes. He earned two Grey Cup rings and achieved top rookie in the western conference and top Canadian player in one of his Grey Cup games.

He went on to become one of the founders of Athletes in Action Canada.

Garry helped build Canada's first Circle Square Ranch, a summer camp in Halkirk, Alberta, where still hundreds of youth attend each and every summer.

*Statements by Members*

I have had the pleasure of hearing Garry Lefebvre speak on a number of occasions, and whether speaking on football in the CFL or on his relationship with Jesus Christ, he spoke passionately.

Our prayers are with his loving wife Sandy, his children Cheri and Brad, and their children.

Garry will be sadly missed.

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**TORONTO BEACHES LIONS CLUB EASTER PARADE**

**Mr. Nathaniel Erskine-Smith (Beaches—East York, Lib.):** Mr. Speaker, I grew up in my riding of Beaches—East York. As a kid, I attended the annual Easter parade along Queen Street East, hosted by the Toronto Beaches Lions Club. It involves marching bands and floats sponsored by local associations and businesses, and it is attended by thousands of residents every year, including an estimated 40,000 people this year alone.

As a tradition for many families in my community, it is particularly special for me to now march in the parade as the member of Parliament.

This being National Volunteer Week, I want to thank the Toronto Beaches Lions Club and all of the dedicated volunteers for making this parade a success year after year.

I ask my colleagues to join me in marking this year, the Toronto Beaches Lions Club Easter parade's 50th anniversary.

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**LAWRENCE PARK PANTHERS**

**Mr. Marco Mendicino (Eglinton—Lawrence, Lib.):** Mr. Speaker, during a season when, sadly, all Canadian hockey teams have been shut out, I rise today to provide a bit of good news on the hockey file. I know it is a shame.

I rise today to acknowledge the Lawrence Park Panthers girls hockey team in my riding, who recently won the gold medal for all of Ontario.

[*Translation*]

This is the first time that a team from Lawrence Park Collegiate Institute has won a medal during an Ontario Federation of School Athletic Associations championship.

That makes this a remarkable achievement for this exceptional high school, for girls' hockey, and for the riding of Eglinton—Lawrence.

[*English*]

I want to join with the parents and all constituents in our riding in giving a heartfelt hooray to coach Karen Daigle and the grade 11 and grade 12 players for this huge win. As a father of two girls, I thank them for their perseverance and for being such amazing role models.

As the Prime Minister said on his recent state visit to the United States, there is no doubt who plays the best hockey, and that is Canada.

**BURROWING OWLS**

**Mr. Dan Albas (Central Okanagan—Similkameen—Nicola, CPC):** Mr. Speaker, when I mention the burrowing owl, many think of one of British Columbia's premier wineries. We should not forget that it took the name burrowing owl to raise awareness that this rare species of owl was actually declared extinct in British Columbia back in 1980. However, the winery, working with the Burrowing Owl Conservation Society and other community volunteers, is working hard to change that.

Last week the Upper Nicola first nation hosted an event where six burrowing owls were released onto the reserve that also features artificially created burrows in the nearby habitat. This event was the first time in history that burrowing owls have been reintroduced onto first nations land in British Columbia. This event did not happen overnight and in fact required roughly two years of preparation.

I hope the house will join me in congratulating the Upper Nicola first nation, the Burrowing Owl Conservation Society, the many volunteers, and our federal species at risk interdepartmental fund for making this great day possible.

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**LABOUR**

**Ms. Filomena Tassi (Hamilton West—Ancaster—Dundas, Lib.):** Mr. Speaker, in 2014, U.S. Steel Canada entered creditor protection under the CCAA, pitching thousands of retired steelworkers into a spiral of uncertainty about their pensions and benefits.

For example, Marilyn, the wife of a proud retired steelworker, worries each time she has a prescription filled. She and her husband are out thousands of dollars each month. She lives in constant pain, and the stress she feels each day is making things worse.

On December 11, 2015, CHCH News terminated 167 workers. On that fateful day, Hamiltonians lost 62.5 hours per week of vital local news. The silenced CHCH voices are sorely missed by the viewing public and by Hamiltonians whose causes found a voice through their work.

We must work to protect the pensions and benefits of U.S. Steel Canada retirees, and we must probe the insensitive and possibly union-busting dismissal of CHCH workers.

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● (1410)

[*Translation*]

**MARIA CHAPUT**

**Mr. Dan Vandal (Saint Boniface—Saint Vital, Lib.):** Mr. Speaker, today I call upon all my colleagues in the House to join me in recognizing and thanking Senator Maria Chaput, who retired from the Senate of Canada on March 1, after 13 years of service.

*Statements by Members*

Maria was the first Franco-Manitoban woman to sit in the other place, where she defended the rights of francophone minority communities with passion and conviction.

Her invaluable contribution to the Canadian francophonie, and especially the Franco-Manitoban community, earned her a number of prestigious awards, including the Ordre des francophones d'Amérique.

[English]

Over her 13 years in the Senate, Maria was a strong advocate for the respect of Canada's two official languages and an avid promoter of the many benefits of our country's linguistic duality.

[Translation]

Maria, we are very grateful for the important role you played and will continue to play. Thank you, dear friend.

\* \* \*

[English]

**VANCOUVER INTERNATIONAL AIRPORT**

**Hon. Alice Wong (Richmond Centre, CPC):** Mr. Speaker, located in my riding of Richmond Centre is the Vancouver International Airport, most commonly known as YVR. The year 2015 was a milestone year for the airport, having served more than 20 million passengers in a single year, with plans to increase service to 25 million travellers per year over the next five years.

Indeed, there was another milestone at YVR last year, and that was the opening of the McArthurGlen designer outlet, the first of its kind in North America. This will attract even more tourists and local consumers to Richmond.

It is my privilege to serve a riding that hosts a global leader in excellent transportation service and continues to be a vital link for travellers within Canada and beyond.

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**VOLUNTEERS**

**Ms. Karen Ludwig (New Brunswick Southwest, Lib.):** Mr. Speaker, it is an honour to rise in the House today and recognize the many volunteers across our country who give so generously of their time to make our families, our communities, and our country strong.

Just last week, three young Syrian families were warmly welcomed to the town of St. Stephen in my riding of New Brunswick Southwest. I was there when they arrived, and it is overwhelming to see how the volunteers have worked so tirelessly, preparing every detail to make their transition into the community a smooth one.

I want to give special mention to the individuals and community groups who have welcomed more than 25,000 Syrians. I want to thank these volunteers who constantly remind us of what it means to be Canadian.

The leadership of our Prime Minister is inspiring volunteers in our country and around the world to be open, generous, and welcoming.

[Translation]

**FORESTRY INDUSTRY**

**Ms. Karine Trudel (Jonquière, NDP):** Mr. Speaker, the forestry industry is at a crossroads.

In Saguenay—Lac-Saint-Jean, many workers depend on the forestry industry. Protecting the future of our forestry jobs must be a priority.

The softwood lumber agreement has expired. The government will have to defend our forestry industry, despite heavy pressure from the U.S.

The 18% surtax on calendered paper is jeopardizing our jobs in Kénogami and Dolbeau, but the government is dragging its feet on this issue.

I urge the government to consider how important the forestry industry is in our region and to do something to protect forestry workers and their role in our economies.

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[English]

**PATRICK SOBESKI**

**Mr. Dave MacKenzie (Oxford, CPC):** Mr. Speaker, I rise today to pay tribute to Patrick Sobeski, who recently died on March 17, ironically, St. Patrick's Day.

Pat was a member of Parliament from 1988 to 1993. After the 1993 election, Pat returned to private business until 2001 when he returned to his birthplace of Woodstock, Ontario, to be with his elderly mother.

Pat was then elected to the Woodstock City Council in 2003, serving two terms as councillor and then one term as mayor of the city in 2010. He was dedicated to his community and always did his very best when serving the citizens of Woodstock.

Pat died at the age of 64, which is far too young.

I offer my condolences to his family and friends.

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● (1415)

[Translation]

**OTTAWA'S AHMADIYYA MUSLIM COMMUNITY**

**Hon. Andrew Leslie (Orléans, Lib.):** Mr. Speaker, first of all, I would like to thank the people of Orléans for placing their trust in me and electing me on October 19. I promise to work tirelessly on their behalf in the House of Commons and in the riding.

[English]

A short while ago, I had the honour of speaking at the Ahmadiyya Muslim Jama'at 50-year anniversary celebrations here in Ottawa. This community, whose motto is "Love for all, hatred for none", values peace, social justice, and harmony, above all else.



Present to convey this message were the national president, Mr. Lal Khan Malik, and the local imam, Mr. Imtiaz Ahmed, good friends. I was also pleased to see so many distinguished community members standing with the Canadian Ahmadiyya community, including my colleagues, the hon. Minister of Infrastructure and Communities, the member for Hull—Aylmer, the right hon. Prime Minister, and the Minister of Foreign Affairs.

For me, what stands out the most about the Ottawa Ahmadiyya community is the people's inspirational community activism, outreach, and anti-radicalization efforts.

[Translation]

For 50 years they have made Canada their home.

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## ORAL QUESTIONS

[Translation]

### THE BUDGET

**Hon. Denis Lebel (Lac-Saint-Jean, CPC):** Mr. Speaker, for the past few days, the Prime Minister has wrapped himself in the immaculate cloak of transparency, stating that his government is transparent and comparing our former government to his.

Let us hear from a third party, an independent party. With respect to transparency, the parliamentary budget officer said that he was unable to provide all the data because the government did not give him all the data. He is an independent person.

How can the Prime Minister claim to be transparent?

**Hon. Scott Brison (President of the Treasury Board, Lib.):** Mr. Speaker, it is clear that our government is completely open and transparent. That is why we gave all the numbers to the parliamentary budget officer. We will continue to co-operate with his office because we have a great deal of respect for the work he does.

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### ETHICS

**Hon. Denis Lebel (Lac-Saint-Jean, CPC):** Mr. Speaker, the hon. member just said that the parliamentary budget officer was not telling the truth. That is unbelievable.

The parliamentary budget officer said that he did not have all of the information, but my colleague is saying that his government gave it all to him.

We should not be surprised, since, yesterday, when we asked the Prime Minister about his four companies, he did not want to give us any details. He was very evasive about the whole thing.

What does the Prime Minister have to hide in that regard?

**Hon. Dominic LeBlanc (Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, my colleague opposite knows full well that we have absolutely nothing to hide.

The Prime Minister was very clear yesterday. It has never happened before, but he proactively disclosed information about his personal finances when he decided to run for the leadership of our

### Oral Questions

party. The companies in question always paid all of the necessary taxes.

Obviously, when he became Prime Minister, his assets were placed in a trust, which is the appropriate thing to do.

\* \* \*

[English]

### THE BUDGET

**Mr. Andrew Scheer (Regina—Qu'Appelle, CPC):** Mr. Speaker, the reviews are in for the Liberal budget with a resounding fail for transparency.

The parliamentary budget officer called it the least transparent budget in 15 years. A former deputy finance minister said that it failed the Liberals' own campaign commitments. Even the CBC called it a “shell game”.

The Prime Minister thinks that the budget will balance itself, but how can the Liberals have any credibility on the economy when they keep fudging the numbers?

**Hon. Scott Brison (President of the Treasury Board, Lib.):** Mr. Speaker, in fact, the reviews are in from economic experts, people like David Dodge, Kevin Lynch, and Larry Summers, former secretary of the treasury in the U.S., who have called for this kind of important investment in jobs and growth for some time.

Their calls were ignored by the previous government. We have listened.

We have also heard from the Governor of the Bank of Canada, who said that we have a better mix of policies today than we would have had without that fiscal change.

The reviews are in, and we are doing the right thing.

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### NATURAL RESOURCES

**Mr. Andrew Scheer (Regina—Qu'Appelle, CPC):** Mr. Speaker, the Prime Minister is making pipeline projects more difficult to get approved by adding more hurdles and red tape.

He keeps moving the goalposts and giving special interest groups undue influence on the process. Now he claims that this more difficult process will ensure Canadians have more confidence in the process, that making it harder will somehow make it easier, and yet he refuses to commit to actually approving any project that makes it through his new onerous process.

Very simply, if an application makes it through the new process that he himself has designed, will the Prime Minister approve it, or does he not have confidence in his own process?

● (1420)

**Hon. Jim Carr (Minister of Natural Resources, Lib.):** Mr. Speaker, just two days ago, there was a question from a member of the Bloc Québécois. He said that the government was about to impose the energy east pipeline on the people of Quebec.

### Oral Questions

The day before that, there was a member from the Conservative Party who said that the budget should announce its approval of a pipeline, which application has not yet been received by the regulator and without a single community having yet been consulted.

We are going to follow a more rational process, a more principled one, that has a better chance of carrying the confidence of Canadians.

**Mr. Andrew Scheer (Regina—Qu'Appelle, CPC):** Mr. Speaker, that is completely false. All we are asking is whether the government will respect the result of its own process.

Canadians know that pipelines are the safest, most effective way to get our oil and gas to market. Canadian oil and gas is the cleanest and most ethical energy in the world, and creates high-paying jobs here at home.

Without pipelines, eastern Canada is forced to import foreign oil. The Prime Minister's principal secretary and top advisor said that oil and gas development is as bad as hooking kids on cigarettes.

Can the government explain why oil shipped by ocean tanker from Saudi Arabia is somehow better than western Canadian oil and gas?

**Hon. Jim Carr (Minister of Natural Resources, Lib.):** Mr. Speaker, it is our objective, as the Prime Minister has said many times, to move our natural resources to market sustainably.

The previous government, in spite of \$100-a-barrel oil, in spite of all of that representation from western Canada, did not build a single pipeline to tidewater during its majority government from 2011.

I do not think Canadians would advise the government to follow that process. We are following a different one. We think we will have a better chance to do the right thing, which is to move that product—

**The Speaker:** Order, please. The hon. member for Timmins—James Bay.

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### INDIGENOUS AFFAIRS

**Mr. Charlie Angus (Timmins—James Bay, NDP):** Mr. Speaker, with the government responding to the crisis in Attawapiskat, we are hearing from indigenous youth in other regions who are saying “Where are the resources for our community?” The crisis is extreme across this country, and band-aids will not work. The youth want action now, yet there were zero dollars in this budget to deal with the suicide crisis and zero new dollars to deal with indigenous mental health.

The current government has the power to act. The only thing missing is political will. Will it commit today to augment the funds to ensure that we can end the mental health crisis in all of the communities across this country?

**Hon. Jane Philpott (Minister of Health, Lib.):** Mr. Speaker, our government has been clear about the fact that we will increase access to mental health services across the country. In particular, of course, we will be focusing on the indigenous communities, the first nations, the Inuit, and the Métis nation to ensure that they have access to the mental health services they need.

I am very pleased that in the case of Attawapiskat, there are now 18 mental health workers on the ground who were not there previous to the time that this crisis began. We will continue working to introduce the resources that are required.

**Mr. Charlie Angus (Timmins—James Bay, NDP):** Mr. Speaker, we did not just get to this crisis by accident. The children have been dying on a daily basis across this country, dying in nurses stations from strep throat and asthma because government will not pay for the medication, dying by suicide because government will routinely turn down their pleas for mental health counselling. The current government has no new money for mental health or for health services. It has to stop. Where is the political will to invest in resources, in what is truly our greatest resource, our children? Where is that will to move today?

**Hon. Jane Philpott (Minister of Health, Lib.):** Mr. Speaker, I hope that it is abundantly clear that our government is absolutely committed to addressing the gaps in terms of the realities of the day-to-day life of indigenous people in this country. In our recent budget, we have invested \$8.4 million to address those gaps. Much of that will go to addressing educational resources, which these communities need. I am pleased that within that there is \$270 million that will go to improving health centres and nursing stations in indigenous communities. This will encourage health human resources to stay in these communities. We are firm in our commitment to ensure that the health care services are out there.

[Translation]

**Ms. Brigitte Sansoucy (Saint-Hyacinthe—Bagot, NDP):** Mr. Speaker, Canadians are concerned about the suicide crisis in Attawapiskat and many other indigenous communities. We cannot continue to neglect our youth this way.

The government says that it is taking this problem seriously, but in reality, the budget does not provide for any investments in mental health care services for indigenous youth. The government needs to invest in prevention.

Will the government immediately make recurrent funding available for mental health care services for first nations youth?

● (1425)

[English]

**Hon. Jane Philpott (Minister of Health, Lib.):** Mr. Speaker, as the member opposite well knows, the response to the needs in indigenous communities is a collaborative response. This is a response that needs to take into consideration, of course, the leadership of indigenous leaders across this country. In terms of Attawapiskat and other communities, we have done just that. We are in regular communication with the national chief, the regional chief, the grand chief, and the local chief in this community. We are also working with the provincial government, which has recently invested \$2 million to support health care services in Attawapiskat. We will be there working in partnership with all of these jurisdictions to make sure that people have the services they require.

*Oral Questions*

[Translation]

**HEALTH**

**Ms. Brigitte Sansoucy (Saint-Hyacinthe—Bagot, NDP):** Mr. Speaker, when it comes to palliative care services, there is a crying need for help across the country.

The government itself acknowledged that this is an important issue in the bill it introduced today, but there was nothing for palliative care in the budget. The Liberals had promised \$3 billion over four years for home care. There is yet another broken promise.

Will the government finally acknowledge that this is urgent and invest in palliative care?

[English]

**Hon. Jane Philpott (Minister of Health, Lib.):** Mr. Speaker, I was pleased this morning to introduce, along with my colleague the Minister of Justice, new legislation that will support Canadians and provide medical assistance in dying. At the same time, this has triggered a conversation, a very important one, about the need to make sure that Canadians have access to the palliative care services they require in end of life. I have said repeatedly that it is important that Canadians should be able to have a good and peaceful death. However, just as much, it is important that Canadians will have a good, peaceful, and dignified life until the very end. For that purpose, we will make sure that Canadians have access to the palliative care services they need. We will do so in participation with our colleagues in the provinces and territories.

\* \* \*

**NATURAL RESOURCES**

**Mrs. Shannon Stubbs (Lakeland, CPC):** Mr. Speaker, 84% of Canadians know it is possible to transport our energy resources while protecting the environment, and 70% of Canadians believe pipelines are the most appropriate method of transporting oil and gas. Canada's oil and gas is the most socially and environmentally responsible in the world. When will the Liberals finally get on board and proudly support Canada's world-leading, internationally renowned energy sector?

**Hon. Jim Carr (Minister of Natural Resources, Lib.):** Mr. Speaker, we do support the wonderful energy sector in Canada. I have had the pleasure of having conversations with people around the world about Canada's energy sector and they feel very confident that we will get over this dip in prices and emerge stronger. In part, we will emerge stronger because they will know that our regulatory system carries the confidence of Canadians and they will know that in 2016 we must move responsibly to market, and that is what we intend to do.

**Mrs. Shannon Stubbs (Lakeland, CPC):** Mr. Speaker, we can say it is wonderful, but we are all wondering when, just like the workers.

Canada can be a major global competitor for long-term, high-reward LNG contracts with Asian markets. These projects will provide thousands of jobs and billions of dollars in investment and revenue to benefit communities all across Canada. Exporting LNG will help the world lower GHG emissions. The Liberals will be responsible if Canadian LNG is shut out.

Will the Liberal government stop blocking Canadian companies from getting LNG to global markets?

**Mr. Jonathan Wilkinson (Parliamentary Secretary to the Minister of Environment and Climate Change, Lib.):** Mr. Speaker, major resource projects play a vital role in our economy, and we clearly recognize the importance of creating jobs and economic growth. We have been very clear that the focus is on moving the environment and the economy forward hand in hand. In fact, that is a requirement in the modern age.

With respect to LNG projects, they will go through an appropriate environmental assessment and decisions will be made on science and data, not on politics as perhaps they have in the past. This is the responsible approach. This is the modern approach. It is obviously not the Conservative approach, but this is how we plan to move forward.

\* \* \*

**SMALL BUSINESS**

**Hon. Pierre Poilievre (Carleton, CPC):** Mr. Speaker, in the last election, the Liberal leader said, "Raising corporate taxes, like the NDP want to do, strangles growth." The current immigration minister also said that the NDP's proposed corporate tax hikes would cost 150,000 jobs.

It stands to reason therefore that raising the corporate tax rate on small business would have a similar job-killing effect on our economy.

Would the Minister of Finance tell us whether his department did a calculation of the number of jobs that would be lost based upon the tax increases the budget imposes on our small business job creators?

● (1430)

**Mr. François-Philippe Champagne (Parliamentary Secretary to the Minister of Finance, Lib.):** Mr. Speaker, I want to remind my hon. colleague that we did reduce taxes for small businesses and we did reduce taxes for nine million Canadians.

I would invite my hon. colleague to read the entire budget. He will see that this government is working for Canadians.

**Hon. Pierre Poilievre (Carleton, CPC):** Mr. Speaker, while the member is chopping, it was only our government that cut taxes for small business.

As the law currently stands, the rate will fall down to 9% within three years. The government proposes legislation that will raise it up back to 10.5%. That is an increase in taxes on 622,000 small businesses that pay \$150 billion in wages.

*Oral Questions*

The budget contains a bunch of inflated numbers for job creation. Has the finance department done any calculation on job losses with this tax hike?

**Mr. François-Philippe Champagne (Parliamentary Secretary to the Minister of Finance, Lib.):** Mr. Speaker, I would remind my hon. colleague to read the entire budget, because this is the government that reduced taxes on nine million Canadians. We did that in December. The taxes on small business have been reduced.

This is a government that works for Canadians, Canadian families, and small business. We will continue to do exactly that.

\* \* \*

**GRAIN TRANSPORTATION**

**Mrs. Kelly Block (Carlton Trail—Eagle Creek, CPC):** Mr. Speaker, Prairie farmers and farm families are waiting for the Liberals to extend the grain freight provisions, including inter-switching, that have helped them get their grain to market.

The minister could have made this decision last year, but will spend the rest of the year consulting, unnecessarily. By the time he is done dithering, these provisions will have ended, leaving producers without reliable access to market.

Why is the minister deliberately delaying this extension?

**Hon. Marc Garneau (Minister of Transport, Lib.):** Mr. Speaker, we are looking at this matter very seriously. It comes at a time when the Canada Transportation Act review has been submitted, something which I tabled in the House on February 25, a very serious document with a large number of recommendations, some of which touch upon grain transportation.

I can assure my colleague that we are looking at this matter very seriously.

**Mr. Chris Warkentin (Grande Prairie—Mackenzie, CPC):** Mr. Speaker, if the Liberals were serious about doing anything on this, the Liberal MPs yesterday would not have refused to agree to hear from prairie grain farmers who were concerned about these provisions not having yet been extended.

In fact, I then took the opportunity this morning to meet with these farmers. They said that while the Liberals refused to listen to them, they know that this side of the House would stand up for them.

Will the minister extend these provisions that the farm families desperately need?

**Hon. Marc Garneau (Minister of Transport, Lib.):** Mr. Speaker, I am sorry, but my hon. colleague is blowing smoke here. We have met with a number of groups ever since I put out that report. As I said, I put it out on February 25, because I wanted to hear back from western grain farmers, from the shippers, and from the railroads. I wanted to hear from everybody. Believe me, my schedule shows that I am meeting a whole bunch of them. I encourage my hon. colleague to relax. I am doing my work.

[*Translation*]

**FOREIGN AFFAIRS**

**Ms. Hélène Laverdière (Laurier—Sainte-Marie, NDP):** Mr. Speaker, the Liberal government continues to dig itself a deeper hole in the Saudi Arabia arms deal.

The minister claims that his hands were tied and that the contract was a done deal by the former government, but that is not true. He authorized the export permits, the most crucial, essential step.

Why does the minister continue to mislead Canadians? Will he finally step up and confirm that this decision was made by his government?

• (1435)

**Hon. Stéphane Dion (Minister of Foreign Affairs, Lib.):** Mr. Speaker, I think my colleague is well aware that she is the one who is confusing the matter. I want to share a quote from a news story:

At the end of March, the Minister of Foreign Affairs said that he and government officials would examine whether the armoured vehicles exported to Saudi Arabia “comply with international laws, human rights and our national interests”.

