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OFFICIAL REPORT
(HANSARD)

Thursday, February 4, 2016

Speaker: The Honourable Geoff Regan

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HOUSE OF COMMONS

Thursday, February 4, 2016

The House met at 10 a.m.

Prayer

ROUTINE PROCEEDINGS

● (1000)

[*English*]

PUBLIC SERVICE INTEGRITY COMMISSIONER

The Speaker: I have the honour, pursuant to section 38 of the Public Servants Disclosure Protection Act, to lay upon the table the case report of the Public Service Integrity Commissioner in the matter of an investigation into a disclosure of wrongdoing.

[*Translation*]

This report is deemed permanently referred to the Standing Committee on Government Operations and Estimates.

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[*English*]

PARLIAMENTARY SCIENCE OFFICER ACT

Mr. Kennedy Stewart (Burnaby South, NDP) moved for leave to introduce Bill C-217, An Act respecting the position and office of the Parliamentary Science Officer and to make consequential amendments to other Acts.

He said: Mr. Speaker, I rise today to reintroduce my private member's bill to establish Canada's first parliamentary science officer.

My bill aims to create an independent science watchdog for Parliament with a mandate to provide MPs with sound information and expert advice on scientific issues facing our country. This office would help to ensure scientific research has a stronger voice in the policy-making process and that decisions made in Ottawa are based on the best available evidence.

A parliamentary science officer would be a major improvement compared to the previous office of the national science advisor, which advised only the prime minister and lacked institutional independence before being eliminated in 2008.

Canada needs a new science advisor that is independent of the government and reports directly to Parliament. Its mandate needs to be comprehensive and protected by law, and that is why I am putting

forward this bill today. It complements a motion I put forward on ethics in terms of research.

I hope the bill will receive support from all members of the House.

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

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[*Translation*]

RAILWAY NOISE AND VIBRATION CONTROL ACT

Mr. Peter Julian (New Westminster—Burnaby, NDP) moved for leave to introduce Bill C-218, An Act to amend the Canada Transportation Act (railway noise and vibration control).

He said: Mr. Speaker, I thank my colleague, the member for Beloeil—Chambly, a very hard-working member.

[*English*]

Residents of the Westminster Quay area of New Westminster, South Burnaby, Edmonton, Winnipeg, Toronto, and Montreal are often awakened, when they live next to an urban railway yard, by shunting, which is the crashing of the railway cars against each other; excessive idling; loud diesel engines, sometimes at two or three o'clock in the morning; and other types of excessive noise.

Bill C-218 would eliminate the ability of railway companies to act with impunity. It would force them to work in conjunction with the urban residents who live next to the railway yard.

We have had support from right across the country around this bill. Residents from right across the country want to see the railway companies put in a framework that actually allows them to get a good night's sleep.

I hope that all members of the House will support this bill, because every Canadian deserves a good night's sleep.

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

* * *

● (1005)

CANADA SHIPPING ACT, 2001

Ms. Sheila Malcolmson (Nanaimo—Ladysmith, NDP) moved for leave to introduce Bill C-219, An Act to amend the Canada Shipping Act, 2001 (wreck).

Business of Supply

She said: Mr. Speaker, for too long, coastal communities have been given the runaround when an abandoned vessel washes up on their shorelines or enters their harbours.

I worked with a community organization in Galiano that, for 10 years, tried to find a government ministry that would take responsibility. If it is a hazard to navigation, it is one department. If it is an oil spill, it is another. If it is maybe going to sink but is not yet an oil spill, no one will touch it. If it washes up on the shoreline, maybe it is the provincial crown. It is frustrating. It is creating environmental problems and great economic uncertainty, especially for beautiful communities in my riding like Nanaimo and Ladysmith that have made significant investments in their waterfront. They now have the interference of unsightly and polluting vessels drifting in their harbours.

I rise with my colleague the member for Salaberry—Suroît to propose once again the bill that former member of Parliament Jean Crowder brought to the House. It was supported by the Liberals but defeated by the Conservatives. We ask Parliament to work together to designate the Coast Guard to be one-stop shopping, so we can eliminate this uncertainty and resolve this problem once and for all for coastal communities.

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

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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 ask that all questions be allowed to stand.

The Speaker: Is it agreed?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[English]

BUSINESS OF SUPPLY

OPPOSITION MOTION—DEPARTMENT OF FINANCE

Hon. Lisa Raitt (Milton, CPC) moved:

That the House: (a) thank the independent non-partisan officials from the Department of Finance for their hard work and evidence-based analysis; (b) acknowledge their most recent Fiscal Monitor which informed Members and Canadians that, for the period from April to November 2015 of the 2015-2016 fiscal year, the previous government posted a budgetary surplus of \$1.0 billion; and (c) concur in its conclusions and express its confidence in the Deputy Minister and his team.