If a journalist understood, why did my colleague not understand?

\* \* \*

[*English*]

**MANUFACTURING INDUSTRY**

**Ms. Irene Mathysen (London—Fanshawe, NDP):** Mr. Speaker, divisive personal attacks are not going to distract from the government's misleading of Canadians.

Trying to pit the jobs of workers against human rights is a cynical distraction, but it does not hide government failure to open up new responsible markets and support long-term sustainable manufacturing jobs in our region. Instead, the Liberals have gambled the jobs of workers on a deal with an oppressive state, giving our city an unfair black eye.

Where is the government's plan for long-term sustainable jobs for the workers at General Dynamics and throughout London?

**Hon. Navdeep Bains (Minister of Innovation, Science and Economic Development, Lib.):** Mr. Speaker, we are very committed to the manufacturing sector. We understand the importance of this sector in London in particular. I was there just a few days ago, making an announcement with respect to the automotive innovation fund and extending this fund for the next three years. This would allow further investments to allow job creation.

Above and beyond that, just a few days ago I was in Kitchener with my colleagues to announce the automotive supplier innovation fund initiative, which again invests in a supplier base. We are investing in manufacturing. We are investing in jobs. We are growing the economy. That is good for the country.

## ETHICS

**Mr. Blaine Calkins (Red Deer—Lacombe, CPC):** Mr. Speaker, the Prime Minister's guidelines outline that ministers and parliamentary secretaries must avoid a conflict of interest or the appearance of one at all times. The guideline states:

There should be no preferential access to government, or appearance of preferential access, accorded to individuals or organizations because they have made financial contributions to politicians and political parties.

Does the Minister of Justice not see that by attending a pay-to-play private event with high-priced Bay Street lawyers who might be considered for a Governor in Council appointment she is actually granting preferential access?

**Hon. Dominic LeBlanc (Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, we have said on a number of times in the House, the minister contacted the Ethics Commissioner proactively to ask whether it was appropriate for her to attend that fundraising activity, as every member in the House of Commons does from time to time and as did ministers in the previous Conservative government from time to time. She received a confirmation that it was entirely appropriate for her to do so.

In fact, the Ethics Commissioner, in a three-page letter, confirmed that to my hon. colleague who asked the Ethics Commissioner that exact question. We consider this matter closed. The member is obviously having a struggle ending the matter.

**Mr. Blaine Calkins (Red Deer—Lacombe, CPC):** Mr. Speaker, the Prime Minister states that the definition of a stakeholder is an individual employed in, contacted by, or who otherwise represents corporations or organizations that have current or anticipated official dealings with ministers. The Minister of Justice had a secret and private pay-to-play fundraiser in Toronto with high-priced lawyers who have a history of lobbying the justice department.

Why did the minister contravene the Prime Minister's guideline, which is far above what the House leader is currently saying in defence of her, and why did she put the integrity of her office in so much jeopardy?

**Hon. Dominic LeBlanc (Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, my hon. colleague knows full well the minister did no such thing. He keeps referring to this supposed secret fundraiser. Just because he repeats these exaggerated lines does not make them true. A fundraiser where every donation is disclosed on the Internet is hardly a secret fundraiser. It is something that members opposite have done many times over.

We will continue to respect all of the provisions of the Prime Minister's open and accountable government code, as well as the Conflict of Interest Act and any other related provisions.

**Mr. Michael Cooper (St. Albert—Edmonton, CPC):** Mr. Speaker, the Prime Minister's own ethics code states that ministers shall not raise funds from department stakeholders and lobbyists. Yet last week the Minister of Justice attended a pay-to-play fundraiser at a law firm with extensive dealings with the minister's department and a lobbyist who was registered to lobby, guess who, the minister.

Therefore, will the minister stand in the House and advise which other lobbyists were at the fundraiser?

## Oral Questions

● (1440)

**Hon. Dominic LeBlanc (Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, again, the hon. member keeps repeating these silly phrases like “pay-to-play”. He is confusing his Saturday night at the arcade with a very legitimate fundraising activity—

**Some hon. members:** Oh, oh!

**The Speaker:** Order, please. I would encourage ministers to use judicious language and not do things that bring disorder to the House. It is not helpful.

The hon. member for Middlesex—London.

**Mrs. Karen Vecchio (Elgin—Middlesex—London, CPC):** Mr. Speaker, we have been asking the same questions for four days, with no answers. The House leader continues to stand on behalf of the justice minister.

We are talking about her Prime Minister's guidelines, clearly outlined instructions to ministers. She was not only told to avoid conflicts of interest, but to avoid the appearance of one as well.

Was the Prime Minister consulted when his justice minister decided to ignore his rules?

**Hon. Dominic LeBlanc (Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, my colleague, the Minister of Justice, has answered that question a number of times.

My colleague across the aisle knows very well that members in the House attend fundraising events from time to time, done entirely according to law. All of the donations are disclosed publicly, as is required by law.

The Minister of Justice did absolutely nothing different than the ministers in the previous government used to do. Every member on this side of the House respects the Elections Act and the Prime Minister's code of conduct, and will always continue to do so. That is something the Conservatives had considerable trouble doing when they were in government.

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## RAIL TRANSPORTATION

**Ms. Linda Duncan (Edmonton Strathcona, NDP):** Mr. Speaker, the Minister of Transport claims rail safety is his top priority, yet this week rail inspectors told our committee, despite a projected tenfold increase in dangerous cargo, that the rail safety budget was being slashed 21%.

Yesterday it was revealed that Transport Canada had withheld information on the 500 most dangerous level crossings, two of the most dangerous in my riding of Edmonton Strathcona.

Cuts, inaction, secrecy will not improve rail safety. When will the minister take real action on rail safety?

*Oral Questions*

**Hon. Marc Garneau (Minister of Transport, Lib.):** Mr. Speaker, of course rail safety is my top priority. It is in my mandate letter. I was very glad that the Minister of Finance announced in this last budget \$143 million additional dollars dedicated toward safety. That is a very serious commitment.

With respect to grade crossings, I have made it very clear that this information, which is a tool that Transport Canada uses, can be made accessible to the municipalities if they wish it. In fact, I will be meeting with the Federation of Canadian Municipalities in two weeks to make that offer to them.

[*Translation*]

**Mr. Matthew Dubé (Beloeil—Chambly, NDP):** Mr. Speaker, Quebecers and Canadians certainly understand that rail safety is important. The minister says he understands it is important. Maybe he should tell that to the Minister of Finance because the rail safety budget was cut by 21%.

Tragic incidents like the one in Lac-Mégantic and other accidents happen across Canada. The Lac-Mégantic tragedy is very fresh in people's memory.

We recently learned that Transport Canada sat on information about the 500 most dangerous rail crossings. It is time to stop talking and start taking action.

When will the minister and the government start taking action?

**Hon. Marc Garneau (Minister of Transport, Lib.):** Mr. Speaker, let me be clear: rail safety is my top priority. I do not know which budget my colleague was looking at, but in our budget, the Government of Canada allocated \$143 million to rail safety in this country over the next three years.

I was very clear about the information on grade crossings. We will certainly share that information with the municipalities if they want. I am meeting with the Federation of Canadian Municipalities in two weeks to talk about it.

\* \* \*

**INTERNATIONAL DEVELOPMENT**

**Mr. Steven MacKinnon (Gatineau, Lib.):** Mr. Speaker, the Syrian crisis sparked an outpouring of sympathy on the part of Canadians, who responded with tremendous generosity.

Our communities have welcomed over 25,000 refugees and continue to do so. People have donated a great deal to help those who are settling in their regions.

Can the Minister of International Development and La Francophonie tell the House about the kind of support the government is still providing?

• (1445)

**Hon. Marie-Claude Bibeau (Minister of International Development and La Francophonie, Lib.):** Mr. Speaker, I want to thank my colleague from Gatineau for his question.

The Syrian refugees on the Hill today will be pleased to hear that Canadians have donated nearly \$32 million to the Syria Emergency Relief Fund. As promised, our government is matching that contribution, and even topping it up for a total of \$100 million.

Of the 29 projects that will receive funding, the largest is the UNICEF project that will help 84 education centres in Jordan, provide school supplies in Syria, and support a national vaccination campaign.

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**VETERANS AFFAIRS**

**Mr. Alupa Clarke (Beauport—Limoilou, CPC):** Mr. Speaker, the Minister of Veterans Affairs keeps repeating the words “care”, “respect”, and “compassion” when talking about our veterans. One veteran, Robin Brentnall, recently went on a hunger strike to protest the bad decisions made in his case by the department.

Can the minister confirm that he has been in contact with this veteran, that he has gone to visit him in order to save him before it is too late?

[*English*]

**Hon. Kent Hehr (Minister of Veterans Affairs and Associate Minister of National Defence, Lib.):** Mr. Speaker, what I can say is that Veterans Affairs takes all applications to review veterans' issues seriously. There is a process whereby it comes into the department, and then our veterans also have a chance to appeal at the Veterans Review and Appeal Board at two separate levels. We also provide legal assistance to veterans who are looking to get their benefits, allowing those claims to go forward.

I thank the member for his question, and we will continue to monitor the situation going forward.

[*Translation*]

**Mr. Alupa Clarke (Beauport—Limoilou, CPC):** Mr. Speaker, this veteran is expecting more than just administrative procedures. He is expecting a visit, or at least a call, from the minister.

The 2016 budget provides for a retroactive increase in the maximum disability award.

Can the Minister of Veterans Affairs share with us today how much will be paid for loss of hearing, which many veterans suffer from?

[*English*]

**Hon. Kent Hehr (Minister of Veterans Affairs and Associate Minister of National Defence, Lib.):** Mr. Speaker, I can tell the member that budget 2016 was a great day for our veterans. We delivered on many different aspects of our mandate items, including increasing the earnings loss benefit, increasing access to the impairment allowance, and increasing the disability award.

We will continue to work with our veterans with care, compassion, and respect to get them the services they need when they need them and where they live.

Part of that budget is for opening up nine new offices and hiring more staff to allow veterans' issues to be handled in a timely and effective manner.

**Mrs. Cathay Wagantall (Yorkton—Melville, CPC):** Mr. Speaker, Robin Brentnall, a veteran and advocate from Newfoundland and Labrador, has been denied his claim to a disability award by Veterans Affairs and the Veterans Review and Appeal Board. He so strongly believes that he qualifies that he is protesting through a hunger strike until the minister assures him verbally that his file will be reviewed. On April 11, in *The Gander Beacon*, Robin said, “All it takes is a phone call.”

After all their promises to veterans during the campaign, why are the Liberals abandoning this veteran now?

**Hon. Kent Hehr (Minister of Veterans Affairs and Associate Minister of National Defence, Lib.):** Mr. Speaker, I can assure my hon. colleague that Veterans Affairs has an excellent process to review veterans' claims.

To reiterate, when a veteran has a claim, it goes through to my department. If that claim is rejected, a member can go to the Veterans Review and Appeal Board not once but twice.

We also have the opportunity to provide them with legal counsel to assist them in any and all processes along the way.

I also point out that these are *de novo* application processes whereby they can present new evidence at all points along the process.

**Mrs. Cathay Wagantall (Yorkton—Melville, CPC):** Mr. Speaker, the Liberals promised investments in mental health and suicide prevention for our veterans. The Liberal budget completely failed to deliver.

Building two new centres for research and treatment will not address these issues. Many veterans need to travel often and over long distances to receive even basic face-to-face treatment.

How will the minister ensure that mental health support and suicide prevention initiatives will be provided to all veterans close to home, no matter where they live in Canada?

**Hon. Kent Hehr (Minister of Veterans Affairs and Associate Minister of National Defence, Lib.):** Mr. Speaker, budget 2016 goes a long way to addressing some of those issues that have been brought up.

We are opening up nine new offices. In fact, there will be more outreach in Surrey, B.C., and the north for veterans to have points of contact.

We are hiring staff to replace the 800 members that the Conservatives cut from our front-line services. This will allow veterans to get care, compassion, and respect and have their issues dealt with in a timely fashion.

I can also say to the member, my goodness, I have been the minister for 162 days. We have accomplished a lot. We will continue to work on the mental health file and get these centres of excellence up and running to get the veterans the care, compassion—

• (1450)

**The Speaker:** The hon. member for Elmwood—Transcona.

### Oral Questions

#### AIR CANADA

**Mr. Daniel Blaikie (Elmwood—Transcona, NDP):** Mr. Speaker, after years of pretending to be champions for Air Canada workers, the Liberals tabled legislation that gives Air Canada free rein to ship the good-paying jobs of 2,600 workers and their families right out of Canada.

The Prime Minister once stood alongside protesting maintenance workers. He was chatting about solidarity and probably throwing in the odd *Kumbaya* for good measure, but where is that solidarity when it could actually do something for workers?

Will the Prime Minister stand up, apologize for his cynicism, and withdraw Bill C-10?

**Hon. Marc Garneau (Minister of Transport, Lib.):** Mr. Speaker, the end of litigation between Air Canada and the Province of Quebec and the Province of Manitoba has allowed us to clarify the Air Canada Public Participation Act. That is exactly what we are doing.

This is an important adjustment that needs to be made, and I would say this: there are jobs being created. The amendment actually says that there must be jobs in the provinces of Quebec, Manitoba, and Ontario.

I cannot say any more than that at the moment, because it is before the tribunals.

[*Translation*]

**Mr. Alexandre Boulerice (Rosemont—La Petite-Patrie, NDP):** Mr. Speaker, that is not what we would call “clarifying”. That is what we would call “sacrificing”. The Liberals are giving Air Canada *carte blanche*. Just yesterday they were saying that the Conservatives should have upheld the law. Even the Prime Minister shouted through his megaphone, “So-so-so solidarity!”

Today, it is even worse. They are in the process of legalizing the job losses that were illegal just yesterday. It is outrageous and disgusting. I have never seen such spineless people before.

Are the Liberals not ashamed of sacrificing the lives and work of 2,600 families?

**Hon. Marc Garneau (Minister of Transport, Lib.):** Mr. Speaker, the end of the dispute between Air Canada and the provinces of Quebec and Manitoba now allows us to clarify the Air Canada Public Participation Act. That is precisely what we are doing.

I would remind my colleague, who is all worked up, that the amendment we are proposing requires Air Canada to keep jobs in Quebec, Manitoba, and Ontario.

I cannot elaborate further because this matter is before the courts.

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#### DEMOCRATIC REFORM

**Mr. Gérard Deltell (Louis-Saint-Laurent, CPC):** Mr. Speaker, the government appears to agree with the Conservatives' dissenting report on the sensitive issue of physician-assisted dying, since the bill does not deal with minors or people suffering from mental illness. Good. It is clear—

*Oral Questions*

**The Speaker:** Order, please.

The interpretation does not seem to be working right now. Is it working?

It is working, so I will ask the hon. member for Louis-Saint-Laurent to start over.

**Mr. Gérard Deltell:** Mr. Speaker, the government appears to agree with the Conservatives' dissenting report on the sensitive issue of physician-assisted dying, since the bill does not deal with minors or people suffering from mental illness. Good.

It is also clear that the government will finally allow its members to vote freely, which we support. Good. Now, we must take action.

On this side of the House, we think it is important that all members who want to speak to this sensitive issue be allowed to do so. However, we are running out of time. We want the government to know that it has our full co-operation.

Is the Leader of the Government in the House of Commons prepared to review our parliamentary sitting hours?

**Hon. Dominic LeBlanc (Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, I thank my colleague for his question.

It is too bad that his parliamentary leader is not in the House, since he could have sent—

**Some hon members:** Oh, oh!

**Hon. Dominic LeBlanc:** I am sorry, Mr. Speaker, I should not have said that.

It is too bad that my colleague opposite does not know that I made that offer yesterday at the House leaders meeting. We completely agree that we should ensure that as many members as possible have a chance to rise in this House to speak to this important issue.

I would be happy to work with—

**The Speaker:** I thank the hon. minister for his apology.

The hon. member for Lethbridge.

\* \* \*

• (1455)

[English]

**PHYSICIAN-ASSISTED DYING**

**Ms. Rachael Harder (Lethbridge, CPC):** Mr. Speaker, every single large organization within the persons with disabilities community shares the same opinion on assisted dying: they want a prior review process of non-medical social vulnerabilities for every patient.

This request comes from their shared experience. Poverty, isolation, and temporary depression often accompany a person's adaptation to a new disability.

What I would like to know is this: will the Liberals respect those with disabilities by ensuring a robust prior review of social vulnerabilities is provided, and if so, what will that look like?

**Hon. Jody Wilson-Raybould (Minister of Justice and Attorney General of Canada, Lib.):** Mr. Speaker, I am pleased to have been able to introduce legislation and to encourage robust discussions. We have had substantive feedback reports, including the special committee report that spoke to the fundamental need to ensure that we present the best approach that balances personal autonomy with the protection of vulnerable people.

We have employed in the legislation the safeguards that were recommended by the joint committee, and we are going to ensure that we maintain this discussion and make the report available—

**The Speaker:** The hon. member for Peace River—Westlock.

**Mr. Arnold Viersen (Peace River—Westlock, CPC):** Mr. Speaker, indigenous communities in my riding will be directly impacted by today's legislation on assisted suicide. I am concerned that the Liberals have ignored these communities. Dr. Alika Lafontaine, president of the Indigenous Physicians Association, highlighted the absence of major indigenous organizations during the joint committee hearings and stated, "I believe there has not been meaningful consultations with indigenous peoples".

Why did the Liberals not undertake consultations with indigenous communities on assisted suicide?

**Hon. Jane Philpott (Minister of Health, Lib.):** Mr. Speaker, as the House knows, there were a number of consultations that were undertaken, which led to the legislation that was introduced today. We were informed by the external panel, which provided a report to us not many months ago. We were informed by a very interesting report from the provinces and territories and by an excellent report of the special joint committee of the House.

All of those bodies have in turn reached out to a number of other organizations, including indigenous organizations across this country. We intend to continue consultation and a rigorous debate in the House. We are pleased with this legislation. We believe—

**The Speaker:** The hon. member for Lac-Saint-Louis.

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**AGRICULTURE AND AGRI-FOOD**

**Mr. Francis Scarpaleggia (Lac-Saint-Louis, Lib.):** Mr. Speaker, McGill University's Faculty of Agricultural and Environmental Sciences is located in my riding. The faculty does world-class research on the relationship between environment, including water supply and climate change, and agriculture.

Could the Minister of Agriculture and Agri-Food tell the House what our government is doing to support and encourage research in this area, both at McGill's Macdonald Campus in Sainte-Anne-de-Bellevue and across the country?

**Hon. Lawrence MacAulay (Minister of Agriculture and Agri-Food, Lib.):** Mr. Speaker, I was proud to join my colleague recently at McGill's Macdonald Campus to announce our government's investment of \$27 million to the agricultural greenhouse gases program. This program funds vital research in practices and technology that can be adopted on farms across the country.

This is a great example of our government's commitment to research and innovation and to ensuring that the Canadian agricultural sector is more innovative and sustainable than ever.



*Oral Questions***INTERNATIONAL TRADE**

**Mr. Randy Hoback (Prince Albert, CPC):** Mr. Speaker, Canada's business owners, farmers, and manufacturers deserve to be on a level playing field with their global competitors. However, the Liberal inaction and comments are confusing Canadians. The Canadian Chamber of Commerce has said that we should and must ratify the TPP because being left behind would be catastrophic for Canadians. How will the Liberals help out our exporters to do business with Japan and Asian markets if they do not ratify the trans-Pacific partnership?

**Mr. David Lametti (Parliamentary Secretary to the Minister of International Trade, Lib.):** Mr. Speaker, I thank the hon. member for his question as well as for his hard work and leadership on the trade committee.

We have committed to studying the TPP before taking a decision. We are doing precisely that. The trade committee is doing that, so we are gathering the appropriate information before taking a decision on ratifying.

In the meantime, I would assure the hon. member that we are looking at every avenue for increasing Canada's trade and attracting job-creating investment to Canada.

[*Translation*]

**Ms. Ruth Ellen Brosseau (Berthier—Maskinongé, NDP):** Mr. Speaker, yesterday, the Quebec National Assembly passed a second motion asking the government to resolve the diafiltered milk issue once and for all. In less than two days, 4,500 people signed a petition calling on the government to take concrete action. Our producers are losing \$220 million a year as a result of this government's inaction. Our regions' economies are suffering as a direct result.

The government either needs to take action or compensate our producers. What is the government waiting for? When will it finally resolve the diafiltered milk issue once and for all?

• (1500)

**Mr. David Lametti (Parliamentary Secretary to the Minister of International Trade, Lib.):** Mr. Speaker, I would like to thank my hon. colleague for her question.

We are aware of issues with enforcement of our rules surrounding supply management. As the Minister of Agriculture and Agri-Food has often said in the House, our government supports supply management.

We are working with the industry to find a long-term solution.

\* \* \*

[*English*]

**HOUSING**

**Ms. Yasmin Ratansi (Don Valley East, Lib.):** Mr. Speaker, Toronto Community Housing provides affordable housing to 58,000 households, of which there are 68 buildings in my riding of Don Valley East, encompassing thousands of residents. With a repair backlog of \$2.6 billion, thousands of homes are affected. Could the minister please update the House on how he is working with the City to alleviate this problem?

**Hon. Jean-Yves Duclos (Minister of Families, Children and Social Development, Lib.):** Mr. Speaker, I would first like to

congratulate and thank my colleague for this very important question.

Budget 2016 would provide the largest federal investment in housing in over 25 years. This investment of \$2.3 billion includes, among other things, \$200 million for seniors housing, doubling the federal investment in affordable housing, as well as close to \$600 million for retrofits and renovations.

I very much look forward to working with my colleague from Don Valley East, Toronto Community Housing, and the Ontario government to make those funds quickly and easily available.

\* \* \*

[*Translation*]

**INTERNATIONAL TRADE**

**Mr. Jacques Gourde (Lévis—Lotbinière, CPC):** Mr. Speaker, Canada's dairy producers are totally distraught because the Liberal government is dragging its feet on the issue of diafiltered milk. Canadian dairy producers are losing millions of dollars every week because of an injustice, a scheme orchestrated by processing industries that do not care about behaving ethically toward their business partners.

Our dairy producers have been tormented long enough. The Minister of Agriculture and Agri-Food must act immediately in the collective interest of the entire dairy industry. Will he take action now, or is he going to put it off indefinitely?

**Mr. David Lametti (Parliamentary Secretary to the Minister of International Trade, Lib.):** Mr. Speaker, as the minister has often pointed out to the House, we inherited this problem from the previous government.

We are working on the problem. We are aware of the issues and we know how important this is to the industry in Quebec and all across the country. We are working on coming up with a long-term solution.

**Mr. Luc Thériault (Montcalm, BQ):** Mr. Speaker, we did not ask whether the government is aware of the issues; we want to know if it is going to enforce the regulations.

For the parliamentary secretary's benefit, I repeat that the National Assembly called on the government to ensure that the Canadian Food Inspection Agency enforces its own regulation on cheese composition, using the same definition of diafiltered milk that the Canada Border Services Agency uses, namely, a protein concentrate.

Will the government commit to respecting the unanimous will of the National Assembly and dairy producers, yes or no?

**Mr. David Lametti (Parliamentary Secretary to the Minister of International Trade, Lib.):** Mr. Speaker, we are aware of the resolution adopted by the National Assembly of Quebec. We are also aware of the issues all across the country. We have committed to finding a solution, and that is exactly what we will do.

\* \* \*

**TAXATION**

**Mr. Gabriel Ste-Marie (Joliette, BQ):** Mr. Speaker, the government has once again dismissed the unanimous will of Quebec. I will give it a second chance.

*Oral Questions*

This morning, the Quebec National Assembly unanimously adopted another motion. It calls on the federal government to work with Quebec to implement the motion I will be moving this evening, which will put an end to the shameful use of tax havens in Barbados. Quebecers are sick and tired of seeing Canadian law encourage profiteers.