She said: Mr. Speaker, I will be sharing my time, gladly, with the member for Brantford—Brant.

Over the last eight years, it was an honour to serve the people of Canada, first as minister of natural resources, then as minister of labour, and finally as minister of transport. It was an honour to serve the prime minister, as a member of his cabinet, and the Queen, as a member of the Privy Council. Most important to me—and in my maiden speech in the House this time—it has been a great honour to serve the people of Halton and a privilege I have been afforded in returning to this place to serve the people of Milton. I thank them

very much for the opportunity to be here today. I cannot think of a more appropriate motion to rise and deliver in this, my maiden speech of the 42nd Parliament.

We know the last campaign was not really easy for us. It was not easy because governing is not easy. Governing comes with the burden of setting priorities and making tough decisions. Every day in government, we had to make difficult choices. It is true that we were not all things to all people, but it is also true that we did exactly what we said we would do. We made these tough decisions because, for us on this side of the House, promises have value.

The members opposite have inherited the government, and they inherit a burden of making these decisions, but they also inherit a modest surplus, so they can deliver on their promises to Canadians. That is really what the motion is fundamentally about.

The motion speaks to trust. It speaks to trust in our government, in those whom Canadians elect, and in those whom Canadians trust to operate government. I am proud of the legacy we have left for Canada and for this government. I am looking forward, throughout today, to hearing from former cabinet ministers of the previous Conservative government to tell the House exactly what we did, what we have accomplished, and what we have done to ensure the current government has a surplus to fulfill its promises to Canadians.

The former minister of finance, Minister Flaherty, introduced his budget on January 27, 2009. Here we are in February and there is still no budget from the government. What he said was:

To finance Canada's economic action plan, our government is making a deliberate choice to run a substantial short-term deficit.

This temporary deficit is an investment which is necessary to stimulate our economy. It allows us to meet our short-term needs while serving our long-term goals.

He noted:

...Canada has the freedom to respond effectively to the current crisis, without putting our long-term prosperity at risk. In fact, the situation provides an opportunity to speed up investments that are necessary for our future growth and quality of life.

He said Canadians could be proud of this.

He also noted:

...we made the right choices when times were good. Now, when times are difficult, together we can continue moving forward with confidence.

He also noted, most importantly, that as the economy recovered he fully expected to emerge from deficit and return to surplus within five years. He noted that Canadians regretted the need to run a deficit in order to invest in our economy, and I do believe that to be the case. Our government shared our regret at the time, but it was necessary to choose this course because we knew it was temporary. We chose it because we knew it was what Canadian families and businesses needed.

You will hear from former cabinet ministers from the previous government talk about their individual portfolios and how we worked together to make sure the economy grew and worked together to get to that balanced budget in which Canadians could have confidence.

Minister Flaherty's final budget speech was February 11, 2014. Again, it was an early budget. It is interesting how the government still cannot seem to get its budget out the door. He noted and quoted many of his favourite politicians who came before him. He started by quoting Thomas D'Arcy McGee, who was his favourite Father of Confederation:

...who once said, "We are in the rapids and must go on". Even as the times get better again, we will stay the course that has worked so well.

● (1010)

He noted Sir John A. Macdonald, who could have been talking about the 2014 economic action plan when he said, "The Government are merely trustees for the public."

Jim noted that this was why we were so committed to balancing the budget and returning Canada to a position of fiscal strength. This is what is incredibly important and absolutely germane to what we believe in as Conservatives.

He said, "When governments run prolonged deficits, they are spending money that belongs to future generations." He went on to say that it is deficit spending that actually puts in danger those social programs that benefit our children, the ones that they will depend upon.

He also noted that balanced budgets are important to the long-term prosperity of the country, because they inspire confidence in investors and consumers, and they are the ones who grow the economy and create the jobs.

"Canadians have trusted us with the economy", Jim said, "and we have delivered."

Today we have delivered to this new government a surplus, and it cannot be denied.

He concluded that part of his speech by saying, "By doing [the things that we do], we will not only balance the budget in 2015, we will achieve a surplus."

I would very much like for the members on the opposite bench, the government, to note carefully these words from a very seasoned minister, who was once voted the world's best finance minister, when he said: "let me be clear: A return to surplus is not a licence to spend recklessly."

We promised a balance budget, and we delivered on the promise. We promised Canadians that they could trust not only our own promises in the last campaign but the promises of all of the parties, knowing that they would inherit from us a clean slate to implement their mandate. Now it is up to them.

Numbers do not lie, facts are facts, and proof is proof, it would appear. The report from the "Fiscal Monitor", produced by Finance Canada, proves that the Liberals inherited a surplus from our Conservative government.

Business of Supply

I hope the members of the current government will reflect on what I have said, and on the words of Jim Flaherty, and think twice the next time they rise in their seats and intentionally mislead the House on facts.

This motion speaks to trust. It speaks to the trust of those who manage the nation's business, in this case the nation's finances. By voting against this motion, the government would be signalling that it has no confidence in the employees of Finance Canada at the highest levels. If it does not trust its own officials, how can it expect them to prepare the budget or manage our finances during these low-growth times?

We know what our legacy was, and we know what we have left. I would encourage the members opposite to think about what their legacy will be, because at the end of the day, regardless of where we sit in the House, those of us who were here before and those of us who have joined our Conservative caucus can be proud to know that we still value the facts, we still value the truth, and we still cherish the value of a promise.

In conclusion, in going through Jim's old speeches, I did note that his final words in the House, in March 2014, had to do with a heckle from the now Minister of Public Safety and Emergency Preparedness, who indicated that I should be wearing a muzzle as the minister of transport. Jim stood in his place on a point of order and asked the member for Wascana for an apology for his misogynistic comments. Today it has come full circle. I am here to defend Jim Flaherty's legacy. I appreciate all the work he did for us. We thank him, with the former minister of finance and the prime minister at the time, for the wonderful surplus we have delivered to the opposite bench, the current government, to ensure that it can have the trust of Canadians and do well for our future generations.

● (1015)

Hon. Scott Brison (President of the Treasury Board, Lib.): Mr. Speaker, I very much appreciate the hon. member's intervention today and her speech. I am fond of her. She is a Nova Scotian from Cape Breton, and Cape Bretoners are often good at telling stories and entertaining us all with those stories.

This morning the member told us her story and her party's current story. However, the real story is that back in 2006, the previous Conservative government inherited the best fiscal situation of any incoming government in the history of Canada, a \$13-billion surplus, which it squandered with a reckless spending and tax policy that actually put Canada into deficit even before the global financial crisis in the autumn of 2008, after which it added \$150 billion to the national debt.

Last spring, the April 2015 budget was delayed into this fiscal year for one reason, which was to book the one-time asset sales of GM shares to create a notional surplus, on the eve of an election, based on 2.1% growth, which we all knew was unrealistic at the time.

Will the member give up this fantasy that the Conservatives keep trying to perpetuate with Canadians and admit that they left the current government a deficit?

Business of Supply

●(1020)

Hon. Lisa Raitt: Mr. Speaker, absolutely not. While I appreciate the flowery words of confidence from the hon. minister from across the aisle, I can tell that they come with a forked tongue.

The reality is that we left the current government with a surplus, a \$1-billion surplus. We did it not by putting it onto the backs of Canadians. We did it not by cutting transfer payments to the provinces. We did it by doing what we do well as Conservatives: we managed the economy. We paid down the debt in 2006 so that we could be ready for what happened in 2009. Jim said, very clearly, that the intention was that once we got to those surpluses, we would again go back and pay down the debt that was accumulated. We did not enter into deficits because we wanted to; we entered into deficits because we had to.

The members of the current government say that they want the government to go into deficit because money is cheap. Shame on them.

Mr. Peter Julian (New Westminster—Burnaby, NDP): Mr. Speaker, I like the member for Milton. She speaks very effectively and eloquently. Unfortunately, her speech does not jibe with the facts.

As members know, under the Conservatives, we had six consecutive deficits. When we look at previous Conservative governments, we see record deficits under former governments as well. If we look at the fiscal period returns over the last 30 years, we see that the Conservatives have only a marginally better record of deficits and debt than the Liberals. Of course, provincial governments across the country that have the best records are the NDP governments. We know that. That is what the fiscal period returns tell us.

I would just like the member to confirm that the Conservatives indeed ran six consecutive deficits, some of them record in nature.

Could the member also confirm this? Though I do not always agree with the President of the Treasury Board, I must agree that when we look at the sale of GM shares, that is at best a fake—

The Deputy Speaker: Order, please. We need a bit of time for the hon. member to respond. The hon. member for Milton.

Hon. Lisa Raitt: Mr. Speaker, I thank the member for his kind words. Maybe he will not find my words to be as kind. I find it ironic that the member opposite is talking about deficits, because I do not think it worked out well talking about deficits in the last campaign for them either, frankly.