Will the Prime Minister make a formal commitment to honour Quebec's unanimous request by supporting the Bloc Québécois's Motion No. 42, yes or no?

• (1505)

**Mr. Emmanuel Dubourg (Parliamentary Secretary to the Minister of National Revenue, Lib.):** Mr. Speaker, it is a pleasure to answer my colleague's question.

First of all, I would remind members that the protection of personal information is one of our priorities. When the Canada Revenue Agency shares information with other countries, personal information is protected.

My colleague has seen that the budget includes an unprecedented investment of \$444 million. This shows that the government is determined to put an end to these schemes in order to benefit Canadians.

\* \* \*

[English]

**PRESENCE IN GALLERY**

**The Speaker:** I would like to draw the attention of hon. members to the presence in the gallery of Her Excellency Inara Murniece, Speaker of the Saeima of the Republic of Latvia.

**Some hon. members:** Hear, hear!

**Hon. Erin O'Toole:** Mr. Speaker, I am rising on an important point of order seeking unanimous consent of the House, and I will tell the House why. It is to confirm our collective intention that no RCMP member be prevented from communicating with his or her member of Parliament on Bill C-7, and that no discipline be enforced upon a member who has responded to the call of the public safety committee to appear before it as a witness.

I am sure it is the intention of all of us to make sure that members affected by laws in front of this place have the right to communicate in a responsible way with their elected representatives and to respond to give testimony before the committee considering that bill.

Why is unanimous consent required? It is because a letter was shared today that would suggest that some members could not appear and that some members may be disciplined for giving testimony this morning at committee.

I would ask for unanimous consent so that, as a collective, we can exercise our right to call witnesses on important matters affecting this country.

**The Speaker:** Is there unanimous consent for what the member has requested?

**Some hon. members:** Agreed.

**Some hon. members:** No.

**POINTS OF ORDER**

## ORAL QUESTIONS

**Ms. Linda Duncan (Edmonton Strathcona, NDP):** Mr. Speaker, the Minister of Transport, in reply to a question from my colleague, offered to provide his agenda of meetings to this place. In keeping with the mandate letter issued to the minister wherein he is required to be open and transparent, I am asking that he make available that agenda of meetings, including with communities that are concerned about rail safety.

**The Speaker:** I am not sure that is a point of order, but I see the hon. Minister of Transport rising to respond to this.

**Hon. Marc Garneau (Minister of Transport, Lib.):** Mr. Speaker, I said that the hon. member should look at my agenda. If she wants to come over to my office, I will show it to her.

**The Speaker:** That sounds like debate to me.

The hon. member for Grande Prairie—Mackenzie.

**Mr. Chris Warkentin (Grande Prairie—Mackenzie, CPC):** Mr. Speaker, the minister made that same offer to me during question period as well, so I wonder if he will offer me the same opportunity to look through his schedule.

**The Speaker:** I think this is more debate. We will let it go at that.

**Mr. Scott Reid (Lanark—Frontenac—Kingston, CPC):** Mr. Speaker, I too would like to see the minister's agenda. In the spirit of equity, I will show him mine if he will show me his.

**The Speaker:** Some phrases really do not help the Speaker.

We will now have the Thursday question by the hon. member for Lanark—Frontenac—Kingston.

**Mr. Scott Reid:** Mr. Speaker, everybody is waiting with bated breath for the Thursday question, but before we turn to that, I wonder if I could seek unanimous consent of the House to table the January "Fiscal Monitor" which shows that the current government received a \$4.1 billion surplus for—

**The Speaker:** Does the hon. member have the unanimous consent of the House?

**Some hon. members:** Agreed.

**Some hon. members:** No.

**The Speaker:** Let us go on now to the Thursday question. The hon. member for Lanark—Frontenac—Kingston.

\* \* \*

**BUSINESS OF THE HOUSE**

**Mr. Scott Reid (Lanark—Frontenac—Kingston, CPC):** Mr. Speaker, I wonder if the government House leader could provide us with information about the agenda for the remainder of this week and for next week.

[Translation]

**Hon. Dominic LeBlanc (Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, I have good news. I have no documents to table, and thus there is no need to worry.

*The Budget*

[English]

This afternoon will conclude the fourth and final day of the budget debate.

Tomorrow we will commence second reading of Bill C-10, the Air Canada legislation, and continue that debate on Monday.

● (1510)

[Translation]

Next week, we will have opposition days on Tuesday and Thursday. On Wednesday, we will begin debate on Bill C-14 on medical assistance in dying, introduced this morning by my colleague, the Minister of Justice.

\* \* \*

[English]

#### STANDING COMMITTEE ON FOREIGN AFFAIRS AND INTERNATIONAL DEVELOPMENT

**Hon. Dominic LeBlanc (Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, after discussions with all parties I think you will find unanimous consent for the following motion:

That, pursuant to Section 20 of the Freezing Assets of Corrupt Foreign Officials Act, the Standing Committee on Foreign Affairs and International Development be designated for the statutory review of the Freezing Assets of Corrupt Foreign Officials Act and the Special Economic Measures Act.

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

**Some hon. members:** Agreed.

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

**Some hon. members:** Agreed.

(Motion agreed to)

### GOVERNMENT ORDERS

[English]

#### THE BUDGET

##### FINANCIAL STATEMENT OF MINISTER OF FINANCE

The House resumed consideration of the motion that this House approve in general the budgetary policy of the government.

**The Speaker:** The hon. member for Lethbridge has three minutes remaining in her speech.

**Ms. Rachael Harder (Lethbridge, CPC):** Mr. Speaker, with regard to the partnership between post-secondary and industry, and co-operative placement initiatives, I will reserve judgment until the details are further released. I support the intent of this project, because greater links between employers and post-secondary institutions are certainly needed. This would ensure that students receive the training and the skills that businesses are looking for in order to fill their current job openings. This would continue the trend of the Canada jobs grant and expand this approach to students.

However, we need to acknowledge that this budget would significantly roll back previous tax benefits to students with regard to the measures the Liberals have taken. The ending of the education and textbook tax credit would have a significant impact on young Canadians, especially as they transition to full-time employment. The education tax credit was the greatest benefit to students as they started their career in the workforce, as it significantly reduced their income taxes, typically to zero, for the first few years after graduation. Eliminating this tax credit would mean that youth would have less money in their pockets when they were entering the workforce and struggling to establish themselves.

Most alarmingly, the current government would saddle the next generation with a ginormous debt load. While this generation would dine, the next generation would be stuck with the bill. Using big government to achieve economic growth simply does not work. History has shown this over and over again, without exception.

The facts of life are simple, and in fact, they happen to be conservative. We all have basic needs: food, shelter, clothing. To purchase these things, we need an income. To have an income, we need jobs. The best way to create jobs is by cultivating an environment where small businesses will thrive, an environment where entrepreneurs are encouraged to take calculated risks to pursue innovative ideas, thus creating jobs for everyone. Unfortunately, this budget is out of step with the needs of Canadians. Interestingly, in the budget itself on page 19 the party opposite acknowledges "...that Canada is starting from a relatively strong fiscal position". For that, those of us on this side of the House would say the government is welcome.

Canadians deserve better stewardship of this gift. Unfortunately, however, the only real changes we see in the budget before us today are poor fiscal management and obvious disregard for today's hard-working taxpayers and the generations that are to come after us.

[Translation]

**Mr. Matt DeCoursey (Fredericton, Lib.):** Mr. Speaker, I really enjoyed the speech given by my colleague opposite.

[English]

I recall being here, working on Parliament Hill in 2005-2006, when we left the former government with a huge surplus that it ran right through quickly. I was also here at the time when the Kelowna accord was struck, and I am so proud to see the reinvestment in indigenous communities right across the country, something that our former friend and colleague Andy Scott would be very proud of today.

● (1515)

[Translation]

I am also proud of our investment in innovation and the plan we will draw up for supporting universities and university graduates.

*The Budget*

[English]

In my riding, the University of New Brunswick, Canada's most entrepreneurial university, and St. Thomas University will be able to take tremendous advantage of this. Also, the commitments that we have started to roll out for veterans are something else that is important in the community of Fredericton and Oromocto where CFB Gagetown is located.

I wonder if the member can speak about how those investments would really strengthen our country from coast to coast. Does she understand the impact that those sorts of investments have on ordinary persons right across the country?

**Ms. Rachael Harder:** Mr. Speaker, when I look at this budget, I see a whole lot of money being spent. There is absolutely no doubt about that. Unfortunately, however, it is \$30 billion, which is \$20 billion more than what the current government said it would spend. That is breaking a promise. That is a significant deal.

With regard to that, in the midst of all of this spending, at the end of the day someone has to pay all of that back. It will not be this present generation; it will be the next generation. This budget would not in fact be an investment in the rising generation, in the youth of our nation. This is a budget that would actually saddle them with ginormous debt and therefore actually would have a detrimental impact on their future.

**Mr. Darren Fisher:** Mr. Speaker, on a point of order, before question period, the member for Lethbridge made a derogatory comment when she called the Prime Minister a liar.

It is a function of this House that we disagree, but I would suggest that this is unacceptable and I would request, respectfully, an apology.

**The Speaker:** I thank the hon. colleague for raising this point of order. I was not in the House at the time and did not hear such a phrase. I do not see the member standing to reply. I will review the blues and come back to the House.

Now we will go on to questions and comments.

**Mr. Ron Liepert (Calgary Signal Hill, CPC):** Mr. Speaker, it is important, as part of this budget debate, to ensure that we do remind our friends across the way of the very generous surplus that we left the Liberal government after November 1.

I wonder if the member could talk a little about the evidence that has been presented that would show that the Liberal government actually inherited a surplus and is now delivering a budget some three or four months later that has a \$30 billion deficit.

**Ms. Rachael Harder:** Mr. Speaker, it is true that the former government did leave this country with a \$5 billion surplus, which is certainly remarkable and something that is noteworthy.

The way the former government did that was through prudent fiscal management and achieving a balanced budget, which then led to a surplus. Again, I would bring to the attention of members in the House that the government opposite acknowledged in its budget that it was left in a positive fiscal state.

Unfortunately, when it comes down to the "Fiscal Monitor" and accepting the report that this House would like to put on the table,

the members opposite simply will not accept it. Nevertheless it does not change the fact that the former government left a \$5 billion surplus.

**Mr. Kevin Lamoureux (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, I will be very clear, because the member wants to focus on the deficit, and provide assurances to Canadians that the reality is that there was a multi-billion dollar deficit left by the former government.

It said it was going to have a balanced budget; it did not happen. It is as simple as that. History cannot be changed by having a bunch of Conservative MPs standing up and proclaiming that there was a surplus when in fact the reality is that there was a debt.

Will the member not admit that there was actually a debt? If she does not want to do that, maybe instead of the Speaker having to review *Hansard*, she should just apologize for her earlier comments about the Prime Minister.

**Ms. Rachael Harder:** Mr. Speaker, where do I start?

The member does want assurances. At the end of the day, the assurances the member is looking for are found in a record that the member opposite and his party will not accept. Other than that, I have no further proof.

With regard to the comment, calling the Prime Minister a liar, when the Prime Minister made the promise to spend \$10 billion, which has now turned into \$30 billion, that was in fact untruthful. However, my comment was out of line in this House, and so I do extend an apology.

• (1520)

**The Speaker:** I thank the hon. member for Lethbridge very much for retracting the statement. That is very helpful to order in this place.

Resuming debate.

**Mrs. Karen Vecchio (Elgin—Middlesex—London, CPC):** Mr. Speaker, it is a pleasure to have you in the chair as I speak today.

A local journalist from my riding always asks me what I like and what I do not like, so I am going to start off with a few positive notes of things that I saw in the budget that I do support.

I am pleased to see the increase in GIS for single-income seniors. I have seen, over my years, many seniors who find it difficult, so any way we can help a single senior I feel is very important.

I am pleased with the continuation in funding for broadband Internet, known as the connecting Canadians program. It is a great program that was introduced by the former government.

As the MP for Elgin—Middlesex—London, I am happy to see \$3.1 million being invested to address phosphorous levels in Lake Erie. This is very important, especially since we have 80 km of Lake Erie along my riding.

However, today I stand as the official opposition critic for families, children, and social development. I would really like to focus on budget 2016 and the changes to the family benefits and their effects on Canadian families.

*The Budget*

I would not want to do this to the House, but I would have liked to bring in my beautiful pencil that my husband bought me, so I could do all these calculations. It is a brand new pencil and eraser, so I can complete, review, and compare the new Canada child benefit to the previous government's family tax cuts.

Let us look at the facts. The government has said it would assist more middle-class families than the current plan assists. The biggest issue is that the numbers just do not add up. Reviewing the average family income using numbers provided by the most recent Statistics Canada data, when I do these calculations, I see that six out of nine families, which are of average income for families, benefit from the current plan put forward by the Conservative government. This is better than under the new plan that would now be offered. Therefore, when we look at a simple tax return, it is truly clear that the headlines from the government mislead Canadian families.

I will give a simple scenario. John and Mary have two children. Their son Jack participates in programs at a local recreation centre and plays on the house league soccer team. His sister Grace, age 4, loves to dance and swim and participates twice a week in programs. Both Jack and Grace play the piano and take lessons once a week. Mary works as a mechanic and John as a school bus driver. To me, those are very middle-class incomes and values.

With my new mechanical pencil, the federal tax form, and the family tax cut forms, using the previous tax rates, I calculated the following. The federal income tax forms for both John and Mary are based on the 15% and 22% respectively. I used the child tax credits for both Jack and Grace, as well as the arts tax credits. Finally, I used the income splitting for families, which increases the tax credit up to an additional \$2,000.

Now, to make things simple, because I did not want to get into a whole bunch of things, I did not use the CPP, I did not use the EI contributions, and I did not use the employment credits that are given, because both governments agree that these are things that are on a federal tax return.

The bottom line is that the middle-class family has more money in its pocket through the Conservative government's family tax cuts. Also, because my new pencil had lots of lead, I completed more than 80 tax returns using the Liberal middle-class tax cuts with the new Canada child benefit, and I compared the scenarios.

As I stated, when looking at the average income for Canadian families, six out of nine families did better under the Conservative plan. With this budget there would also be the removal of the textbook and education credit. That is before families would start paying directly out their pockets for the national carbon tax and the carbon tax being introduced by different provinces throughout the country.

These same families I speak of include the same small business owners and the people who run our family farms. Employers would be paying more taxes in the future. The current government would cancel the small business tax rate. It would also be introducing increased contributions into public pension plans, by both employers and employees, after consultations. However, it also cancelled contributions into people's own personal tax-free savings accounts in

December, and it has cancelled the hiring tax credit. These are tax increases to small businesses.

I would be remiss if I did not talk about our local agricultural producers and farms. Ninety-eight per cent of farms are owned by families. During his speech, the Minister of Finance encouraged farmers to produce energy if commodity prices have dropped. Although I appreciate that some communities may feel this is a great option, I live in Elgin—Middlesex—London, where this has become a big issue, especially at the provincial level.

• (1525)

I come from an agricultural community, and I have had the opportunity to talk with our grain and oilseeds farmers, as well as our beef, hog, tobacco, bean, lentil, apple, strawberry, pumpkin, and the many other producers. Farmers have really diversified. They have clearly stated to me that they need new markets and support for their industry.

As the industry moves forward, we must support science-based research not only in Ottawa centres, but in the fields, and with the agricultural producers and agribusinesses. Over the next six years, we will see a \$30-million investment into agricultural research in Ottawa. However, that is just a start, or I hope that it is just a start. We need to do more for our farmers.

Finally, for all Canadian families, agricultural and small business owners, a huge deficit has been tabled. It will be these families and small businesses that will be footing the bill. For many Canadians, it is truly hard to fathom amounts like \$10 billion, \$20 billion, and \$30 billion, as most Canadians only understand their own household debt. The government is treating Canadian tax dollars like Monopoly money. I like to play *The Game of Life*. My son always makes me play it. However, this is not a game. This is real money, and what we need is a vision, not just spending. Often when we speak in Parliament we use figures, formulas, and numbers that Canadians just are not in touch with.

I believe there is a time for governments to participate in stimulus programs to grow the economy, as we saw with the stimulus spending programs of the previous government. We had shovels in the ground to build new roads, bridges, recreation centres, and much more, as well as an incredible investment into programs such as KIP, the knowledge infrastructure program. We saw universities like Western University, in the city of London, Ontario, improve the facilities for the Ivey Business School. This was great infrastructure spending at a time when it was needed most. At that time, across Canada, and especially in my riding where over 6,500 jobs had been lost just in the city of St. Thomas, investments were made that truly stimulated the economy and got people back to work. However, this is really not the time. We need viable options and opportunities to get people back to work. We need to spend wisely.

*The Budget*

As I said, I do see some positive things in the budget. However, first and foremost, the Liberal government is misleading Canadians. Important programs and tax incentives, like a fitness tax credit, do not just help families by giving them tax breaks, but they also help promote physical fitness. Although sports might not be everyone's cup of tea, the ability to compete and improve oneself is hard to challenge. My children have participated in sports, from swimming and getting their Bronze Cross to playing in house league soccer teams. Sports and physical fitness programs improve people physically and mentally. Why would the government cancel programs that encourage participation? If anything, I would have loved to see increases to these credits, especially for seniors. What the Liberal government calls boutique tax credits help seniors who are worried about their physical fitness purchase a gym membership or participate in activities. At the end of the day, these types of tax credits may help our health care system because there would be fewer people needing to use it.

The arts credit is another excellent example. Music and arts programs are built on creativity and are linked to learning. The government likes to use the term "boutique tax credits" when discussing these credits. We need to see not only how these credits improve people and put money in their pockets but also what they do for communities when people get involved with local recreation or sports teams. Sometimes small businesses also benefit. It is not only families that benefit but organizations as well.

These are great programs and initiatives that help members of our communities participate, and I do believe it is important to support all families. The government's approach is not exactly what I would have hoped for, but I will say that some families will be helped. However, it was six out of nine times under the Conservatives, and only three out of nine times under the Liberal government.

I do support helping single parents and families with disabled children. However, this budget is very misleading. I would suggest a universal approach with the universal child care benefit, fitness tax credit, arts credit, and income splitting. I think they are the best approach.

I am truly concerned with the debt which seems to help families today, but in the long run it will be what they have to deal with tomorrow. These debts are as a result of the current spending. What happens when we get the bill? We need to look at these deficits.

I look forward to the further discussion on the budget in the House.

• (1530)

**Mr. Wayne Long (Saint John—Rothesay, Lib.):** Mr. Speaker, John, Mary, Jack, and Grace came into my constituency office last week. They are living in poverty. In fact, they are having trouble making ends meet. They are on a wait-list for affordable housing. They line up at the food bank. What John, Mary, Jack, and Grace want is a budget like the one we delivered last month. They want a budget that has progressive ideas. They said to me that after 10 years of cutbacks and regressive policies, they need a change.

They are very pleased about the Canada child benefit, which is better for nine out of 10 families, which will lift thousands of people in my province and in my riding out of poverty.

They asked me about the tax-free savings account. They asked why the Conservative government would double a tax-free savings account that only 4% of Canadians maximized.

I will say that John, Mary, Jack, and Grace were thrilled with our budget. They were thrilled with the progressive nature of it.

Will the member opposite not concede that the Canada child benefit is a transformational program, a government program that is going to be good for the many and not the few as under the UCCB?

**Mrs. Karen Vecchio:** Mr. Speaker, Grace is a smart four-year-old. It is great that Grace came to visit the member.

As I said, we have to look at everything here. We are talking about, as the member indicated, a full transformation.

With this budget, great programs, like the fitness tax credit, have been removed. The arts credit has been removed. Income splitting has been removed.

Yes, I believe that we must continue to invest in affordable housing because not all Canadians are moving forward. That is why we need to have excellent job-creating opportunities, so that we can get parents back to work, so that when our youth are looking for their first part-time job, they find a job, that we have an economy that provides these.

It is important to have things when we need to give a hand up, but we do not always need to give a handout. We need to focus on job creation. We need to focus on these things.

When we talk about that fitness tax credit, that is just looking at it very simply. Jack and Grace are probably getting those lessons from our 16-year-old or 17-year-old sons or daughters. Those are the great things because those are the people out there, volunteering, making our community a better place, and giving our youth their first-time jobs.

Let us not forget about those important things, as well.

[*Translation*]

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

Since she comes from a manufacturing region, I would like to know what she thinks of the comments made by the Prime Minister, who basically dismissed the manufacturing industry just before the election campaign. He did not seem to think that it was very important. He even said that it was not an industry of the future.

I would like the member to talk to us about the industry in her part of the country.

What can we do to help these people whom the government has abandoned?

*The Budget*

[English]

**Mrs. Karen Vecchio:** Mr. Speaker, truly, that is something that is absolutely on my radar. We need to ensure that we have manufacturing incentives. We need to ensure that we are investing in new technologies. We need to ensure that there are going to be jobs for Canadians. I agree 100% with the member. It is very important.

When the leader of that party at that time was campaigning, he said, in my own community, that southwestern Ontario should stop manufacturing and diversify. I will tell members that the majority of people in Elgin—Middlesex—London stepped back and choked. That is not what grows our economy.

I come from agriculture and manufacturing. It is extremely important that we continue to invest in those things. I will continue to support the manufacturing in my community. We have lots of automotive in our community. Lots of different things are always occurring. Any time we can help manufacturing, we are helping families and we are helping the Canadian economy.

• (1535)

**Mr. Blaine Calkins (Red Deer—Lacombe, CPC):** Mr. Speaker, I finally get to ask a question of an hon. member in this House.

I remember what got me motivated to get into politics. I remember my wife and I making decisions for our family. We had one person stay at home to raise our children. We thought that was what was best. I remember the policies of the day of the former Chrétien and Martin governments were absolutely disastrous for my family. I was absolutely thrilled in the last 10 years, as a member of Parliament on the governing side, to bring forward many great policies that helped families in my constituency who are all telling me that they oppose what the Liberal government is doing to them, getting rid of all of these benefits that help them,

I wonder if the hon. member would reiterate just how positive the environment was for families under the former prime minister and how terrible they are now under the current Prime Minister.

**Mrs. Karen Vecchio:** Mr. Speaker, it is interesting that the member asked this question. Just the other day, I was talking to my sister about income splitting. Unfortunately, her husband suffered a severe concussion and has been off work for the last two years, and therefore, he does not have the income he used to have. However, because of the income-splitting opportunities, they would have been able to put more money in their pockets. What would have been great about that is they have two kids currently in university. Things like the textbook credits and all those important things would have helped my sister and brother-in-law, Ann and Scott, as they go through this journey and difficult time.

**Ms. Yvonne Jones (Parliamentary Secretary to the Minister of Indigenous and Northern Affairs, Lib.):** Mr. Speaker, I am going to share my time with the member for Winnipeg South.

I am very proud to speak to budget 2016.

Members talk about the reasons they get into politics. This budget is certainly a reflection of one of the reasons I got into politics; it is about reaching out to all Canadians, in a fair and balanced way, ensuring that they all have opportunities in this country. That applies to everyone, from the east to the west. This evening we will hear

some interesting perspectives on the budget and how it is going to help Canadians from one end of the country to the other.

I have spent a number of years in politics, and I can guarantee that in representing people in my riding, and before that in my district at the provincial level, it has not always been easy. It is not always easy to advocate for people, especially in times when governments are not tuned in, not listening to the needs of the people, and when they do not always see the big picture, a vision for the country.

In the last number of years, people in ridings like mine that are remote, rural, northern, and indigenous, have not been listened to. When we look at the infrastructure deficit that we carry today, it is because there were governments in the country in the last 10 years that did not believe in many of these communities and many of these regions. These are regions that are northern, indigenous, remote, rural.

I am very pleased to see a budget like we have today that is reflecting those needs and looking at the reality of what investments it will take to be able to meet some of those demands.

Today as we speak, there is a budget coming down in Newfoundland and Labrador. I do not envy the job of the premier and his government, but I certainly have confidence in them to know that they will make the right decisions for the people in their province. They are carrying a huge deficit, and they have to make tough decisions. I am happy to say that I am part of a national government that recognizes this, and that has reached out in this budget to help provinces, like Newfoundland and Labrador, when it comes to creating jobs and new opportunities, to help provinces like Saskatchewan, Alberta, and many others.

This year we were able to increase the transfer dollars to Newfoundland and Labrador, and we were able to ensure that there were increases in health transfers over those of previous years. We were able to see increases in social transfers over those of previous years. We were able to ensure that there was proper fiscal stabilization investments that would be transferred to Newfoundland and Labrador.

It means partnering with provinces and territories. When a province is strong and its economy is strong, we all benefit. Our government is recognizing that. We are recognizing that, and we are partnering with provinces and territories to help them do the things they need to do to move infrastructure forward.

The other thing we are doing is we are recognizing that the challenges they have need to be dealt with.

Two years ago in my riding, under the former government, hundreds of people were laid off when the iron ore industry started to collapse. I saw four mines close in my region. At one point I saw a community with nearly 400 for sale signs on houses.

When I listen to the members opposite ask about what we are doing to help people who are unemployed, it is ironic. There were thousands of people in this country laid off and unemployed under the former government, people who received absolutely no support, absolutely zero support.

*The Budget*

●(1540)

We have been able to work with communities like Wabush and Labrador West so we can ensure that we have better employment insurance benefits for them to help them through the transition. We have been able to work with them in their communities and in the province to secure new investors and new opportunity. We have been able to put more money into investing in skills training and diversifying skill levels. We have been reaching out to communities in this way all across the country.

We know that when we build stronger communities and when families have financial security, everyone contributes more to our country. That is why in our budget our government was adamant about raising the middle class, about allowing families to have opportunities and save for their children's future, to save for their retirement, and to be able to own a home.

This is the kind of balance that our government has had to tackle. We have done a great job in targeting so many middle-income families and low-income families that really need the government to give them a hand up in society.

That is why things like our child tax benefit program and our reformed income tax program will make a difference. In addition to that, we also realize that not all people live equally. We recognize that in northern regions the cost of living is much higher. That is why we included special initiatives within the budget to help. We have added more money to programs like nutrition north so families can look at providing more affordable food to their children.

We are also committed to doing a full review of the nutrition north program, to work with the communities that are impacted and to look at how we can expand this program so they have better quality food but, most important, affordable food when they need it.

We have also made changes to tax deductions for northern regions. For the first time in many years, we have given substantial increases under the northern tax reduction program, which will allow more families to have more money in their pocket to deal with the higher cost of living that they have to live with on a regular basis.

For the first time ever, I listened to a budget that referenced not just indigenous people, or first nations, or Métis, but actually referenced Inuit people and referenced areas like Nunavut, Nunatsiavut, Nunavik, all of those areas about which we never hear much. They are referenced in the context of investment, in investing money into critical programs across northern regions. I represent a large area of northern Inuit people and for the first time we will get investments in housing. We will be able to provide better housing, better support programs, and a better foundation to help them build their communities.

We have talked about suicide a lot in the House in the last few days. The Inuit regions of Canada have a suicide rate that is 10 times the national average. We have to get to the root causes of these problems. That is why this government is making one of the largest investments ever, more than \$8 billion, for indigenous communities and indigenous people across the north.

We are prepared to tackle the most challenging issues that we face as a country. We are prepared to resolve those issues in collaboration

with those who are impacted. We know in doing so all Canadians do better.

●(1545)

**Mr. John Brassard (Barrie—Innisfil, CPC):** Mr. Speaker, I find it curious that the member started off her statement with a reference to the Newfoundland and Labrador budget today, and that she expressed her extreme confidence in that government do the right thing.

In the statement today in the Newfoundland legislature, this is what the premier's finance minister said, "The previous government's willingness to mortgage our future has left our province facing the biggest deficit and highest net debt ever recorded in our history." I will remind the House and the hon. members on the opposite side that we in fact did leave a budget surplus, as evidenced by the "Fiscal Monitor".

When the member speaks of confidence, these were the measures in today's budget: 16.5¢ a litre increase in the gas tax in Newfoundland as of June; \$900 income-based levy on all taxpayers; HST, up by 2%; average families paying \$3,000 more in tax; income tax brackets going up in every income level; corporate tax rates increasing up to 15%; and class sizes also increasing in Newfoundland and Labrador in grades four to twelve.

Is that confidence in the government that the member spoke about an example of the foreshadowing that all Canadians will see with future budgets?

**Ms. Yvonne Jones:** Mr. Speaker, the Government of Newfoundland and Labrador is dealing with tremendous challenges left behind by a former Progressive Conservative government, not unlike what we are dealing with regarding the challenges on debt and deficit that were left to us by the former Conservative government opposite.

However, do we govern in a country and do we bill our way back, or do we allow the country and that province to go bankrupt?

The people opposite may be prepared to run large deficits, run the people's country and the people's province into the ground, leaving nothing to rebuild from. The Liberals do not work that way. We look for a path forward, and sometimes that path is painful. However, Canadians will always have security, they will always have a government to depend upon, and they will not be left to their own devices.



*The Budget*

●(1550)

**Mr. Don Davies (Vancouver Kingsway, NDP):** Mr. Speaker, I am the health critic for the New Democratic Party, so I read this budget with a particular interest in the provisions around health care. We know that during the last election, there were some very clear promises by the Liberals to the Canadian people. One was that they would allocate \$3 billion over four years to home care, which we all agree is very important need in our country.

The Liberals also, without promising it explicitly, left a clear impression that when they renegotiated the health accord, they would address some of the deficiencies that had been put in place by the previous health accord. Yet in this budget, not a penny is allocated or budgeted for \$3 billion in home care either this year or in any year, and there is not a single dollar allocated in this budget that would indicate that the health accord would be repaired after 2017 when the 6% escalator is scheduled to drop to 3%.

Would my hon. colleague tell Canadians why there is no money in this budget for home care or a new renewed health accord when that is what her party promised Canadians just six months ago?

**Ms. Yvonne Jones:** Mr. Speaker, it is obvious that we are very committed to home care. Looking at home care for Canadians today, we announced the initiatives that we would undertake around palliative care as well.

The other part is with regard to the health accord. We are looking to the provinces and territories. We will be working with them to develop a new health accord. That health accord will reflect the modern demands of the health care system, whether that be around mental health services or other health services. However, I can guarantee that these are priorities for us, and priorities that we will address in this mandate.

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**MESSAGE FROM THE SENATE**

**The Deputy Speaker:** I have the honour to inform the House that a message has been received from the Senate informing this House that the Senate has passed the following bill to which the concurrence of the House is desired: Bill S-201, An Act to prohibit and prevent genetic discrimination.

\* \* \*

**THE BUDGET**

## FINANCIAL STATEMENT OF MINISTER OF FINANCE

The House resumed consideration of the motion that this House approve in general the budgetary policy of the government.

**Mr. Terry Duguid (Parliamentary Secretary to the Minister of Families, Children and Social Development, Lib.):** Mr. Speaker, it is a great privilege and honour for me to rise and speak today in the House on the subject of our government's 2016 budget.

It is not an exaggeration to say that we have the good fortune to live in one of the world's great democracies. Canadian democracy as we know it has been evolving over 250 years. If one considers the consensus-style government long practised by our first nations, then our democratic tradition has in fact been in place even longer than that. Therefore, for me to have this opportunity to add my voice to

the long list of those who have gone before me in this continuing story of democracy is a truly humbling experience.

I must also add that my sense of pride today is felt in double measure because of the constituency I represent. Winnipeg South is a community that epitomizes and crystallizes the very idea of what it means to be Canadian. From pre-contact times, the mighty Red River that flows through Winnipeg South was a trade route for Canada's first people. Our riding became a place where French explorers and indigenous people met, traded, and settled together, and French continues to thrive as a language of our daily life.

Our part of Canada, in fact, created key pieces of a whole new culture unique to the world. The Métis people and Louis Riel's house, the site of national historic importance, is situated in Winnipeg South. Our community has, since those earlier days, welcomed immigrants from around the world, and continues to this day to embrace the spirit and the fact of Canadian multiculturalism.

When I recently visited Fort Richmond High School in my riding, I was astounded to learn that the students attending that school could trace their roots back to 170 different countries. It is amazing.

Winnipeg South is what Canada is all about, and I could not be more proud to be its member of Parliament. I thank the voters of Winnipeg South for the trust they have placed in me, and I pledge here that I will serve them faithfully.

I am a Liberal because I believe government has a role to play in improving the lives of Canadians. In the election, the Liberals promised that, if elected, we would play that role in building our economy and our country. Now, with our new budget, the Liberal government is keeping the election promises we made to build Canada and make it a better place for all.

For me, and particularly as Parliamentary Secretary to the Minister of Families, Children and Social Development, I am especially looking forward to helping implement the investments in social infrastructure we will make to ensure all Canadians have a chance to succeed. A key component of this approach is the investments we will make in affordable housing that were announced in this budget in the social infrastructure fund.

Canada is a federation, as members know, and all levels of government need to examine how they can work together to best serve the interests of their constituents. I believe the federal government has a strong leadership role to play in ensuring that all Canadians have a home and a safe place to live. This budget provides that leadership. I am pleased to say that, through budget 2016 investments, we will work with our partners and the provinces, territories, and indigenous communities to address the most pressing housing needs in the short term.

With new funding commitments of \$2.3 billion over the next two years, budget 2016 represents a huge step in providing affordable housing for Canadians who need it most. Of the significant investments we will make in housing over the next two years, close to \$1.5 billion of it will be delivered by the provinces and territories under the investment in affordable housing program, also known as the IAH. This will provide an immediate response to the most pressing housing needs in communities all across Canada.

*The Budget*

It is important to note that these new investments are only a first step. A more permanent, longer-term approach is needed to develop an effective and made-in-Canada housing strategy. As these shorter-term measures are being implemented, we will carefully develop a comprehensive, forward-looking strategy that supports innovative approaches to affordable housing and improved housing outcomes for all Canadians and for all types of housing.

To that end, we will consult with the provinces and territories, indigenous people, and other stakeholders in the coming year to develop a national housing strategy. More details on these consultations will be shared later this spring.

● (1555)

Another one of the promises we made during the election campaign was to create a new Canada child benefit, and I am so pleased to note that budget 2016 keeps this promise and proposes to replace the current complicated child benefit system with the new Canada child benefit in order to give Canadian families more money to help with the high cost of raising their children.

This new benefit would provide a maximum annual benefit of up to \$6,400 per child under the age of six and up to \$5,400 per child for those aged six through 17. Families with less than \$30,000 in income would receive the maximum benefit. Families would receive approximately \$9.8 billion more in child benefits during the 2016-2018 period than they do now, and nine out of ten families would receive more in child benefits than under the current system.

In my province of Manitoba, families would receive \$490 million more in child benefits during the 2016-2018 period, and as the Parliamentary Secretary to the Minister of Families, Children and Social Development, I am gratified to say that the new CCB, as my hon. friend from New Brunswick has said, will lift some 300,000 Canadian children out of poverty and set them on the road to success. This is an example of the positive work that government can do to improve our society, and I am proud to play a part in it.

In the last election, the voters in Winnipeg South had a clear choice between a Conservative government, which they believed represented the status quo and felt that the status quo was good enough, and a Liberal Party, led by Justin Trudeau, that believed the middle class deserves better.

My apologies, Mr. Speaker.

**The Deputy Speaker:** I know the hon. member realizes that at this point he can, of course, substitute “the Prime Minister” or his riding.

**Mr. Terry Duguid:** Mr. Speaker, the alternative was a Liberal Party, led by the Prime Minister, that believed the middle class deserves better. Voters saw that while the wealthiest 1% of society had seen their incomes more than double in the last 30 years, middle-class incomes had stagnated.

Middle-class Canadians were doing all the right things—studying hard, working hard, and making a real contribution to the Canadian economy—but their hard work was not paying off in higher incomes. We in the Liberal Party said that was not fair. Canadians agreed and voted in favour of our promise to give a tax break for the middle class.

I am happy to note that we have already kept this promise and lowered the middle-class income tax rates, saving the average middle-class family in Winnipeg South and across Canada hundreds of dollars per year. Middle-class voters gave us their trust, and we have lived up to it.

Budget 2016 will literally help build Canada and prepare it for the future. Our budget proposes to invest up to \$11.9 billion over the next five years on a cash basis to maintain and upgrade federal infrastructure assets that provide services all Canadians can rely on. These assets include things like public transit, cultural and recreational facilities, green infrastructure that represents the economy of the future, universities and community colleges, as well as things like roads and bridges. A robust infrastructure is the backbone of a strong economy, and budget 2016's new spending will continue to build the things that Canadians want and need.

This new spending will also create tens of thousands of jobs.

I have mentioned only a few of the many things that our new budget will do to improve the lives of Canadians. These are first steps, but they are important steps and ones that set us on a bold new path compared to the recent past.

I began my remarks by saying how proud I am to serve as the member of Parliament for Winnipeg South and how proud I am to serve as the Parliamentary Secretary to the Minister of Families, Children and Social Development. This new budget reaffirms the values of our party and our government. It is only the beginning. In the coming weeks and months, we will continue to take steps to strengthen families, build our infrastructure for the future, and support the middle class.

I would like to conclude by saying that none of these initiatives or new programs would mean anything without the help and hard work of Canadians from coast to coast to coast. As a Liberal, I believe that governments and the people who elect them work together to make society a better place. Governments can provide leadership, to be sure, but it is the people who create the co-operative spirit required to build great societies.

As we move forward from this first budget, I know that my constituents in Winnipeg South are ready to face the future with a new optimism and a new hope for the great things that we will achieve together.

● (1600)

**Hon. Jason Kenney (Calgary Midnapore, CPC):** Mr. Speaker, I congratulate the new member for Winnipeg South on his election to this place and I wish him well during his time here.

In his speech he cited completely misleading statistics to support the central premise of this big-spending, big-borrowing, big-taxing budget when he said that the top 1% of income earners had benefited from all of the income growth in the past 35 years.

*The Budget*

It is very interesting that he would replicate the Minister of Finance's statistical jiggery-pokery of choosing the 35-year time frame. That statistic is true if we start from 1982, from the period of the Trudeau administration, but interestingly, during the administration of the previous Conservative government, the average growth in real family income for the top 1% income earners from 2005 to 2014 actually shrank, while real average median after-tax incomes for the average middle income family went up by 11%. The actual picture of income distribution and growth between 2006 and 2015 looks radically different from what it does if we go back to 1982.

I have a very simple question. Why is he presenting misleading figures in order to justify his budget? Why does it not stand on its own?

**Mr. Terry Duguid:** Mr. Speaker, I think the record is clear. We have had 10 years of stagnation in this country, 10 years of low growth under the previous government, and this budget makes historical investment with which we will stimulate our economy, create jobs, and lift children out of poverty.

The hon. member should not take my word for it. He should take the words of the IMF and national and international economists that our Minister of Finance has cited many times.

The Minister of Families, Children and Social Development and I have met with all manner of social development groups. They agree that this is a good budget because we are investing in the Canadian people.

• (1605)

**Mr. Kennedy Stewart (Burnaby South, NDP):** Mr. Speaker, we talk a lot about pipelines in the House, and of course that topic is definitely related to this matter today. I have seen an article in the *National Post* saying that the Prime Minister has told his senior lieutenants to draw up plans to make Kinder Morgan's Trans Mountain expansion a reality.

A lot of times I hear in this House that the government believes in a new process, but it seems that now it is overriding the process and approving this pipeline before the application has even been filed.

Can the parliamentary secretary tell me if a decision has already been made? Will they build Kinder Morgan, or will he stand with me in this House today and oppose this pipeline?

**Mr. Terry Duguid:** Mr. Speaker, I thank the hon. member for his question. I forgot to thank the previous hon. member for his question, so I will do that now.

I had the very good fortune to be the environment commissioner for the Province of Manitoba, the home province of the member for Elmwood—Transcona, and I know the importance of good process.

Members have heard the Minister of Natural Resources and the Minister of Environment and Climate Change talk about the good process that we intend to follow. We believe that the environment and the economy can go together and must go together, and we will follow due process in assessing all of these pipelines.

**Hon. Judy A. Sgro (Humber River—Black Creek, Lib.):** Mr. Speaker, I want to begin by congratulating my new colleague on his comments and on the very active work he is doing here to advance our government's agenda.

When it comes to the issue of university tuition and post-secondary school, we have much in common between Winnipeg South and Humber River—Black Creek in terms of our population base and the issues that are important to all of us.

I would be interested in comments from my hon. colleague on the investments that our government is making to allow many more people to be able to afford post-secondary education.

**Mr. Terry Duguid:** Mr. Speaker, I thank the hon. member from Toronto for her question.

Indeed, we do share much in common. My riding is the home of the University of Manitoba, our major research university. We have enhanced grants, particularly for low-income families, as well as loans. Students will now have to make at least \$25,000 before having to begin paying back their student loan. They will get that extra time to get a good job before they have to start paying back their loan.

I would also point out that there have been other major investments in our universities. There is a \$2 billion knowledge infrastructure fund that will be administered by the Department of Industry, Innovation and Science, and there are major investments in research, CIHR, Genome Canada, and CFI. As well, we have formally ended the war on science.

**Hon. Deepak Obhrai (Calgary Forest Lawn, CPC):** Mr. Speaker, I will be sharing my time with my colleague, the member for Durham.

Mr. Speaker, it is a great honour and privilege to stand to speak to the budget. As this is approximately the seventeenth or eighteenth budget that I have debated, I will give my perspective on all the years that I have been in this House talking about budgets.

First let me say that on the other side, there are a considerable number of new members of Parliament. I welcome them all into this House. I am sure they will have a great time in this House over the next four years. We will debate many issues, many of which we will agree on and many of which we will not.

For the new members of Parliament, let me give them a little history. I came here about 18 years ago. From that time, until October last year, every government had been fighting to balance the books. The previous Liberal government, under this Prime Minister's father, created huge deficits, and every government, including the Liberal government that preceded us, fought to balance the budget, to bring the books back into shape. We can all remember that the former prime minister, when he was the finance minister, cut transfers to the provinces to balance the budget, which no province has forgotten.

Under the leadership of former prime minister Harper and finance ministers Jim Flaherty and Joe Oliver, we worked very hard to bring the finances back into shape.

During the recession of 2008, when I travelled all over the world, wherever I went, I was asked all the time how Canada had not suffered from the world recession. It was because the policies we had were sound. We were not recklessly spending the money that we now see the present government doing in the budget of 2016.

### *The Budget*

Budget 2016 is the first budget in the 18 years that I have been here where there is absolutely no control on spending, no control on any kind of transparency or accountability for Canadian tax dollars. What we have in this budget is a deficit. It started with a \$10-billion deficit. Now it is a \$30-billion deficit, with no plan as to when we are going to pay it. As it continues with the unplanned expenditures, we do not know where this deficit is going to end up.

In 2008, when the world faced a recession, the G20 countries came out with spending on infrastructure to stimulate the economy. At that time, the Conservative government also went into deficit.

For the present government to now say that it is bringing in infrastructure spending and all these things is something that the world economy has done. However, we are done with the plan, a plan to bring back and balance our books.

The present government, despite the fact there it is very clear that when we left government there was a surplus, tends to mislead Canadians. It misled Canadians by saying that there will only be a deficit of \$10 billion. It is misleading again to say there was a deficit when it came into power. It is utter nonsense.

During the period that we were the government, I remember very clearly taking control of our expenses. We gave the departments and everybody an opportunity to see how they would reduce expenses to make it balance. That allowed us to cut taxes. We moved the taxes from early July to the middle of June for Canadian taxpayers. We reduced the GST to 5%. Now, with all this massive spending by the government, many people are asking whether the GST is going to go up. "Are they going to raise the GST?" It is a question that many Canadians are asking. Based on the past experience of the Liberals, we cannot trust what they are saying. It may go up.

• (1610)

Of course, we are facing a crisis right now of low oil prices, but everybody tries to say it is a regionalized issue in Alberta or Newfoundland. Today budgets are being presented both in Newfoundland and in Alberta. In all of them, they are talking about massive deficits. The oil prices are world-controlled, but let us make it very clear that everyone benefits from the energy industry. It is not only the few provinces of Saskatchewan, Alberta, or Newfoundland; it is everyone, including Ontario, and most importantly Quebec.

Because everybody benefits, it is important that this energy sector now be given assistance, as we did when the automobile industry was under pressure. We came out with a program to help the auto industry in Ontario. It is the same thing, and today the energy sector requires assistance.

However, what do we have to do? It is very simple. We need to move our oil resources to tidewater, as everybody keeps saying. What is interesting is that the NDP government in Alberta has recognized that this is a vital thing for the economy of the country. The Alberta government is changing its tune and saying it needs pipelines to take oil to tidewater.

The latest opinion poll shows that most Canadians agree that pipelines are the safest way to take oil. What do we get from the other side? We get nothing. We get statements saying that they know it has to go there, and yes they will do all this. They put in all these

rules and regulations that can delay for years and years the project of making pipelines.

The rhetoric that the other side is giving is that the current government streamlined the environmental regulatory process so that it would be a balanced process, not a process taken over by special interest groups, which the government seems to be representing all the time. We need to have the pipelines and the natural resources that this country is blessed with go to foreign markets. That is the key element of where prosperity would fly all across Canada for more jobs. Yes, we have infrastructure in the budget. We did that too, but there is no plan on that side. The parliamentary secretary was just talking about it.

Canadians are extremely worried by this huge spending budget of 2016. They do not know where it will lead them. I can say that all of us will have to pay for this deficit. As I have said, in the last 20 years we have been fighting to ensure that the overspending of the previous Liberal government was brought under control. The generations to come will be paying for the current government. It is not going to pay. It is the generations to come that will be paying. Our young children will be paying for all of this deficit.

There are some economists talking about this being a good thing, but I know from history that all economists have different views. However, the simple, straightforward logic that everybody knows and that everybody's parents and grandparents taught them is to live within our means. That is what the current government should be doing, and not spending money as if it is somebody else's money.

I will conclude by saying this to the Liberal government: respect the taxpayers' dollars.

• (1615)

**Ms. Anita Vandenberg (Ottawa West—Nepean, Lib.):** Mr. Speaker, the hon. member talked about spending, but Canadians know the difference between spending and investment. When we invest in Canadians, we create growth in the economy. In fact, just this week the Governor of the Bank of Canada said that our budget would have a positive impact on growth. Christine Lagarde, the head of the IMF, singled out Canada to say that if other countries have the capacity to do so, they should follow Canada's lead. In fact, she said that the slower growth due to the energy sector is going to be offset by an increase in public investment.

Does the hon. member think that the head of the IMF and the Governor of the Bank of Canada are incorrect?

**Hon. Deepak Obhrai:** Mr. Speaker, what is correct has been put in a historic context, which is to live within one's means.

I will explain to the member that for the last 20 years when previous governments overspent, we had to fight to bring it back. Then after that, we managed to reduce the tax. It was our government, with that kind of management, that reduced the GST to 5%, putting more money into the pockets of Canadians. More money in the pockets of Canadians is what moved the economy.

*The Budget*

We all know that it is the consumers who move the economy and not the planners or economists. Therefore, this is a critical aspect. While reducing the GST to 5%, I would remind the member that in 2008, Canada was not in a recession at that time.

• (1620)

[*Translation*]

**Mr. Pierre-Luc Dusseault (Sherbrooke, NDP):** Mr. Speaker, I would like to thank my colleague for his speech. I cannot ignore what he said, which is rather surprising coming from a Conservative member.

I would like to come back to the matter of deficits. In his speech, my colleague mentioned the late Mr. Flaherty. In 2007-08, Mr. Flaherty listened to the advice of economists, who said that significant government investments would stimulate the economy, and he did exactly that. At the time, the government was proud to say that it was making investments to stimulate the economy. It even called those investments its economic action plan.

Why then is my colleague today denying the validity of this economic theory when his own government used the same strategy in 2008?

How does he explain the fact that he is completely opposed to that theory today?

[*English*]

**Hon. Deepak Obhrai:** Mr. Speaker, the problem with this budget is that it has no plan to meet the deficits made through the government's spending.

I agree with the hon. member about Mr. Flaherty during the 2008 recession, which I stated in my speech, but I do not think he listened. We spent the infrastructure money because that was what the G20 had agreed to. However, we then immediately had a plan on how to balance the books, which is what we did. Subsequent to balancing those books, we were able to give assistance to families, provide tax credits, invest in social services, and reduce the tax burden. Therefore, I say yes, but there has to be a plan.

Under the 2016 budget, there is absolutely no plan on how to reach that. It is just motherhood statements that the Prime Minister has been making, known to be the fluffy statements that he makes that somehow we will balance the budget, or like he said in—

**The Deputy Speaker:** We have time for just a very short question and response.

The hon. member for Barrie—Innisfil.

**Mr. John Brassard (Barrie—Innisfil, CPC):** Mr. Speaker, I want to thank the hon. member for his comments. One of the things he talked about was a lack of a jobs plan.

I would remind the House that 1.3 million net new jobs were created, and the current government, with this plan, is on track to make the employment insurance system the largest employer in this country.

Given the member's history in the House, what would he suggest that the government do to create a jobs plan for this country to get Canadians to work?

**Hon. Deepak Obhrai:** Mr. Speaker, first and foremost, what anyone would do is work towards balancing the budget. Once we work toward living within our means, we will have the money to spend where we want to spend it. We will create an environment in which there is more investment, where more businesses are attracted, which would then generate the economy. Most importantly, what generates the economy are small businesses, medium-sized business, and the middle class, not high government.

**Hon. Erin O'Toole (Durham, CPC):** Mr. Speaker, I am proud to rise today as the member of Parliament for Durham to speak in this important budget debate. What is most important about this debate is it is the first budget for the new Liberal government. It shows areas that it will focus on and as an opposition member, it shows areas that I am concerned about for our economic future. My remarks will be about that.

I will start off in a manner that my mother always taught me to do. She used to tell me that if I did not have anything nice to say, then I should not say anything at all. However, I will say something.

I was proud to see the government continue the legacy of Jim Flaherty, who recognized the unique strain placed on families dealing with young children with disabilities. I applaud the government for continuing the practice he started and for including extra support in its new child benefit for families with disabilities. I know first hand the late Jim Flaherty's passion on that subject and the impact it has had on families. The Liberals will continue that tradition and I salute them for it.

However, with that out of the way, the budget is built on a house of cards. When the Prime Minister was the leader of the third party, he did not support running a deficit. We have heard speeches from some of his brand new Liberal MPs, and I congratulate them on being here, but they do not know the position the Prime Minister took previously. For many years, he indicated the importance of a balanced budget. That was his position. That was the legacy he tried to take from Paul Martin and people like David Dodge. Members will hear them mentioned a lot. His position was that it was the responsibility of a government to keep a balanced budget.

In the middle of an election campaign, really to take advantage of a weak position of a party on the left, the Liberals started saying that they would run a modest deficit of no more than \$10 billion. In reality, there will not be a deficit lower than \$10 billion over the course of four years. In the first two years, the deficit will be roughly \$30 billion and around \$14 billion in the final year. Not only does this break his promise about no more than \$10 billion; it also breaks the promise about balancing the budget within his four-year term. My remarks will show that some of that spending will have no long-term job creation impact on Canada at a time when that has to be a priority.

*The Budget*

The other house of cards is this. The budget is built upon an election document. All senior civil servants have essentially been given their marching orders from an election document. The Liberal government brought in a senior member to the Privy Council who wrote the election document. Had the last government done any of that, there would have been riots on the streets of Ottawa, but it seems to be acceptable by the Liberal team. The other fallacy was that Canada was in a recession and that was why the government needed to do it. That was not true.

We saw that just a few weeks ago when job numbers and GDP numbers were announced. We would all like to see more jobs, particularly in Alberta and Saskatchewan, and Newfoundland and Labrador, provinces that have been impacted by resource prices. The economy is growing modestly so the whole premise for running that no more than \$10 billion deficit was also false. Why is that so important? Because it is building an economic plan for the new government that is built on a house of cards. The Liberal government is putting my children's future at risk by making poor economic decisions.

A deficit in the midst of a global recession with a plan to get back to balance is prudent. A massive deficit during a time when the economy is growing with no real emphasis on job creation is reckless. In fact, very little of the infrastructure money will stimulate job creation. Most observers have been profoundly disappointed.

I am happy there is some infrastructure spending, building upon the build Canada plan of the last government. However, virtually none of that spending will be stimulative, so there will be no jobs from it. There is no extension of the auto innovation fund or the parts innovation fund brought forward by the previous government to help Southern Ontario, to help areas in Oshawa and my riding of Durham, working with industry to modernize, to increase productivity, and to create jobs. There is none of that.

• (1625)

That is a broken promise on the job front to small business by reversing their position on the small business tax rate, another broken promise, in fact almost the unheralded or unheard of position of not meeting with the Canadian Federation of Independent Business and getting direct budgetary input amid the consultations the Liberals claim to have, I guess on Facebook, to help the hundreds of thousands of independent and small businesses in Canada.

In fact, leading economists will say that amid those tough global years of the recession, it was small to medium-sized employers that helped us make it through, which was why the previous government had a strategic plan to do away with some regulation and red tape for small business, but, more important, make their tax rates competitive and incent them to hire. If every small business hired two people, that is equal to a new shift at a plant in Oshawa or Windsor, or more. Therefore, letting down small business and having no plan for jobs is a profound concern when running billions upon billions of dollars in deficit financing for Canada.

I will now speak for a few minutes about a few areas of particular concern. I am the public safety critic. It was shocking to have a budget delivered the day of the terrible terror attacks in Brussels. The finance minister was gracious enough to acknowledge that terrible attack on our friend and ally at the beginning of his speech, but with

\$30 billion in new spending, how much is there for front-line public safety and security? There is zero, nothing.

There has been some talk about a few good initiatives such as countering radicalization, those sorts of things, which the Conservatives support, even though we have not heard anything from the minister. However, there is nothing for front-line members of the RCMP, CSIS, CSC to keep us safe. That was very concerning, and the minister has not explained why.

Now I will move to the Canadian Armed Forces. I am proudly wearing my RCAF pin. There was an RCAF reception on the Hill this week and I was proud that a lot of members attended. We have entered another decade of darkness. I had dinner last night with some friends of mine who I went to military college with and we called it "decade of darkness II", like the sequel we never wanted to be made.

Why is it as bad as the 1990s? Because there is a \$3.7 billion cut to the procurement budget. One of the members from Winnipeg is laughing. The aerospace industry in Winnipeg is looking to him and the government for some leadership. The F-35—

• (1630)

**Mr. Kevin Lamoureux:** On a point of order, Mr. Speaker, the member is trying to impute motives of mine when he indicated that I was laughing at what is a very important industry to my province. I was not laughing. I asked the member how many F-35s or jets the member got for the Canadian Forces, but he should not be imputing motives.

**The Deputy Speaker:** It is not a point of order. There are opportunities for members, when the times comes in question and comments, to perhaps challenge things they have heard in the House. I am sure the hon. member is no stranger to doing that when the need arises. I am sure he will have an occasion to perhaps address that point at another time.

**Hon. Erin O'Toole:** Mr. Speaker, having served in Winnipeg, and knowing the tremendous history of aviation and of the jobs in that province, it is not something to heckle about. Rather, it is something to support. I believe the F-35 the member references is being cancelled. However, that decade of darkness, is the sequel of the F-35 replacing the old Sea King that Jean Chrétien cancelled, which I flew on and which put lives at risk. That ill-timed decision to cancel cost \$500 million in penalties, and we still needed a new helicopter. Those are the types of decisions that the \$3.7 billion cut to new equipment will mean for our men and women.

*The Budget*

There is also a cut between the estimates of 2015-16 and the next main estimates of \$400 million in operational spending. That means the Canadian Armed Forces will go through the exact same thing as it did when the Liberal government came in under Prime Minister Chrétien. Then there was a defence white paper of 1994. We now have a defence review. It was the same sort of window dressing to cut and slash.

With respect to old age security, rolling back the modest reforms to ensure this program, which is not a pension but a program financed by the government, addresses demographic change is the best example of no plan at all. Our allies have made similar reforms, as have most of the countries in Europe. In the U.K. it is age 67. In Australia it is age 70. This is a responsible and sensible, evidence-based decision.

David Dodge, the former governor of the Bank of Canada who was quoted today, called this move in the government's budget "a backwards step."

In a book called, *The Real Retirement*, it states, "Canada will not have enough workers in the years ahead, and various incentives, government policies, and employment practices to encourage early retirement will make little sense." Who wrote that? The finance minister. He is not even following his own advice.

Governing is hard. It is about making decisions in the long term. It is ensuring there are job opportunities for everyone in Canada, for all families. It is about not burdening our children with debts piled up with overspending. We have seen that in Ontario with the McGuinty and Wynne governments. The federal Liberal government needs to recognize this and change its course before subsequent budgets put us on the economic shoals and put our future at risk.

• (1635)

**Mr. Kevin Lamoureux (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, the member might want to reflect more on some basic sense of commitment.

We were both here at this time last year when the leader of the Liberal Party, the now Prime Minister, talked a great deal about the importance of Canada's middle class and that we needed to invest in it. It ultimately became a part of the election platform for the Liberal Party. Then, if we read the throne speech from last December, two highlights came out of that: the significant cutbacks to taxes for the middle class, with millions of dollars going back into their pockets; and, the Canada child benefit program, with millions of dollars being invested in our children. These are two initiatives that really helped Canada's middle class. It was an election commitment, it was part of the platform.

I always thought the Conservatives would support tax cuts, especially to Canada's middle class. Yet the Conservatives voted against those tax cuts. Could the member please explain why the Conservative Party voted against the tax cuts, and why it does not support increasing child benefits that will lift hundreds of thousands of children out of poverty? Why do the Conservatives not support those two initiatives?

**Hon. Erin O'Toole:** Mr. Speaker, I will explain how this is another area where the Liberal Party is misleading Canadians in how it defines and reaches out to the middle class.

The Prime Minister is a little older than I am. However, both our families were recipients of the baby bonus, as were all members of the House. It was a universal program that recognized the universality and importance of children and family. That is what our universal child care benefit did. It was for everyone.

There were also benefits to families for income splitting, for children's fitness, and for children's arts. The Liberals are removing all of these programs that apply to all families and they do not want to tell people the result. In Ontario, if there is a family with a nurse, firefighter or police officer in the GTA, it is likely worse off under this new plan. Certainly, those families took advantage of the tax credits for university, books, arts and fitness.

This is what is happening. There is a lot of talk and window dressing by the Liberal government. However, when we search for the reality, it is not there. That is why the parliamentary budget officer said that this budget was the least open and transparent in 15 years.

The member and his colleagues should tell their constituents why they have kept elements out of the budget. That is very concerning.

[*Translation*]

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

In his comments, my colleague spoke about the budget of the Department of National Defence and said that the Liberals were neglecting that department.

I would like to hear more about a negative aspect of the budget that was raised and criticized by the parliamentary budget officer, and that is the lack of transparency in the document and the figures.

A lot of spending will go on until 2021-22. That is the case for the Department of National Defence. Some expenditures are even planned for 2021-22. That is basically two elections from now.

Could my colleague talk about the government's approach of announcing figures when those amounts will not be spent until two elections from now?

[*English*]

**Hon. Erin O'Toole:** Mr. Speaker, all members of the House know the passion I have for the men and women who serve us in the military and the RCMP. This is an area of profound concern because, as the member said, they have already outlined a number of figures for the military that allow a comparison with the decade of darkness.

The main estimates that we now see before the House show an operational cut of \$400 million and an almost \$4 billion procurement cut or delay. If we combine the procurement cancellations alongside the operational cuts, they amount to cuts that are actually larger than what we saw in total in the 1990s.

*The Budget*

With procurement in particular, the longer we wait to acquire these aircraft, the higher the cost will be. The Sea King was cancelled while I was an officer cadet at the Royal Military College. I served my military time. I became a lawyer. I practised law. I was elected to Parliament. Then, in my first time on *Power & Politics*, what was I talking about? The Liberals' screwed-up Sea King procurement.

If we delay or screw up procurement, we are delaying it for 25 years. It will raise the cost to Canadians. Worse, it will potentially put the lives of the people we ask to serve this country at risk. I ask the Liberals to stop that.

• (1640)

[Translation]

**The Deputy Speaker:** Order.

It is my duty, pursuant to Standing Order 38, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Kamloops—Thompson—Cariboo, Indigenous Affairs; the hon. member for Saskatoon West, Health; the hon. member for Desnethé—Missinippi—Churchill River, Indigenous Affairs.

[English]

Resuming debate, the hon. member for Newmarket—Aurora.

**Mr. Kyle Peterson (Newmarket—Aurora, Lib.):** Mr. Speaker, I will be splitting my time with the brilliant and fantastic member for St. Catharines.

I rise today to speak in favour of budget 2016. At the outset, I want to let the House know how proud I am of this budget and how proud I am to be part of a government that believes in Canada, believes in Canadians, and believes in restoring hope and rewarding hard work.

Budget 2016 focuses on growth, not austerity. It includes many measures that will grow the economy for the benefit of every Canadian. Investment is desperately needed, and it is needed now.

Members need not take my word for it alone. The International Monetary Fund and the OECD have called on countries to make use of available fiscal room as an effective lever to support long-term growth.

The strategic and smart investments in budget 2016 will strengthen and expand our middle class. They will reduce inequality among Canadians and, what I think is especially important, they will position Canada for sustained economic growth for years and years to come.

The Canadian economy is bearing witness to dramatic shifts in the global economy, but these shifts present opportunities both for Canadians and for our economy. This is why we need a long-term plan for growth. There are no quick fixes, and significant investment is required. We will make these investments.

This government listened to Canadians and took their input to heart. This budget was designed in part through extensive consultation with Canadians. I was pleased to participate in pre-budget consultations with my constituents in Newmarket—Aurora.

There are many elements of this budget that I am particularly proud of and will be speaking about today. I want to highlight four components of budget 2016: infrastructure investment, the Canada child benefit, support for seniors, and investing in arts and culture.

Canada's middle class will benefit from the immediate help provided by budget 2016, but ongoing growth is equally important. By investing in infrastructure now, this government is delivering on its promise to support the middle class and to secure a future of economic growth.

Infrastructure is crucial to our everyday lives. My riding has seen considerable growth recently, and the municipalities there need infrastructure investment. Without these investments now, economic growth is ultimately undermined. Congestion in Canadian communities makes life more difficult for busy families and has a negative effect on the economy.

Together, investments in infrastructure and innovation will form the foundation of a more inclusive society. Through strategic investment, this government is working to help facilitate and create good, well-paying jobs that can help the middle class grow and prosper today and well into the future.

Canadian businesses can only succeed when they have the tools to succeed. Budget 2016, by investing in infrastructure, goes a long way to support businesses across this nation. This means having better infrastructure to move products and get to work. It means having faster and more reliable broadband to communicate and reach customers, and it means having access to experts who can advise on how to develop businesses, including how to grow businesses globally.

Another important component of this budget, of course, is the Canada child benefit. It is essential for Canada to invest in its children. Canada's existing child benefit system is complicated and is neither tax-free nor income tested. This system is inadequate for meeting the demands of so many Canadian families, and it is not efficiently targeted to those who need help the most.

Budget 2016 gives Canadian families more money to help with the high cost of raising their children by replacing the current complicated child benefit system with the new Canada child benefit. The CCB will provide a maximum annual benefit of up to \$6,400 per child under the age of six and up to \$5,400 per child for those aged 6 to 17. Families with less than \$30,000 in net income will receive the maximum benefit.

• (1645)

With the introduction of a much better-targeted Canada child benefit, about 300,000 fewer children would be living in poverty by 2017. Let us think about that: 300,000 more Canadians who would have greater opportunity and, most importantly, more hope.

The budget also has a good component for seniors. The government has made a clear commitment to improving the lives of all Canadians, and a key element of this commitment is improving the quality of life for seniors through strengthening public pensions and increasing social infrastructure funding for seniors' living.



*The Budget*

Canada's retirement income system has been successful in reducing the incidence of poverty among Canadian seniors. However, many seniors continue to be at risk of living in poverty. The budget has committed to increasing the guaranteed income supplement top-up benefit by up to \$947 annually for the most vulnerable single seniors. It supports those seniors who rely almost exclusively on old age security and guaranteed income supplement benefits.

Once again, I am proud that budget 2016 is supporting Canadians who need it the most.

The challenges in affordable housing are something I hear from constituents in my riding, and it is an increasingly difficult barrier facing seniors. Through budget 2016, the government has committed to new social infrastructure investments that would be instrumental in increasing the quality of life for very many seniors. With real investments in construction, repair, and adaption of affordable housing for seniors, the government has committed over \$200 million over two years to help provide this vulnerable population with access to the affordable housing that they need so desperately. Our senior population is growing, and our government understands that every individual deserves housing that is safe, affordable, and ultimately sustainable.

In 2017, Canada and all Canadians will be celebrating the 150th anniversary of Confederation. Budget 2016 would ensure that our country's heritage is celebrated and shared.

As many know, our cultural industries represent a key driver in our economy. Investing in the Canadian cultural sector helps to create jobs, strengthens the economy, and ensures that our unique Canadian stories are shared with the world. By investing \$1.9 billion in arts and culture, budget 2016 would offer support to national institutions, safeguarding of our two official languages, and promotion of industries that highlight Canada's culture.

Another announcement made in budget 2016 to celebrate this important time is the enhancement to the national historic sites cost-sharing program. This enhancement would include expanding the program to include heritage lighthouses and railways through the provision of \$20 million over two years. Improving and restoring Canada's very important historical sites is something that is important to many communities across Canada.

The government will work with our partners to ensure that all Canadians will have the opportunity to participate in local, regional, national, and international celebrations. This celebration is an exciting opportunity for everyone to get involved and to showcase Canada's heritage, which has been shaped through one of the strongest pillars of our great nation, our diversity.

I am proud to support the budget, and I encourage all members of the House to support budget 2016. By investing in communities, in our children, in our seniors, and in our arts and culture, budget 2016 is a clear step toward a prosperous future. It offers immediate help to those who need it most and lays the groundwork for sustained, inclusive economic growth that will benefit Canadian families for years to come. When Canadians have more money to save, invest, and grow the economy, everyone benefits.

● (1650)

**Mr. Daniel Blaikie (Elmwood—Transcona, NDP):** Mr. Speaker, today the government brought forward legislation that has to do with medically assisted dying. One of the things I noticed when it presented the budget was that even though we knew this type of legislation was going to be coming to the House, because there is a court-ordered deadline, there was no money in the budget for palliative care.

Regardless of what side of the issue members in the House ultimately end up falling on, there is some agreement across party lines that the new legislation, whatever form it takes, has to be accompanied by a meaningful strategy for palliative care across Canada.

There was not so much as a dime to even hire an analyst, or even seed money to start creating a strategy for how to roll out better palliative care across Canada. I wonder what the member's thoughts are on that and if he would be willing to advocate to his own government to get that money in as soon as possible, instead of having to wait for next year's budget.

**Mr. Kyle Peterson:** Mr. Speaker, let me first thank the member for Elmwood—Transcona for that question, and let me advise him that palliative care is something very near and dear to my heart.

I was once the president of our local hospice, Doane House Hospice in Newmarket—Aurora. I have been committed to palliative care throughout my volunteer work in our community, and I remain committed to palliative care. I think palliative care is an important component of any end-of-life program in a civilized and moral society, and I will advocate of course to continue my commitment to palliative care and to do what I can to ensure palliative care remains a priority for this government.

**Mr. Kevin Waugh (Saskatoon—Grasswood, CPC):** Mr. Speaker, the hon. member for Newmarket—Aurora made several references to the heritage budget that would increase by \$1.9 billion in the next five years or so. We should remind members of the House that the CBC, a public institution, would get \$675 million over this term, starting this year with \$75 million.

However, I should also say that, while encouraging our kids to sit on the couch and watch television, the Liberals would do away with the sports tax credit and the arts tax credit, a part of heritage in this country where families coast to coast to coast could put their kids into dance or music. For heaven's sake, in sports, families could try two or three options instead of just one during the year.

My question for the hon. member is this. You have talked about what you would do in the heritage file, \$1.9 billion. However, on this side of the House we are hearing the other as families are disturbed that these two very basic institutions that we have had over the years when we were on that side of the House would be now vaporized with this budget.

**The Deputy Speaker:** I just remind the hon. member to address questions through the Chair.

*The Budget*

The hon. member for Newmarket—Aurora.

**Mr. Kyle Peterson:** Mr. Speaker, I want to thank my friend for that great question. The dynamic the member sets up in choosing between culture and arts and sports I do not think is a fair dynamic. I do not think investing in arts and culture makes couch potatoes out of our kids.

The member from Saskatchewan has probably lured more children to stay on the couch in his past career when his wonderful baritone voice covered sports throughout the province of Saskatchewan. Children were probably thrilled and waited every night to hear his sports report, and that kept them on the couch, I am sure. I appreciate the member's affinity for sports and his affinity for culture. Believe me, they are not opposed; they can work in conjunction.

On the sports credits, I agree. Tax credits perhaps encourage people to try different sports. However, answer me this if you will. Think of a family whose parents cannot afford to put the child into sports. A tax credit does nothing for people who cannot afford to pay for sports in the first place. We would be taking that tax credit and putting it into the Canada child benefit so every child in Canada, including in Saskatchewan, can play sports and can play three, four, or five sports a year. That is what this budget would do. That is not what the former government did.

•(1655)

**The Deputy Speaker:** I would ask the hon. members to direct their comments to and address the Chair in their questions and comments.

We are resuming debate. The hon. member for St. Catharines.

**Mr. Chris Bittle (St. Catharines, Lib.):** Mr. Speaker, I would like to thank my hon. colleague from Newmarket—Aurora for sharing his time with me today. I am honoured to rise in this place and speak on behalf of my constituents from St. Catharines, Ontario.

I would like to begin today by saying that the provisions contained in budget 2016 would, without a doubt, deliver positive results for the people of my riding, the region of Niagara, and in fact all of southern and southwestern Ontario.

St. Catharines is a vibrant and dynamic community, located on the shores of Lake Ontario in the north end of the Niagara region. The Niagara region itself is uniquely located within close proximity to four border crossings to the United States. For much of Niagara's recent history, this proximity to the United States has allowed for a sizable manufacturing industry to grow and flourish, providing many good-paying jobs and a healthy middle class.

However, the last 20 years, and in particular the last 10 years, have not been kind to the region. As the world economy shifted away from heavy manufacturing, our region saw much of this industry close and move elsewhere. Thousands of Niagara residents lost their jobs or found new work at significantly lower wages, often in precarious employment. In my humble opinion, the economic policies of the last 10 years did nothing to help the people of Niagara. In fact, they made things worse.

Yet, there is in fact light at the end of the tunnel for the people of St. Catharines, Niagara, and all of Canada. On March 22, the hon. Minister of Finance presented to this House our government's first

budget, a forward-looking, progressive economic plan that would finally put the focus of the national economy back on the middle class and putting Canadians to work.

Throughout the election campaign, the Prime Minister was clear that we must refocus our national interest to the middle class that truly drives the economy and creates jobs. I am extremely happy to say that this budget would do just that and more for the people of my riding and the people of Canada.

I was honoured to have the opportunity to rise on the first day of this 42nd Parliament to ask a question of my good friend, the hon. member for Brampton North. This question was on child poverty. I rose that day, having read in the newspaper that 24% of the children in my riding lived in poverty. That was a shocking statistic.

What was even more shocking was when I went back to the riding and met with members of the non-profit community and was advised that it was a conservative estimate, and the number was probably closer to one-third.

We are one of the wealthiest countries on earth, and this is not acceptable. Children in our country deserve to live without fear or wondering where their next meal will come from or where they will lay their head at night. Child poverty is a national issue, and must be front and centre in our national debate.

This is why I am extremely pleased to see the Minister of Finance announce the creation of the new Canada child benefit. I can say without hesitation that this improved benefit would most certainly help families in St. Catharines.

The Canada child benefit would provide the residents of my riding and across Canada with a tax-free benefit that, on average, would give families an additional \$2,300 to help make things easier. Our government committed to raising more than 300,000 children out of poverty with this new tax-free benefit. I believe with the passage of this budget, we would succeed in meeting our goal.

However, combatting child poverty is only one of the key matters our government has committed to fighting. We have also committed to creating jobs and putting Canadians back to work. Our government committed to the largest infrastructure investment in Canadian history, and when the Minister of Finance tabled the budget, phase one of this investment was included.

The minister conducted consultations right across the country, as I did in my riding. He met with municipalities, community groups, and everyday Canadians. The message was clear: now is the time to invest in our communities.

However, as I have said locally to my constituents, infrastructure projects are no longer just buildings for politicians to cut ribbons in front of. The infrastructure spending that my riding needs and that we would deliver to Canadians goes much deeper than that.

*The Budget*

• (1700)

We will invest in the social infrastructure of our society. Of the \$11.9 billion we have committed to spend in phase one of our infrastructure plan, we would dedicate \$3.4 billion to help low-income and middle-class families. This includes a firm commitment to expand access to affordable housing throughout Canada.

In St. Catharines and throughout the Niagara region, there is a clear lack of accessible and affordable housing. Low-income families can wait upwards of seven years for housing that is suited to their needs. Again, this is not acceptable.

I am pleased to be a member of the governing party that will finally do something about this. It is unbelievable that the Regional Municipality of Niagara alone has an infrastructure deficit of approximately \$235 million. If the federal government does not invest in our local communities, the region and municipalities will have to obtain funding on their own. Far too often, this will fall on local taxpayers to fund that infrastructure gap. We recognize that the federal government can do more to help municipalities and be a true partner for infrastructure renewal.

I am incredibly proud to be part of a party and a government that is willing to invest significantly in public transit. As mentioned previously, Niagara is uniquely situated in southern Ontario. However, it may surprise members of the House to know that there is a fragmented and sometimes non-existent transit system in the region, with limited public transportation options to Toronto. I had an opportunity to meet with the president of the Niagara College student union, who advised me that he has to negotiate with eight or nine separate transit commissions in order to help move the students of Niagara College around the region.

While there is some inter-municipal transit in urban areas in Niagara, there is still no concrete solution to help service the entire region equally, mainly due to the unique urban-rural makeup of Niagara. That is why I am excited to see this commitment by the finance minister to invest in public transit.

It is also very interesting that, through the tenure of the previous government, much of our government-owned and managed infrastructure was left to fall into disrepair. Take, for example, small craft harbours. These small craft harbours are essential to the livelihood of many east coast Canadians. However, St. Catharines has a small craft harbour of its own in Port Dalhousie. While no longer an active commercial harbour, the piers that remain have significant historical value for the riding and the people. They pay tribute to the Welland Canal and the St. Lawrence Seaway, upon which the very city built its economy. For 100 years, they have provided a scenic haven for residents and tourists alike to enjoy a walk along Lake Ontario. However, they are now closed, shuttered from public access, because of the lack of needed investment by the previous government.

I am very much looking forward to working with my friend and colleague, the hon. Minister of Fisheries, Oceans and the Canadian Coast Guard, as well as the hon. Minister of Infrastructure and Communities, to ensure that the piers are given the consideration they deserve. The people of my riding and tourists alike deserve to have those piers restored in the manner they deserve.

Historic investments would not be made just in our children, but in our seniors. Throughout the election campaign, I heard from constituents across the riding that we need to do more for our aging population. We would keep our commitment to maintain the OAS and GIS eligibility at age 65, cancelling the planned Conservative increase to age 67.

Furthermore, the increased funding to the GIS would help 900,000 seniors in need. The minister was clear that we must do everything possible for our most vulnerable, and the increase of \$975 annually would be welcomed by seniors in my riding.

Contrast all of this to the last 10 years, when the government shied away from investing in Canadians and did nothing to expand the middle class. In fact, that government abandoned the middle class and focused our economy on the 1%. However, on October 19 Canadians made a choice to invest in jobs, grow the economy, and return focus to the middle class and those working hard to join it.

• (1705)

**Mr. Richard Cannings (South Okanagan—West Kootenay, NDP):** Mr. Speaker, the member for St. Catharines talked in various ways about how we have to help Canadians who need help the most, and yet his government has proposed tax changes that would not help almost two-thirds of Canadians. Instead of helping those who need help the most, Canadians who get the biggest benefit out of these tax changes are those making \$200,000 a year. When I ask my constituents who is in the middle class, everybody put up their hands, but hardly anybody would say that people making \$200,000 a year are the middle class.

I want to know why he can say his government made those decisions, when it could have made tax changes to help people who make less than \$45,000 a year.

**Mr. Chris Bittle:** Mr. Speaker, this government campaigned on the fact that our first act would be to cut taxes for the middle class, and it is a promise delivered.

We delivered tax relief to nine million Canadians as this government's first act in office. In addition, this budget provides for, as I mentioned, the Canada child benefit, which will help nine out of 10 families in this country with a tax-free, simplified benefit that will provide upwards of \$2,300 more for families who need it the most.

This government is determined to help the middle class, and those who are working hard and want to be part of that middle class but have been left behind for the past 10 years.

This budget is going to deliver on those promises.

**Mr. Mark Gerretsen (Kingston and the Islands, Lib.):** Mr. Speaker, I took particular note of the member's comments about infrastructure and the need for infrastructure renewal.

*The Budget*

I also represent a riding from Ontario, and having some experience in the municipal sector prior to this, I know that only seven or eight cents out of every tax dollar that is collected is actually going to municipalities. Yet, at the same time, during the last number of decades, there has been more and more pressure on municipalities to provide and make those investments and to get that money through property taxes.

I wonder if the member could provide some input as to how this infrastructure renewal and our investment in infrastructure will benefit his community in St. Catharines.

**Mr. Chris Bittle:** Mr. Speaker, I would like to thank the member for Kingston and the Islands for having such good humour today. His Frontenacs lost in the OHL play-offs to the Niagara IceDogs. I thank him for maintaining such good humour about that.

We are a government that is committed to having our municipalities as partners in this endeavour. We have committed to the largest infrastructure investment in Canadian history. I met with municipal leaders and advised them to come to me to advise of their concerns and that we will take it up. It is no longer a top-down approach. As the minister said, municipalities do infrastructure better than the federal government. We are looking forward to investing this historic investment in infrastructure and working closely with municipalities.

The infrastructure deficits are enormous across Ontario and across Canada. If we do nothing, it will fall on taxpayers through increased property taxes. It is time for the federal government to act.

• (1710)

[Translation]

**Ms. Monique Pauzé (Repentigny, BQ):** Mr. Speaker, can our colleague tell us why the Liberal Party is bringing back an infrastructure program that does not work?

In the last program, because of Ottawa's interference in provincial jurisdictions, it took 27 months to get a framework agreement, and then 15 months for each project. We have talked to municipal representatives in the riding of Repentigny, and the needs are urgent. There is no time to wait four years.

Why is the government yet again taking the most complicated route when it comes to its infrastructure program?

[English]

**Mr. Chris Bittle:** All evidence to the contrary, Mr. Speaker, I have had the opportunity to go back after the budget and consult with municipal leaders, who are excited about this infrastructure plan.

This infrastructure plan delivers on what communities are looking for on programs that are often overlooked, such as sewers, water, and things that we do not necessarily have to cut a ribbon in front of that have been ignored for too long. There is digital infrastructure for our rural communities so that they can compete in the 21st century.

This is a budget that delivers on what municipalities care about, and I look forward to working with our municipal partners going forward.

**Mr. Ron Liepert (Calgary Signal Hill, CPC):** Mr. Speaker, I am honoured to stand in the House today to convey a few of my thoughts about the federal budget, but more importantly to convey

the feelings of the residents of Calgary Signal Hill. I am also delighted to be sharing my time today with the member of Parliament for Calgary Nose Hill.

I am privileged to represent a riding where about half of my constituents used to either rely directly or indirectly on the energy sector for their livelihood. As has been stated many times, inside and outside of the House over the past six months, our energy industry has not had such a dramatic downturn in close to 30 years.

When I was door knocking last fall, about on every street I would run into at least one person who was unemployed as a result of the downturn. If that election were taking place today, I am sure that number would be more like two or three people on every street. In almost all instances, these were highly educated and highly trained men and women, many with young families. Many have moved into my riding over the past number of years from other provinces and from other countries. They did so with high hopes and high expectations for the future.

“Hope” is a word that members will hear me refer to on many occasions in my few minutes this afternoon. It is a word that is important to the folks I just talked about, the next generation of CEOs, community leaders, and probably some political leaders. They were not expecting the budget to solve the current economic conditions, but they were looking for hope. The budget failed badly in that respect.

The budget leaves each and every Canadian deeper in debt. It means more money for their children to eventually pay back, and there is a strong likelihood of higher taxes in the future. This is especially disappointing because many Canadians, including a lot more than I thought in my riding, voted for this Prime Minister because he seemed to be giving them hope. Instead, it has been one broken promise after another, and the budget is more of the same.

Instead of a \$10-billion deficit as promised, this budget deficit is much higher, in fact three times higher. It is three times higher, not in a recession but in a growing economy. While Alberta is clearly in a recession, the overall Canadian economy is growing. However, the government is proposing to plunge our country a further \$150 billion into debt over the next five years. Even worse, there is no plan to get out of debt.

How can my constituents have any hope for their future? What could the budget have looked at that would have given some hope to my constituents? The government could have said, as an example, that all efforts will be made to get out of the way and let the private sector create jobs for the future. It is a simple statement, one that would have cost nothing, but it would have provided some hope. Instead, we have more regulations and more spending on government programs.

We hear time and again from the government that running a huge deficit is necessary to creating jobs by investing in infrastructure spending. Now on the surface I could support those types of expenditures, but I want to break those numbers down a bit.

*The Budget*

The budget provides \$10 billion over the next two years for infrastructure. When that money is spread across the country on a per capita basis, that means about \$1 billion for our province over the next two years. In contrast, the infrastructure budget of the Province of Alberta over the last half dozen years has averaged \$5 billion annually, almost 10 times what this federal budget is going to spend in Alberta on infrastructure. I have heard members across the way talk about it creating thousands and thousands of jobs. I think they are going to be in for a big surprise.

Second, the government could have said it made a mistake by extending the timeline for a decision on pipelines and LNG projects. It was going to speed up the process so that a project that was approved by the National Energy Board would receive immediate cabinet go-ahead. If the government had said that in this budget, my constituents would have felt some hope.

We all know that immediate approval of a pipeline will not put constituents back to work in the short term, but there were some temporary measures that could have been included in the budget. Let me give an example. While the government is throwing around billions of dollars, it could have thrown a little toward an environmental clean-up initiative in western Canada for abandoned oil well sites.

• (1715)

The Prime Minister committed \$2.5 billion to a UN fund that will not create a single job in Canada. An environmental cleanup of oil well projects would have not only been a good environmental initiative, it would have been good for job creation.

I want to briefly touch on the middle-class tax cut, which we hear a lot about, and the math is not difficult. We can do it without a calculator.

By the government's own admission, the average annual benefit to a middle-income couple—let us call them Kevin and Kelly—would be about \$540. Stop and think about that for a minute. Three hundred and sixty-five divided into \$540 works out to an extra \$1.25 a day. Kevin and Kelly could not even go to Tim Hortons and buy a coffee for that price.

I will conclude by saying that it was two years ago that I decided to return to public life. The Alberta economy was booming. We had a stable government in Alberta that was balancing the books and a solid Conservative government in Ottawa that was headed for a surplus after steering this country through one of the worst global recessions in 50 years. Optimism was everywhere.

Today as I stand here, however, as the representative for Calgary Signal Hill, many of my constituents have been laid off, and fear and pessimism have replaced hope and optimism. As I stand in my place in the House to respond to the budget, an NDP finance minister is standing up at the same time in the Alberta legislature and presenting a budget with the largest deficit in the province's history, some \$10 billion. How things have changed. However, I remain an optimist and believe that the economic situation in Alberta will improve, because Albertans are a creative and entrepreneurial bunch.

There has never been a time in history when my constituents have had so little faith in their governments, both in Ottawa and in

Edmonton. However, I am confident it is going to get better, and that alone gives me some hope.

**Mr. Matt DeCoursey (Fredericton, Lib.):** Mr. Speaker, I enjoyed my colleague's theme of hope. I would invite him to join me anytime on a Saturday morning in Fredericton at the Boyce farm to listen to my constituents talk about the hope they feel now that this government is installed and is using this budget to deliver on the commitments that were put forth in the election.

There is hope for young people who are starting out on careers that they will find employment opportunities. A middle-class tax cut will help them with their car payment or mortgage payment. It will help them invest in the economy. There is hope for seniors in my community, who will benefit from a 10% increase in the GIS for the lowest-income single seniors. There is hope for veterans who will see increases to their disability awards. Many more commitments will be followed through on, including an innovation agenda that will have a tremendous benefit to the universities in my riding, UNB and St. Thomas.

I wonder if the member opposite could talk a bit more about the hope that is being spread across the country by this budget.

• (1720)

**Mr. Ron Liepert:** Mr. Speaker, I too have spoken to a number of the member's constituents who used to work in Alberta in the oil patch. Their hope was that the government would get out of the way and approve a pipeline.

This budget does nothing for those unemployed people from the riding of Fredericton who used to fly out to Alberta every week and had a good quality of life. They are not going to benefit from any kind of tax break, because they are unemployed.

That particular member could push on behalf of his constituents to get that pipeline built and get the government out of the way. Then his constituents would be back working, not sitting in Fredericton with hope.

**Mr. Don Davies (Vancouver Kingsway, NDP):** Mr. Speaker, I listened to the comments of my hon. colleague from Edmonton. I was born in Edmonton and grew up there. I spent 27 years in Edmonton before moving to Vancouver and representing the great riding of Vancouver Kingsway.

I was intrigued by my friend's comments where he appeared to be very critical about the Alberta government's decision to run a \$10-billion deficit at a time when the Alberta economy is facing a global collapse of commodity prices, particularly oil and gas, but of course, he represents the Conservative Party.

I was in this House when his government, the Conservative Party prior, added \$125 billion to Canada's debt and ran seven straight deficits, including a \$50-billion deficit in 2009 when Canada was facing a great recession. At that time, the Conservative Party argued that running stimulus spending and deficits was critical for the economy of Canada, yet now he stands in this House and criticizes the Alberta government for running stimulus spending in Alberta. Premier Rachel Notley is showing that there is a way to have responsible resource development in this country while showing national leadership in terms of climate change and dealing with environmental protection.

*The Budget*

I think Albertans see there is a different way, because the Conservative government that Ms. Notley replaced was a government that failed to diversify that economy, as Peter Lougheed once said was so instrumental to that economy, and left the Alberta government and the economy in a very vulnerable position for a global oil collapse, which is what happened. That is the reason the Alberta economy is in trouble. It is the failure of the Conservatives to plan.

I wonder if he has any comments about those facts.

**Mr. Ron Liepert:** You bet I have some comments, Mr. Speaker.

One of the reasons the economy in Alberta is struggling today is that member and his party continue to stand in the way of pipelines being constructed. Let us be honest about that.

Will the member stand up in this House and say that his party will get out of the way and approve a pipeline or help approve a pipeline?

We will stand behind the people of Alberta to get a pipeline to the west coast.

I ask that member, will he do that? Will he stand up in this House and say, “Yes, I will support a pipeline to the west coast”?

**Hon. Michelle Rempel (Calgary Nose Hill, CPC):** Mr. Speaker, I understand I have about five minutes to talk about climate change.

I want to reference page 149 of the budget, wherein the Liberals condense their approach to addressing climate change, with the main argument being, “Pricing carbon emissions will drive Canada’s transition to a stronger, more resilient, low-carbon economy and help Canada address the global climate change challenge.”

When it comes to pricing carbon, we have to consider something called the price elasticity of demand. Basically, what that means is we have to look at whether, if the price of something increases, the demand for that product will drop. Something is considered price inelastic when, even if the price is increased dramatically, the demand for that product might not necessarily drop. Historically, one could make a very good argument that what research is out there shows that oil, and certainly gasoline, is fairly price inelastic in the short term and even in the long term.

I have a question for the government, and I hope it will consider this. When it is looking at carbon pricing as a mechanism to address climate change, especially to address the targets it put in place at the Paris conference, will it look at whether or not the price that it is setting is actually going to have an impact on greenhouse gas emissions?

I read an article in the January 22 edition of *The Globe and Mail*. I will not have time to quote from it as it is quite lengthy. It talks about how regional differences in our economies can in fact have different strategies on greenhouse gas emission reduction targets.

I would caution the government that there is a large body of research—in fact, I was talking on Twitter the other night with Andrew Leach, an economist who had some involvement with the Alberta government’s carbon pricing model—saying that it would likely be close to \$100 a tonne that would be required as a price to have any sort of major reduction in greenhouse gas emissions.

My concern is this. I am not advocating for a \$100 price on carbon. Actually, what I am trying to say is I am not sure that even if the government puts a carbon tax in place it will have any real reduction in greenhouse emissions, any effect on that, but what it will have an impact on is people’s pocketbooks.

If the government is going to put a consumption tax on an inelastic good where there really are not substitute goods right now that would see a demand change over time, and I think that there is a good argument for that, the government should call it what it is. It is a consumption tax. All that a consumption tax on an inelastic good means is more revenue for the government and it does not really incent behaviour over time.

A consumption tax does a few things. It disproportionately affects the poor, especially on an inelastic good, such as oil. It is going to affect low-income people disproportionately. People still have to get around. It is going to affect the cost of public transit. It will affect small businesses disproportionately, because they do not have the same capitalization as larger businesses to be able to overcome the effects of a tax.

Again, it will not likely work. This will not likely see a reduction in greenhouse gas emissions. It will create even more investment uncertainty in different parts of the country, especially in my home province of Alberta, where we are looking at investment certainty as something that we absolutely need. Some of my colleagues here have talked about how this is all based on low commodity prices, the issues that are happening in Alberta. That is not true. For the government to send signals, like new taxes, certainly is very bad timing right now. It is not actually going to do anything. It is going to put a chill on economic growth, because when people have to pay more for a good that they have to buy, they have to make choices on how they are spending their money in other areas. That is true for families, as it is true for businesses. If their tax burden is increasing, they are going to have to figure out how they are going to get money from other places to pay for the things that they need. I think that is going to put a chill on investment and a chill on economic growth.

● (1725)

My advice for my colleagues is simple. If they are going to look at carbon pricing and they are going to look at some of the rhetoric saying that a price on carbon of \$140 a tonne is working in Sweden, what does that mean in the context of a regionalized economy in Canada where we do not necessarily have the same economic structures or the same needs from province to province? I ask the Liberals to really consider this so that they do not promise Canadians that they are going to lower greenhouse gas emissions and do not, and worse, make Canadians pay more out of their pockets for something that is essentially a consumption tax.

*Private Members' Business*

If the Liberals want to raise taxes, which this does, then let us have a debate about raising consumption taxes, because Canadians would push back very strongly against that. That is a big concern I have with the budget.

I wish I had a lot more time to talk about this very important issue. I wish I had 20 minutes. I wish everyone a very good Thursday evening.

**The Assistant Deputy Speaker (Mrs. Carol Hughes):** I am sure that a lot of people would like to have more time, but unfortunately, it being 5:30 p.m., pursuant to an order made on Monday, April 11, 2016, the question on the ways and means Motion No. 2 is deemed put and a recorded division deemed requested and deferred until Tuesday, April 19, 2016, at the expiry of the time provided for oral questions.

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## PRIVATE MEMBERS' BUSINESS

• (1730)

[Translation]

### TAX AVOIDANCE

**Mr. Gabriel Ste-Marie (Joliette, BQ)** moved:

That, in the opinion of the House, the government should put an end to the widespread tax avoidance practised by many shell companies set up in Barbados by Canadian companies, by amending subsection 95(1) of Income Tax Act and section 5907 of the Income Tax Regulations to specify that no business that is entitled to a special tax benefit conferred by Barbados under the Canada-Barbados Income Tax Agreement Act, 1980, shall be exempt from taxation because of a tax treaty.

He said: Madam Speaker, the top story in last week's news was the leak of the Panama papers. These leaks give us some idea of the extent of the use of tax havens. It is enormous.

This week, the government was in a hurry to say that it was working hard to combat tax havens. Last year, the Luxembourg schemes were leaked. The year before that, it was documents from HSBC Bank. The year before that, it was UBS, and prior to that it was Singapore and the Virgin Islands. Every time, the Canadian government announced that it would work very hard to combat this issue. Before that, it was ships from Canada Steamship Lines, and before that, it was the Bronfman trust and the Irving family. The government has been supposedly working hard on this for 25 years. Clearly, we have yet to see any results.

With each new scandal, the government announces new measures. However, this phenomenon continues to escalate. For 25 years, the government has announced measure after measure to catch cheaters. That is good, but it does not solve the problem.

The crux of the problem is that it is perfectly legal to use tax havens. We cannot fix this problem by going after individual cheaters. We need to be going after the bad laws, the bad regulations, the bad treaties, and the tax system.

Barbados is a small, faraway country, but in 2014 alone, \$71 billion left Canada and ended up in Barbados. That is more than the amount that originates from all of Asia and 12 times more

than the amount that originates from France. This happens year after year.

The colossal sums of money that Canadian businesses send there to avoid paying taxes are having a direct impact here at home. That tax-free \$71 billion has a huge impact on government revenue.

Since Quebec is not a country, it cannot sign tax treaties. Quebec's tax law with respect to international taxation is identical to the federal law. We simply have no choice. When the federal government allows the use of tax havens, the Quebec government loses revenue too.

All taxpayers end up paying the price, whether they are in Quebec City or Ottawa or anywhere else in Canada. They have to pay more taxes and tariffs, and they have to cope with austerity measures. That is one consequence of our current status as a province.

For now, the key is the federal Parliament, so I would like to inform the House that, this morning, Quebec's National Assembly unanimously adopted a motion that is identical to the one we moved and are currently debating. Yes, it was adopted unanimously.

• (1735)

In Quebec City, every member of the Liberal Party, the Parti Québécois, the Coalition Avenir Québec, and Québec solidaire voted in favour of a motion calling on this House and the Canadian government to deal with the tax haven in Barbados.

The fight against tax havens, and specifically Barbados, is something all Quebecers agree on. I believe that may also be the case for the rest of Canada.

International taxation is complicated. Every time organizations ask the government to do something to combat the use of tax havens, the government always says the same old thing, that nothing can be done, that this can only be fixed internationally, and that Canada would lose its competitiveness if it acted alone.

Let me draw a parallel. The fight against climate change is complicated too. For 10 years, every time groups called on the Conservative government to take action, it always said the same thing, that nothing could be done and that this could only be dealt with internationally. We all know that was an excuse to do nothing.

Environmental groups were not asking to withdraw from international efforts. They were simply asking Canada to take action at home and clean up its own backyard. This is also the case for tax havens. We must take action at the international level, but also at home. It can be done, and that is the point of the motion. Barbados is Canada's tax haven. It is the second-largest recipient of Canadian foreign investments, even though it is just a tiny island. The so-called investments are nothing more than accounting tricks. There is no real activity down there.

*Private Members' Business*

It was not a decision made internationally but a decision made by the Government of Canada that turned Barbados into Canada's tax haven. Furthermore, the decision was made without the consent of this Parliament. Parliament never supported the decision. We created the problem in this place, and it is here that we can put a stop to it. It is like environmental groups managing to fight climate change under the previous government. I want to show that we can take action in this place.

The motion offers a concrete, very specific solution. If Parliament adopts it, Canadian companies will no longer be able to use their subsidiary in Barbados to avoid paying taxes here. When they repatriate their profits, they will be taxed, quite simply, like any income for any taxpayer who cannot afford a creative and perhaps crooked tax expert.

I am not saying that this motion solves everything. We will also need to work really hard on the international scene. We need to ensure that profiteers can no longer use the differences between the various tax systems to separate their activities and ultimately not pay taxes anywhere at all. Now is the time for some real progress in this area. All over the world, governments are having money problems. Austerity is affecting people more or less everywhere. People are starting to feel real indignation about tax havens. Tax havens are like a cancer that is destroying our societies.

We do not need to wait for the entire planet to come to an agreement. The biggest users of tax havens are banks. It is hard to get the exact figures, but we know that most of the money in tax havens is from the financial sector.

Canada is able to act in a way that other countries cannot. The banking sector in Canada is protected. Banks are not subject to international competition. Canadian banks cannot move elsewhere. The Bank Act prohibits that, which means that Canada can take action against tax havens without hindering banks' competitiveness and prompting them to leave. In other words, Canada can do something.

• (1740)

I targeted Barbados because that is the most common tax haven to which Canadian money is directed, but the Conservatives opened the door to other tax havens in 2009. They also introduced this into the regulations, in secret, without any debate in Parliament.

Section 5907, which is targeted in the motion, has to do with Barbados. However, it also has to do with 22 other tax havens. I remind members that this motion does not have to do with a partisan issue. Yes, in the past, the Liberals authorized the use of Barbados. Yes, in the past, the Conservatives authorized others. However, Parliament never authorized a single one. The House never once made tax havens legal. Never.

I remind all hon. members that there are no party lines when it comes to private members' business. For the purposes of private members' business, Liberal members do not represent the government any more than Conservative members represent the former government. Here, we all represent the people. We have the privilege of being the spokespersons for our constituents. We are the representatives of real people who pay their taxes so that we can live in a better society.

Of course members do not all share the same values. The Conservatives want to lower taxes. Some Liberals and the New Democrats want to put an end to austerity. Regardless of our different motivations and values, I think that we can all agree on one thing: everyone needs to pay his or her fair share. There is no reason why white collar profiteers should be making off with money and hiding it in tax havens.

I have not yet met any voter or any Canadian who is against this motion. On the contrary, what I am hearing is that we need to crack down on tax havens. What we need to do is to make changes to the regulatory framework to eliminate the loopholes that allow white collar profiteers to shirk their obligations.

Today's debate puts the issue on the table. In June, there will be a second hour of debate and a vote. In the meantime, I plan on writing to every member of the House and meeting with as many members from all parties as possible.

I would like to remind members that the motion is meant to be non-partisan and that, this morning, all members of the Quebec National Assembly from all parties adopted a motion that is exactly the same as the one that I moved. This motion calls on Parliament, on the federal government, to resolve the Barbados tax haven problem. I would also like to remind members that Parliament never voted on the regulations that allow the use of tax havens. Never. Because of this motion, for the first time in the history of Parliament, members will be called upon to vote on the regulations that allow tax havens to exist. It will be the first time. Parliament never authorized the use of tax havens. Never. That is what it will be doing if it does not support my motion. I have high hopes that the motion will be adopted in June.

• (1745)

**Mr. François-Philippe Champagne (Parliamentary Secretary to the Minister of Finance, Lib.):** Madam Speaker, I would like to thank my colleague for raising this important issue. I have a lot of respect for him and especially for the issue he is raising in the House this evening.

We knew that tax evasion was a problem long before the famous Panama papers. During the election campaign, the government promised to fight tax evasion. In the budget that was tabled on March 22, we made a historic \$444-million investment to give the Canada Revenue Agency the tools, technology, and teams it needs to do three things: detect fraud, investigate fraud, and go after those who engage in tax evasion and aggressive tax planning in our country.

I am sure my colleague will appreciate the fact that we also struck an international committee to advise the minister. Does my colleague acknowledge that the government's historic investments will eliminate tax avoidance in Canada once and for all?

**Mr. Gabriel Ste-Marie:** Madam Speaker, I would like to thank my colleague, the member for Saint-Maurice—Champlain, for his remarks.



*Private Members' Business*

I do recognize the efforts that are being made. However, the money that is being spent, the additional auditors, and the work being done are meant to detect fraudsters, individuals, people.

The problem I am raising via the motion before the House this evening is that the rules, which were never voted on in the House, allow banks and multinationals to legally divert their money into tax havens. That is the problem with tax havens, and it is a dramatically bigger problem than individual fraudsters.

The motion would cost the government nothing. It would actually bring in money, and it is a much more effective way to solve the problem.

**Mr. Pierre-Luc Dusseault (Sherbrooke, NDP):** Madam Speaker, I thank my colleague for his initiative. I would like him to revisit an important point, which is the very essence of the problem in Barbados. Whether we throw \$450 million or \$2 billion at this problem, it will not change anything, because Barbados has a double taxation avoidance agreement. That is the crux of the problem, and my colleague did not talk about that in detail.

I wonder if he could elaborate on the tax agreement between Canada and Barbados, one of the only tax agreements with a notorious tax haven.

**Mr. Gabriel Ste-Marie:** Madam Speaker, I thank my colleague from Sherbrooke for his question.

A Canada-Barbados tax treaty has existed since 1980. It was amended in 1999, retroactive to 1994. The international treaty states that if a shell company exists in Barbados, when the profits are repatriated to Canada, the company or repatriated profits must be taxed and the taxes must be paid here. We can all agree on that.

The problem is that section 5907 of the income tax regulations states that this regulation will not be enforced and companies do not have to pay taxes on repatriated funds. This section was not negotiated with Barbados and was changed by the Chrétien government at the time. It might be illegal. It has never been challenged in court.

**Mr. Anthony Housefather (Mount Royal, Lib.):** Madam Speaker, I have a question for my colleague. I appreciate his passion for this matter.

We are talking about Barbados, but we have tax treaties with about 114 countries. Other countries, like Panama, are also tax havens.

If we adopt the resolution as it stands and agree to crack down on subsidiaries in Barbados, what will happen to all the other Canadian companies that have subsidiaries elsewhere? If I had a company with a subsidiary in Barbados, I would simply move it to another country. How is that fair, if we crack down only on Barbados?

**Mr. Gabriel Ste-Marie:** Madam Speaker, I thank my colleague from Mount Royal.

Section 5907 that is targeted in the motion focuses on Barbados. That is Canada's tax haven. Some \$71 billion is hidden there. By way of comparison, when it comes to Panama, we are talking about \$128 million.

Nonetheless, section 5907 also deals with 28 other tax havens, including Panama. This motion deals with other tax havens. We are

focusing on Barbados because there is a great deal more money there than in all the other tax havens.

• (1750)

**Mr. François-Philippe Champagne (Parliamentary Secretary to the Minister of Finance, Lib.):** Madam Speaker, again, I thank my colleague for his initiative. However, I would like to point out that it is this government that has made an historic investment to combat tax evasion.

My colleague is talking about Barbados, but I might point out that the Minister of National Revenue was clear on the subject of tax evasion. We are currently conducting audits on the Isle of Man. To put what my colleague said into perspective, in a 12-month period, \$860 million was transferred to the Isle of Man. This is a global problem that requires international co-operation. It is historic investments like the one we have made that will help us work on eradicating tax evasion.

[English]

I appreciate the opportunity to discuss the issue raised in today's motion.

Addressing questions of tax fairness and integrity are a fundamental part of and a priority of this government, and that is because they are a matter of fundamental importance to Canadians.

Canadians work hard to build a better life for themselves, their families, and for their communities. Through their efforts, innovation, and integrity, they are building a strong economy for today and future generations. They deserve to fully share in the promise and potential that Canada has to offer.

We believe that Canada's tax system should reflect this fundamental principle of fairness. Our government is inspired by this vision in everything we hope to accomplish. It is based on the premise that everyone contributes their fair share and that everyone can benefit in return.

Unfortunately, tax evasion and avoidance undermine this basic social contract. It comprises our ability to collectively support some of our most vulnerable fellow Canadians. It shifts the financial burden on to Canada's middle class, while inappropriately benefiting some who may be more than capable of paying their own fair share.

This is why we have taken decisive action through budget 2016 to crack down on tax evasion and combat tax avoidance. Our budget will invest \$444.4 million over five years to enhance the Canada Revenue Agency's assessment capabilities, through hiring additional auditors and specialists who will have the resources needed to undertake more comprehensive investigative work.

However, we also recognize that assessing tax revenues alone is not enough. Once we assess these tax revenues, we then need to collect the unpaid amount. That is why budget 2016 is investing an additional \$351.6 million over five years to improve the CRA's ability to go after and collect these outstanding tax debts.

*Private Members' Business*

However, our efforts to support tax fairness do not stop at improved compliance and collection. Canada's tax system needs ongoing adjustment to ensure it is functioning as intended and contributing to the objective of an economy that works for everyone. Therefore, we will continue to take legislative and other actions to improve the integrity of Canada's tax system on both international and domestic fronts to ensure that.

For example, we are acting on a number of recommendations from a multilateral project to address international tax planning arrangements undertaken by multinational enterprises to inappropriately minimize their taxes. We are also in the process of implementing the automatic exchange of financial account information to better combat international tax evasion.

As well, budget 2016 takes action to address unintended tax advantages that businesses and wealthy individuals may be able to obtain through sophisticated tax planning techniques involving private corporations. I want to assure all Canadians that the government will continue to identify and address inappropriate tax planning schemes to ensure that the tax system operates as fairly and effectively as possible.

These actions are not just consistent with the basic principles of economic efficiency and responsible fiscal management. They are consistent with the basic principle of fairness that defines us as a nation. Tax evaders and avoiders would do well to take note of these initiatives.

By improving compliance both domestically and internationally and from the underground economy, we expect to recoup around \$2.6 billion in fairly owed revenues over five years.

This is revenue that we will be investing in empowering all Canadians to build better lives for themselves. It will help strengthen and grow our middle class, and enable more Canadians to contribute to and share in the prosperity that our country has to offer.

A strong and reliable federal revenue base is essential to the well-being of Canadians. It helps pay for things like the Canada child benefit that was introduced in budget 2016. The Canada child benefit is the most significant social policy innovation in a generation.

• (1755)

A stronger revenue base will help support our new budget 2016 investment in education, infrastructure, training and other programs that will help to secure a better quality of life for Canada's indigenous people, building a stronger, more unified, and more prosperous Canada.

It will support our budget's new investment to modernize and upgrade public transit, improve water and waste water systems, expand affordable housing, and protect the infrastructure we depend on from the effect of climate change.

The billions of dollars we recoup in forgone tax revenues will also support our budget investments to help seniors in their retirement years, with increased benefits to ensure that Canadian seniors have a dignified, comfortable, and secure retirement.

It will support increased funding for innovation, collaboration, and partnerships to protect the integrity of our health care system.

In short, it will help us advance our plan to put people first, and deliver the help they need now, while investing for the years and decades to come. It will do so while helping to prevent underground economic activity, tax evasion, and the exploitation of tax loopholes.

These achievements are two sides of the same coin. On the one side, everyone contributes their fair share and on the other, everyone can benefit in return.

These are the principles that unite and inspire us as Canadians and as a government. I can assure the hon. member that these principles will continue to guide us in our efforts to clamp down on tax evasion and avoidance, to improve the integrity of Canada's tax system, and to invest in a Canada that is fair and prosperous for all.

**Mr. Phil McColeman (Brantford—Brant, CPC):** Madam Speaker, I appreciate the opportunity to rise and speak to Motion No. 42. This is an important and timely discussion, part of a broader debate, about international tax avoidance that is taking place in Canada and around the world. The idea that all Canadians should pay their fair share of taxes is one our Conservative Party strongly supports. That is why we took a number of important steps in government to combat tax avoidance.

Most significantly, we created the stop international tax evasion program aimed at reducing international tax evasion and avoidance. We are looking forward to working with the new government to continue building on our strong record in this area.

With respect to Motion No. 42, the basic premise behind this motion is the condemnation of tax avoidance practices. Again, the idea that all Canadians should pay their fair share of taxes is one that we support. We do not contest the premise of the motion. However, what we do contest is the method employed in the motion to achieve its purported aim.

The Bloc believes that implementing the motion would result in more money back in the hands of the Government of Canada. In reality, it is not so clear-cut. The motion would nullify the Canada-Barbados Income Tax Agreement Act.

The Canada-Barbados Income Tax Agreement Act was designed to limit double taxation, a situation where the same profits are taxed twice as they are earned in a foreign country and then again when they are remitted to the parent company's country of residence.

*Private Members' Business*

Here is how it works in Barbados. Tax payable in Canada shall be deducted from the Barbadian tax payable on such income, profits or gains. In the case of a dividend paid by a company that is a resident of Canada to a company that is a resident of Barbados, which owns at least 10% of the voting power, the credit shall take into account the tax payable in Canada in respect of the profits out of which the dividend was paid.

In Canada, tax payable in Barbados shall be deducted from the Canadian tax payable on such income, profits or gains. For the purpose of computing Canadian tax, a company resident in Canada shall be allowed to deduct, in computing its taxes payable, any dividend received by it out of the exempt surplus of a foreign affiliate resident in Barbados.

Through the allowance of tax credits between particular countries, the international tax burden on companies and investors is effectively minimized. There is a general international tax principle that the country in which immovable property is located should have the right to tax the gains from the disposition of such property.

To successfully operate a foreign affiliate and legally benefit from the low tax rates available, the company must satisfy a set of regulations in place. These include both Canada Revenue Agency's demands as well as the local laws that govern IBCs.

The Canada-Barbados Tax Agreement Act was amended in 2011 to follow in the framework of the OECD treaty models and ensure holding corporations, trusts, or partnerships that held Canadian investments in real property and resource properties would be subject to Canadian taxation on sales of the shares of the holding company or the interests in the partnerships or trusts.

The Conservatives believe that any motion to override the act's provisions should be regarded with skepticism. Why target specifically this act? Undermining an existing act does not seem to be the most appropriate response. Minister Findlay signed the Multilateral Competent Authority Agreement, helping to set the stage for the automatic exchange of financial information with international partners.

Economic action plan 2015 reiterated the Government of Canada's pledge to working with international partners to address international tax evasion and improve tax compliance, including a proposal to adopt the OECD's Common Reporting Standard, starting on July 1, 2017, with the first exchanges of financial account information beginning in 2018.

● (1800)

Canada is one of more than 90 jurisdictions that, to date, have committed to implementing the common reporting standard. The Liberal government is implementing more direct measures to investigate tax evasion.

I will repeat that we highly condemn the practice of tax evasion. However, we disagree that overriding a flexible act set in compliance with international standards is the best way to address the problem.

[*Translation*]

**Mr. Pierre-Luc Dusseault (Sherbrooke, NDP):** Madam Speaker, once again, I would like to thank the sponsor of today's motion, the

member for Joliette, for his speech and his initiative on an extremely important and timely issue.

In 2016, I believe it is more important than ever to address this problem. Although efforts have been made by the current and previous governments, there is still much work to be done in several areas. Therefore, it is quite appropriate to raise the issue of Barbados today.

It is fairly obvious that there is a problem with Barbados. We need only look at the numbers to realize it. My colleague mentioned a few. In 2014, \$71 billion was invested in Barbados. Over the past 10 years, \$390 billion has been invested there. It is the second-largest destination, after the United States, for Canadian foreign direct investment, ahead of the entire Asia and Pacific region. The reason is quite simple, and I will explain later.

Why are such incredible amounts of money being invested in a country like Barbados, which has a population of 284,000 and a GDP of roughly \$3.7 billion?

In 2014, Canadians invested \$71 billion in Barbados. There has to be a reason. I do not think it is because the sun is warmer than in the Cayman Islands or Hong Kong. There is a very simple fundamental problem: Canada signed a tax treaty with Barbados that prevents double taxation.

My Conservative colleague explained the rules. When someone brings back profits reported in a foreign country and Canada has an agreement with that country to prevent double taxation, the individual simply needs to prove that he has paid taxes in the original country so that he will not have to pay taxes again in Canada.

It makes sense to have an agreement to prevent double taxation with countries like the United Kingdom or United States, since this is fair for our businesses. However, Barbados has a tax rate of 0.25% to 2.5% for international companies, so it is clear why Canadian businesses are interested in investing there and reporting their profits there. Why pay 15% tax in Canada, or 11% in the case of small and medium-sized businesses, if you can get a better rate in Barbados?

It is not surprising that \$71 billion from Canada ended up in Barbados in 2014. That was handed over on a silver platter. It is not difficult to come up with such strategies, and they are completely legal.

It is all well and good for the government to say that it will invest \$450 million to go after cheaters, since everyone acknowledges that tax evasion is illegal, but all of that money will do nothing to prevent perfectly legal activities. How can we prosecute someone whose actions are legal?

This is a serious problem. I thank my colleague for raising this issue. It is not a new one, but it is still very important.

Earlier I said that tax evasion was simple. I do not want to encourage Canadians to engage in it, but I just want to make my point to parliamentarians.

*Private Members' Business*

● (1805)

Imagine that there is a company here in Canada with a subsidiary in Barbados. Obviously, the company hires a consultant to make things easier. There are consultants on every street corner in Barbados, and some in Canada too. The company hires a consultant who starts a company in Barbados in accordance with that country's laws. That company becomes a subsidiary of the Canadian company, which then becomes a multinational corporation. It is not difficult to conduct all of the business in Canada and then have the subsidiary in Barbados issue an invoice for \$5 million, for example, for expert or advisory services, even if no services were rendered. The subsidiary will bill \$5 million, which will be paid. Then, the company owner will declare in Canada that the year was somewhat but not overly profitable. In Barbados, the subsidiary will declare profits of \$5 million or \$4.5 million. The subsidiary will then be taxed in Barbados, according to that country's tax rate for multinational corporations. Obviously, if business is really being done in Barbados, that is legitimate. It is legitimate to have companies throughout the world, in Barbados or elsewhere. However, these corporations are not even taxed at such low rate in Barbados. It is therefore quite obvious that there is a problem.

Just last Monday, the Minister of National Revenue responded to journalists by saying that what the government also wants to work on is trying to make what is immoral illegal.

She also said that if any changes need to be made to the legislation, they will be made.

According to her, the trap is set.

It seems pretty clear that something can be done in the case of Barbados. That is what my colleague from Joliette is proposing today. Solutions are within our reach, for this is not the only possible solution. However, it is quite clear that the minister and the members of the other parties really need to take a serious look at this matter and the problem of Barbados. This situation could be resolved, although it is far from simple.

As everyone knows, the NDP has always fought for greater tax fairness to ensure that our fellow citizens and our businesses pay their fair share. We are pretty fortunate in Canada. Our country delivers important services to Canadians, but someone has to pay for those services. Things like health care and education come to mind, for example.

As more and more individuals and businesses try to avoid their tax obligations, our base will shrink progressively, and it will become harder and harder to pay for the services people expect.

I can guarantee that when the people and the CEOs who engage in these immoral but legal practices have a health problem, they will not go to a hospital in Barbados. They will go to a hospital here in Canada. They will use our health care services. The first thing they will do is come here to take advantage of our good services, but the first thing they will do when they leave the hospital is continue to avoid paying their fair share for the services they received.

It is time to legislate a solution. My colleague from Victoria proposed a solution in the previous Parliament, and it still makes sense: it addressed the economic substance of a transaction. People

would have to prove that there is real economic substance for a transaction, not just tax reasons. That is one solution, and there are other legislative solutions.

Yes, the agency needs more resources. We do not oppose that. It is a good solution, but it does not solve the problem, which is purely a legal one.

● (1810)

We need tougher penalties and no more amnesty. That is another solution that still makes sense. When the agency finds that certain taxpayers have engaged in illegal activity, they should not be granted amnesty so they can avoid penalties and legal action.

Lastly, there is no denying that international co-operation is extremely important here. I look forward to hearing the rest of the debate.

**Mr. Paul Lefebvre (Sudbury, Lib.):** Madam Speaker, I thank my colleague across the way for raising this question. If someone had told me six months ago that we would be talking about tax havens in the House of Commons, I would not have believed it, but here we are.

Tax havens and the tax system are not simple issues. It is a question of multinationals and taxation. We talk about international taxation, but that is not the right term. It is about how a government collects taxes on income earned abroad by residents or corporations of that same country. There is therefore no such thing as international taxation.

Today, I would like to go over the Canadian tax system and talk about how the budget will address this issue. The last two members who spoke made rather simplistic analogies. It is a bit more complicated than that and I will try to explain why. I will do so in English, and then I will talk about the budget in French.

● (1815)

[*English*]

Canadian income tax rules allow active business income earned by foreign subsidiaries of Canadian corporations to be repatriated back to Canada free of Canadian tax if the income was earned in a jurisdiction with which Canada has a tax treaty or tax information exchange agreement. We currently have 114 tax treaties around the world. Barbados is one of these countries, as are several other countries with low tax rates or provincial regimes. The exempt surplus rules in the Income Tax Act and the income tax regulations allow active business income to be earned by a foreign affiliate.

So we have active business income. What does that mean? Basically, the test is that, as long as a corporation has five employees, it qualifies as active business income. That is the test.

It has to be earned by a foreign affiliate. A foreign affiliate is a corporation of which a Canadian corporation has at least 10% equity. It is repatriated to the Canadian parent corporation as dividends without being subject to Canadian tax, provided that the foreign affiliate is resident in, and the income is earned in, a jurisdiction with which Canada has a tax treaty, such as Barbados.

In contrast, active business income earned by a foreign affiliate of a Canadian parent corporation that is resident in a country with which Canada does not have a tax treaty is subject to Canadian tax when repatriated to the Canadian parent as dividends. So we have a foreign tax credit system. Basically, if there is no treaty it is taxed in a foreign jurisdiction. If the dividend is paid to Canada, we recognize and give credit to the foreign tax that was paid and then we tax that income in Canada.

We have two regimes: if we have a tax treaty; and if we do not have a tax treaty.

Budget 2016 would be a start to addressing tax evasion in Canada from Canadian corporations and individuals as well.

[*Translation*]

Tax evasion and aggressive tax avoidance by individuals and businesses entail a fiscal cost to governments and taxpayers, and reduce the fairness and integrity of the tax system. As a matter of fairness for all taxpayers, the government seeks to prevent underground economic activity and tax evasion and to close tax loopholes. Consequently, budget 2016 provides resources to ensure more effective administration and enforcement of tax laws and includes measures to improve the integrity of Canada's tax system.

A key component is the \$444-million investment over five years to help the Canada Revenue Agency, the CRA, do more to crack down on tax evasion and combat tax avoidance. This significant increase in funding will see examinations of personal income tax returns increase from 600 to 3,000 every year over five years. This large increase should generate additional tax revenue of approximately \$400 million over five years.

Furthermore, the CRA will hire more than 100 senior auditors and specialists to audit high-risk multinationals, which should generate even more revenue over five years. The CRA will also create a program to charge those who promote tax schemes, thereby increasing the number of files that the CRA can review every year to 200, which is 10 times the current number.

The number of auditors working on these schemes will increase sixfold, from four to 24. This is highly technical and highly specialized. This team will be able to conduct audits, apply penalties, and refer cases for criminal investigation, where appropriate. Furthermore, to make sure they deliver results, the CRA will embed legal counsel within the investigation teams. These lawyers will ensure that the cases are properly prepared and go to court as quickly as possible.

Canada is also taking measures to protect the integrity of Canada's tax base internationally. First, Canada and other members of the G20 and the Organisation for Economic Co-operation and Development, the OECD, are working together to develop the base erosion and profit shifting action plan, also known as the BEPS action plan. This refers to international tax-planning arrangements undertaken by multinational companies to inappropriately minimize their taxes, for example by shifting taxable profits away from the jurisdiction where the underlying economic activity took place.

As part of its commitment to protect the integrity of the Canadian tax base, the Government of Canada is acting on certain recommendations of the BEPS project in budget 2016. As we

### *Private Members' Business*

announced in our first budget, we are proposing new legislation to strengthen transfer pricing documentation by introducing country-by-country reporting for large multinational enterprises.

The Canada Revenue Agency is applying revised international guidance on transfer pricing by multinational enterprises, which provides an improved interpretation of the arm's-length principle.

We are participating in international work to develop a multilateral instrument to streamline the implementation of treaty-related BEPS recommendations, including addressing treaty abuse.

The CRA will also undertake the spontaneous exchange with other tax administrations of tax rulings that could potentially give rise to base erosion and profit shifting concerns.

As for the future, Canada is committed to the BEPS project and will continue to collaborate with the international community to ensure a consistent and standardized response to the BEPS project.

Second, the government is working with its international partners to increase transparency through the automatic exchange of financial account information between tax authorities. The implementation of the new global standard in that regard, the common reporting standard, which was developed by the OECD, will help promote monitoring, combat tax avoidance and tax evasion, and restore public confidence in the fairness of the Canadian tax system. Right now, over 90 jurisdictions have agreed to implement this new standard.

Finally, the ability of the wealthy to use private companies abroad to inappropriately reduce their taxes or defer paying them is another source of national concern.

The fact that these people have money and access to clever accountants and lawyers should not excuse them from having to pay their fair share of taxes.

Budget 2016 includes measures that respond to this concern and indicates that a review of the tax system will be conducted in the coming year.

I can assure my colleagues that, in the future, the government will continue to identify and take action against tax planning schemes in order to ensure that the tax system operates as fairly and effectively as possible.

● (1820)

[*English*]

**The Assistant Deputy Speaker (Mrs. Carol Hughes):** Before we resume debate, I want to advise the member for Regina—Lewvan that the time for debate on private members' business will expire at 6:30. I will have to interrupt you, but you will be able to continue your speech at the second hour of debate on a different day.

*Adjournment Proceedings*

Resuming debate, the hon. member for Regina—Lewvan.

**Mr. Erin Weir (Regina—Lewvan, NDP):** Madam Speaker, since I have only a few minutes, I would like to focus on three key questions: what is the problem; how big is the problem, and what, if anything, is the government doing about it?

What is the problem? We need to talk about what tax rates are actually in effect in Barbados on international business companies. What we find is that on the first \$5 million U.S. of profit the tax rate is 2.5%. That used to go down to a tax rate of 1%. However, as of 2013, Barbados has cut that all the way down to 0.25%. A quarter of a percentage point on profits over \$15 million a year is what international companies pay in Barbados, so when the Conservative member for Brantford—Brant or the Liberal member for Sudbury give us these textbook explanations about avoiding double taxation, we have to talk about what is really happening in Barbados.

Certainly it makes sense that if a Canadian company actually pays a decent amount of tax somewhere and then repatriates profits back home it does not again pay Canadian tax on that same money, and fair enough. However, is the position of the Conservatives and the Liberals in this debate that when a Canadian company pays a tax rate of 0.25% in Barbados that is good enough, that the company has paid its fair share of tax and it should not owe any more Canadian tax on that money? It seems that is what we heard from the previous speakers.

There is absolutely a very serious problem of Barbados being a tax haven and it really does not make sense to exempt profits repatriated from that country from Canadian tax.

The next question is, how big a problem is it? Maybe there is a little loophole there, but if Canadian companies are not really taking advantage of it, we would not worry. The member for Mount Royal tried to suggest that there are all kinds of different tax havens out there, so why focus on Barbados. I will tell him why. If we look at Statistics Canada's figures on foreign direct investment positions, we find that most of Canada's foreign direct investment is in the United States, as one would expect, but the second-largest Canadian foreign direct investment position in the world is in Barbados at \$71 billion. Why is that? Barbados is a pretty small country. Its GDP is something like \$5 billion Canadian, so why would we be parking \$71 billion in an economy of that size?

We have not heard an answer to that this evening. I think it is obvious that Barbados is just being used as a tax shelter. Why would Canadian companies be investing more in Barbados than, say, in the United Kingdom, the third-largest country for Canadian foreign direct investment? The United Kingdom, of course, has an actual economy and there are things there that corporate Canada might actually want to invest in.

There is a really big issue with Barbados. It is not to say there are not other tax havens, but clearly, Barbados is the biggest tax haven being abused by corporate Canada. We have to start somewhere and it makes sense to start with the biggest part of the problem. That is exactly what this excellent motion from my colleague, the member for Joliette proposes.

The third question that we need to address here is, what is the government doing about this very serious and very large problem?

There was a lot of talk in speeches from the Liberals about all the good measures in the budget to deal with tax evasion. Indeed, the budget documents use the term “tax evasion” about a dozen times. It even uses the term “tax avoidance” about half a dozen times. A word that does not appear in the budget at all is “Barbados”. We are going to fight tax evasion without even talking about the largest source of tax evasion and tax avoidance. That is a very major problem, and that is the reason why members of the House need to vote in favour of the motion presented by my colleague from Joliette.

• (1825)

**The Assistant Deputy Speaker (Mrs. Carol Hughes):** The next time this private member's motion is debated, the member will have five minutes and twelve seconds to debate.

[*Translation*]

The time provided for the consideration of private members' business has now expired and the order is dropped to the bottom of the order of precedence on the order paper.

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## ADJOURNMENT PROCEEDINGS

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

[*English*]

### INDIGENOUS AFFAIRS

**Mrs. Cathy McLeod (Kamloops—Thompson—Cariboo, CPC):** Madam Speaker, I am really thankful for the opportunity to talk about a question that I asked on March 8. I am going to read the question and the response, because it is critical for people to understand why I am so concerned with the response.

The question was as follows:

Mr. Speaker, a recent lawsuit by the SSN is looking to declare aboriginal title over private property. The Premier of British Columbia responded that government must defend with conviction the sanctity of private land and private land rights. Furthermore, she told the people of Kamloops she has their backs.

There was no such message from the federal government. Will the justice minister stand shoulder to shoulder with the premier of B.C. and defend private property ownership?

This is absolutely critical. I would ask members to listen very carefully to the response that I received from the Minister of Justice and Attorney General of Canada. She thanked me for the question, and then stated:

Our government is committed to developing a substantive nation-to-nation relationship with indigenous peoples in this country, sitting down and working jointly, based on recognition and moving forward in order to ensure that indigenous communities can have an improved quality of life, can settle, ultimately, the land question, and do it based on respect and based on the United Nations Declaration on the Rights of Indigenous Peoples.

*Adjournment Proceedings*

I think members can understand why this answer was very concerning. The minister talked about the government's mandate, which the Liberals have been very clear about. They have said that they have a goal of settling long-standing land claim issues. That is an important goal, and we recognize that it is an important goal, but what she did not acknowledge is that as they go about that process, there will be an impact on people. It is really important to talk about that. I know that a tepid response was given to this particular lawsuit and that they will be responding to it, but it is important to recognize that this is going to have very far-reaching ramifications.

As well, the ruling in the Daniels case today is going to add an additional complexity to the job the government has ahead of it, but it is also going to have an impact on private property and sometimes small businesses. I can give a couple of examples: after the Tsilhqot'in decision, I received a very powerful letter from a man who is 70-some years old. He had a trap line and had invested a lot of money in his small business. Ranchers in northern British Columbia will be very significantly impacted due to a settlement of one of the treaties.

The bottom line is the government is going to have to be proactive and absolutely deal with the long-standing issues, but it will also have to deal with private property rights and local community small business owners.

● (1830)

**Mr. Sean Casey (Parliamentary Secretary to the Minister of Justice and Attorney General of Canada, Lib.):** Madam Speaker, our government is committed to renewing the relationship between Canada and indigenous peoples on a nation-to-nation basis.

This relationship will be based on respect, co-operation, and partnership. A renewed nation-to-nation relationship is a political goal, but it reflects a history of crown-indigenous relations. Nation-to-nation relations are not a revolutionary break with our legal and constitutional order, but an evolution closer to the promise of section 35 of our Constitution as outlined in jurisprudence from the Supreme Court of Canada.

Canada modernized its constitution in 1982 to reflect a confident, inclusive, and just country that respects diversity, with balance for individual and collective rights. In particular, section 35 recognizes indigenous peoples and provides protection for their rights. The inclusion of section 35 is a turning point in Canadian history.

It is to this end that the Supreme Court of Canada has encouraged a purposive view of section 35 and its promise of a balanced relationship between the crown and indigenous peoples. We can see this balanced approach presented in the Supreme Court of Canada's decision that was referred to by my colleague, the Tsilhqot'in Nation v. British Columbia, from June 2014.

The court held that the Tsilhqot'in Nation has title to approximately 1,750 square kilometres of land in the interior of British Columbia. In the decision, the indigenous perspective and legal traditions were given equal weight to common law property concepts, for example, what goes into proving title, how title content is defined by indigenous views, and how justification has to take into account indigenous perspectives as well as the interest of the general public.

The Supreme Court of Canada did not address the issue of what happens when third party property interests intersect with title. However, an essential part of section 35 is to find an appropriate balance to reconcile the sometimes competing rights, claims, and ambitions of indigenous and non-indigenous Canadians.

Reconciliation will be a multi-generational journey, requiring hard work and compromise by both indigenous nations and Canada's institutions. All Canadians will benefit from a balanced and respectful dialogue.

I would like to thank the member for Kamloops—Thompson—Cariboo for bringing this question forward, and indeed for bringing the question forward in a manner that allows for a more complete response and opportunity to emphasize the balanced approach that will be necessary in this and in all land claim disputes involving indigenous peoples.

● (1835)

**Mrs. Cathy McLeod:** Madam Speaker, we do acknowledge that much has to be done, and there is going to have to be hard work in settling these long-standing indigenous land claims.

I want to hear from the government that as it goes about this process that it will consider the farmers, trappers, and ranchers who have been active on the land and who have lived side by side since the early days of Confederation.

Furthermore, this is going to have a very significant effect. This question was put forward to the National Chief Perry Bellegarde. He used a quote and said that we must have “peace in the valley”. I thought that was a very nice statement.

As the government does the work, it has to have a recognition in terms of third party owners. I would urge it to adopt a policy of “avoid, mitigate, compensate” when these settlements intersect in a way that creates undue hazards.

**Mr. Sean Casey:** Madam Speaker, our government is committed to renewing the relationship between Canada and indigenous peoples on a nation-to-nation basis.

This relationship will be based on respect, co-operation, and partnership. We support a vision of Canada that reflects a confident, inclusive, and just country that respects diversity, with balance for individual and collective rights. This includes recognition of indigenous peoples and their rights, as contained in section 35 of our Constitution.

Balancing and recognizing all of our interests is a nation-building challenge. Reconciliation will be a multi-generational journey requiring hard work by all of us.

## HEALTH

**Ms. Sheri Benson (Saskatoon West, NDP):** Madam Speaker, on January 27, I asked the hon. Minister of Health about a central principle of the Canada Health Act: equal access for all Canadians to health care.

In many places across this country, including my home province of Saskatchewan, wealthy Canadians are getting preferred access to health care services; most notably, MRIs.

*Adjournment Proceedings*

Because the Canada Health Act outlaws user fees, and the unequal access to health services is contrary to both the spirit and the letter of the law, I asked the health minister when she would act to enforce the Canada Health Act and crack down on private payments.

The minister's answer was that she had met with provincial and territorial health ministers and that she is "determined to make sure that Canadians will always be able to access the appropriate care they require based on need, and not ability to pay".

While I was encouraged to hear of the minister's strong commitment to the Canada Health Act, I regret that, to date, the minister has yet to announce what she will do to uphold this commitment.

I am gravely concerned that Saskatchewan is not only allowing but actually encouraging the privatization of health care; namely, private MRI services.

Where is the universality of access if special access to MRIs is given to those who can afford to pay?

The Saskatchewan Medical Association, which represents the province's doctors, is opposed to the two-tiered MRI system. The SMA has said that the policy has been implemented hastily and that there is no clear evidence that offering private scans will lead to shorter wait times for the public.

Dr. Ryan Meili, of Canadian Doctors for Medicare, notes that although Alberta has the second-highest number of diagnostic imaging scanners per person in Canada, it also suffers from the longest wait times.

The real impact of private-pay imaging clinics is to give those with money an advantage in obtaining necessary surgery.

Private MRIs can cost anywhere from \$700 to over \$2,000 each. While this cost may be acceptable for some Canadians, it is virtually unaffordable for many more. Canada's health care system was designed as part of our social safety net to ensure everyone is able to access necessary exams.

Canadians are proud of our universal health care system, but we must work to strengthen and expand it, not carve off pieces to be sold to the highest bidder. One of the driving forces behind the creation of our health care system is the principle that health care should be available to Canadians based on need and not the ability to pay.

For-profit clinics are only beholden to their owners' or shareholders' bottom line and not the well-being of patients. There is an inherent conflict of interest in allowing for-profit operators into a publicly funded health care system that seeks to provide medical services for patients, regardless of their income level.

Just today, we heard about allegations that a private health clinic in Calgary is trying to pressure its doctors into giving preferential treatment to fee-paying patients.

A two-tiered health care system only exacerbates unequal access for Canadians. More than 6,000 people are waiting for an MRI in the province, making it the longest wait list of any special imaging service.

Today, there are two for-profit MRI clinics in the Regina area, but one in Saskatoon and not one in the north. It is not difficult to see that for-profit providers will locate where it is good for them, not necessarily where patients need the services to be.

Indeed, the SMA has said that creating dual access to MRI scans does not reduce surgical wait times. It also suggests it could lead to queue-jumping for surgery because those with a completed scan could see a specialist sooner.

The minister and the government have to protect public health care across the country by disallowing for-profit clinics and private service providers.

When will the minister act?

• (1840)

**Ms. Kamal Khara (Parliamentary Secretary to the Minister of Health, Lib.):** Madam Speaker, I appreciate the opportunity to speak today. I am pleased to take part in this important debate and I wish to thank the member for raising this issue for debate at this time.

Our government is committed to protecting our publicly funded health care system. Like all Canadians, we share the strong belief that all individuals deserve access to timely, quality, universal health care, regardless of their background, physical needs, where they live or how much they make. This is one of the core values of our country.

Access to health care is an important matter for all Canadians. The Canada Health Act is more than Canada's federal legislation for publicly funded health care insurance; it is an integral part of our identity. The Canada Health Act preserves the values embedded in our health care system and in our country as a whole, values of equity, accessibility and solidarity. These are the values that make Canada one of the most desirable countries in the world in which to live.

Not only do we have a health care system that all Canadians can be proud of, but it forms the bedrock of middle-class economic security. Our publicly funded health care system offers a competitive advantage for Canada in an increasingly competitive world.

The Canada Health Act requires provincial and territorial health insurance plans to provide medically necessary hospital and physician services to their residents on a prepaid basis and on uniform terms and conditions. Permitting payment for faster access to insured health services, including medically necessary MRI services at private diagnostic clinics, which has often been called queue-jumping, contravenes the accessibility criteria of the Canada Health Act.

Further, when patients jump the queue by paying to gain quicker access to a diagnostic service such as an MRI, they are then able to jump the queue a second time for any follow-up care indicated by the MRI. That means they gain faster access to both the initial diagnostic test and they gain quicker access to any required follow-up surgery or procedures in the public system.



*Adjournment Proceedings*

This is not access based on medical need. This is access based on ability and/or willingness to pay, and it is a contradiction of the underlying principle of the Canadian health care system.

It is our belief that MRI services, when medically necessary, should be covered by provincial plans. I would like to assure the House that discussions are under way in relation to this issue.

The strong support that our government has for our publicly funded health care system is echoed by the support of many Canadians. Polls continue to show that Canadians consider health care to be a high priority and that there is strong support for the principle of access to care based on need. In a September 2015 EKOS research poll, when asked if individuals should be allowed to pay extra to get quicker access to health care services, 64% of respondents disagreed.

Canadians want a system based on need, and not their ability to pay. They consider equal and timely access to medically necessary health care services to be part of our national character, not a privilege of status or income.

The hon. member may be assured that this government is committed to preserving the fundamental principles of our health care system and we will continue to work with provinces and territories to ensure access to quality health care services, based on need, not ability to pay.

•(1845)

**Ms. Sheri Benson:** Madam Speaker, I am heartfelt to hear those words around protecting one of the fundamentals of the Canada Health Act, and that is universality. Unfortunately, the government just seems to want talk about it and not do anything about it. We are asking her to do is to disallow the service immediately.

During this week's emergency debate on the suicide crisis in Attawapiskat, the minister said:

It is unacceptable to have multiple tiers of health access. We would agree that all Canadians...need to have access to the medical care they require based on that need, not based on where they live or whether they can pay for it.

It is time for the government to step up and defend the universality and accessibility. It is time to actually enforce the Canada Health Act.

Private, two-tier health care is a very slippery slope that will dismantle our social safety net, and Canadians need to hear their government commit to protecting health care for everyone and not just the wealthy.

**Ms. Kamal Khara:** Madam Speaker, our government recognizes that universal, publicly funded health care is a core Canadian value and a foundation for economic prosperity. This is why our government is committed to upholding the Canada Health Act and its fundamental principle of providing access to medically necessary care based on need, not the ability to pay.

We recognize that sustaining a strong, universal health care system requires the collaboration and co-operation of federal and provincial governments. As such, we are committed to a renewed relationship with our provincial and territorial partners to support their efforts to strengthen our publicly funded, universal health care system.

The federal, provincial and territorial ministers of health met in January 2016 to discuss common challenges facing our health care system. I am pleased to note that at the meeting, ministers of health from across the country reaffirmed support for a publicly funded health care system and the values on which it is based.

## INDIGENOUS AFFAIRS

**Ms. Georgina Jolibois (Desnethé—Missinippi—Churchill River, NDP):** Madam Speaker, I stood in the House a couple of months ago and asked the Minister of Indigenous and Northern Affairs what she and her government planned to do to help the community of Wollaston Lake, which at the time was facing a challenge. Due to climate change and warm weather, an ice road in northern Saskatchewan was deemed unsafe to transport provisions. A community of 1,800 people were running out of fuel and supplies due to the unsafe winter road.

First nation chiefs in Saskatchewan said that the unusual mild weather had softened a northern Saskatchewan ice road leaving two reserves facing safety and access challenges: Hatchet Lake First Nation and Fond du Lac Denesuline First Nation. It is clear and undisputable that reliability of this road has been impaired. The danger imposed by soft winter roads is increasingly isolating Northern communities. This is rendering their lives more difficult as supplies are harder to transport to remote communities. This is without question, an urgent matter.

What does it mean when an ice road is unsafe for Northern remote communities in Saskatchewan?

This ice road represents a life line for those communities. It is a significant factor in the local cost of living, on the economic development in the communities, and on housing and infrastructure. Sporadic availability of truck transport imposes significant extra costs on the communities.

An expensive and uncertain transportation situation is a major barrier to all forms of development in northern communities. It brings food prices considerably up. It brings fuel prices up, fuel that is used for transportation and for heating on reserves. Medical supplies do not make it on reserves for the sick and health care workers who struggle to provide the care needed. Unsafe ice roads make it harder if not impossible for the RCMP and paramedics to reach those who require urgent help instantly.

As members can see, this is becoming a safety issue. There have been reports of trucks transporting provisions that have fell through the ice. Chiefs have also warned their communities to avoid the winter road as they are unsafe for travel.

This is not an issue that is exclusive to northern Saskatchewan. Northerners across the country have seen the roads they count on for provisions and for movement becoming more and more unsafe and unreliable for their livelihood due to climate change.

*Adjournment Proceedings*

The current government promised an open nation-to-nation relationship throughout its election campaign. The Prime Minister pledged to implement the Truth and Reconciliation Commission recommendations. Despite that promise, we are still waiting.

The government still fails to act on issues that are of great concern for northern remote communities that often feel abandoned and that often feel that their issues are just not important enough in the eyes of the federal government. Like all Canadians, northerners count on an equitable treatment of their concerns.

This government had a chance to demonstrate goodwill in tackling this concern with its first budget. However, nowhere in the budget do we see allocation of specific funds for winter roads, and this, despite the continuous outcry and warnings from first nations chiefs and the Federation of Saskatchewan Indian Nations on this issue that is crippling communities.

Action is needed even more urgently than even before, and the problem will not disappear on its own. It will only increase. Specific funding and a comprehensive strategy for ice roads is required now. In the long run it is going to enhance and better the lives of the people in the north.

This is about lives. This is about safety. This is about economic development in northern remote communities.

What steps has the Prime Minister taken to work with isolated first nations to meet their needs for safer and reliable roads that will bring more prosperity to their communities?

• (1850)

**Ms. Yvonne Jones (Parliamentary Secretary to the Minister of Indigenous and Northern Affairs, Lib.):** Madam Speaker, I am pleased to rise to respond to the question from my hon. colleague, the member for Desnethé—Missinippi—Churchill River. I want to thank the hon. member for bringing this important issue to Parliament. I know it is a concern that is shared by her constituents.

I live in a northern region of Canada, and I know the significant challenges that we face in winter when it comes to transportation, whether it be by air, ice roads, or snowmobile, which is the other preferred route that we have to use.

I want to first of all point out to the member that in the budget there was \$255 million for roads and bridges that was allocated directly and specifically for first nation communities. No community in the north, or anywhere in this country, should have to face a shortage of essential supplies during the winter. However, we all know that it happens.

In my riding, as the member can appreciate, there are times of the year when we have to ship by vessel during a small window. It is not always easy to do that because of ice conditions, just like the challenges faced with reliable winter roads as well.

The network is essential and vital to remote communities like the one the member represents, and we know how much they rely upon these ice roads for essential services like fuel, food, medical supplies.

We also know, and have acknowledged as a government, that the reliability of those transportation modes are being tested. In part, it is due to climate change, a discussion that we all continue to have.

Environment Canada has told us that the average annual temperature in Canada has warmed by 1.6°, so that is significant. It also means a shorter winter road season for many of our communities.

Typically, winter roads are open from mid-January to mid-March. Some can go longer, as we know. However, when the season is shortened due to weather, as we have seen in some years and in some communities like Wollaston Lake and Hatchet Lake First Nation, the communities that the member has referenced may have reduced access to the essential items they would normally receive by land.

There are systems in place, and I think the member recognizes that, to help these remote communities when these situations occur. For example, depending on a specific situation, Indigenous and Northern Affairs Canada makes additional funding available to first nations to subsidize the delivery of essential items by air. We have done that in the past. We also monitor the number of days that we are expected to provide that service, and we look at what we can do early on to mitigate any impact that could be placed upon the communities.

Our minister met with Chief Tsannie and the delegation from his first nation community regarding the winter roads issue. We have met with Hatchet Lake First Nation and its leadership to follow up as well. It is an issue that we have been dealing with, have dealt with, and will continue to deal with based on the urgency that the situation requires.

• (1855)

**Ms. Georgina Jolibois:** Madam Speaker, I appreciate the answer, but I will do further follow-up, as I have continued contact with Chief Tsannie and the Hatchet Lake First Nation, as well as Fond du Lac Denesuline First Nation, the Prince Albert Grand Council, and the Federation of Saskatchewan Indian Nations.

This is a concern and continues to be a concern. I appreciate the dialogue that we are having today and moving forward.

**Ms. Yvonne Jones:** Madam Speaker, I also want to point out that Indigenous and Northern Affairs Canada has funded studies mitigating these challenges, which have been undertaken by first nations and the provincial governments.

We are looking forward to the department engaging with the provinces and first nations about longer-term transportation plans. In the cases that have been referenced here, they are more of a provincial responsibility and jurisdiction, but we want to assist and to help. It is a concern for us, and we understand the nature and the importance of this to the region.

The member should never hesitate to bring forward important issues on behalf of constituents to us as a government. We would be happy to respond and work with the member to ensure that we get the best results.

[*Translation*]

**The Assistant Deputy Speaker (Mrs. Carol Hughes):** The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24(1).

*Adjournment Proceedings*

(The House adjourned at 6:58 p.m.)

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