In terms of where we ran deficits, I thought I was very clear in my opening remarks, when I quoted Jim Flaherty, about the difficult choice and the great regret we had when we had to go into deficit. We did it because there was a global economic crisis. There was a reason to do it. It was not because money was cheap, and it was not because we had a huge list of spending promises. We did it because it was necessary, and we felt bad about it. We wanted to get back to surplus. That is why it is so important to note that we did, and I will not let that legacy be besmirched by that government because it wants to score political points.

They cannot reinvent the facts. They are true, they are real, and I am very proud to stand in this House and speak on behalf of them.

Mr. Phil McColeman (Brantford—Brant, CPC): Mr. Speaker, I am pleased today to follow my esteemed colleague from Milton and draw everyone's attention to how simple this motion is and to how important it is. It goes to the heart of trust, confidence, and fulfilling promises, as the finance critic has articulated.

There is one thing many of us in business have done over the years, and I am sure the finance minister brings an esteemed business background to the House, and that is deal with the numbers presented by experts in the background of the business environment, namely the accountants and comptrollers. They are the people who actually produce the numbers for accurate decision-making.

What we have witnessed since the start of this Parliament is that the finance minister has had a choice. The Conservatives left a surplus. That is what his department has said to him, and that is what the "Fiscal Monitor" and the PBO have said. In fact, they have said that it is a larger number than what the finance minister said. However, the point is that there was a surplus.

Of course, politics are an odd space in this bubble here in Ottawa that sometimes distorts what the actual facts are. My comments today are centred on cutting through the rhetoric justifying doing something by blaming someone else and pointing a finger at the previous government.

These were the fundamental choices, I believe, the finance minister had to make upon arriving in Ottawa, because the facts are the facts.

The Liberal government came to power with a promise to Canadians to use evidence-based facts and science, words that were repeated over and over again to Canadians. They said they would be different, because they would use facts. They would use the expert evidence given to them. Liberals were given that evidence by their own officials in their own department. They were also told that they needed to go into more of a deficit than was promised, which was a \$10 billion deficit, just a small deficit. That is what the Prime Minister said during the election campaign. It was just a tiny deficit they wanted approval for. Of course, what has happened since then is that they were provided with fact-based evidence.

Take, for example, the middle-class tax cut. This middle-class tax cut that will return \$6.43 a week to the average Canadian, less than \$1 a day, on average, was predicated on a promise that it would be revenue neutral because the government would tax the 1% who make so much more and would redistribute that to provide the middle-class tax cut.

What has happened since that time? The facts have been put on the table, which is that this was a miscalculation. We first found out that it could approach being a \$1-billion miscalculation. The government would fall short by \$1 billion, which would mean a \$1-billion structural deficit going into place. Then we were told after the fact by some experts, again accountants, people who know how the economy works and what the numbers actually are, that it would be more like \$1.4 billion. In fact, the C.D. Howe Institute, which the finance minister used to chair, predicts that it will be somewhere around a \$2-billion shortfall.

Business of Supply

This new way of taking on the responsibilities of government has fallen short. It has fallen short there, and it continues to fall short when the finance minister and his parliamentary secretary continue to contend that somehow they were left with a deficit, which their own finance department has said is a surplus.

•(1025)

It is sometimes shocking to hear the denial of the people who are providing the evidence-based facts in the matter.

I grew up under a pretty simple tenet: “If you're going to talk the talk, you need to walk the walk.” What we are hearing is the talk but not the walk. We are hearing that we can exaggerate, we can make it look like we can point the finger at the previous government. This is part of the political playbook that has been played over and over again.

The government presented itself to Canadians as a government ready to do business a new way, yet the finance minister comes to the table, gets the evidence, and decides, no, it is going to go down that road of the playbook for political advantage to try to point the finger and say, “Now that we're here, things are way too different.” He was wrong doing that because his own department came out with the numbers to say they were left with a surplus.

This is a growing trend. It takes away the confidence, not only of the business community and those who wish to make investments, but everyday Canadians who have yet to find out exactly how they should be managing their money based upon what is coming down the line. We know that a lot of pundits and people who are looking to this action going forward are predicting a \$30-billion deficit, but we have no idea, at this point, because we have not been given any of the facts on this matter.

I believe the Liberals should just admit that their numbers are not bad. We have asked over and over again where they got the numbers. They have not been forthcoming with any kind of background as to who the experts were who gave them the numbers to say there was a deficit.

In the real world, in a competitive global economy, numbers matter. Investors and businesses here in Canada, and around the world, need to have confidence that the finance minister is basing his projections upon a set of numbers that are facts based upon accurate evidence. I believe that it is better not to broadcast misleading numbers to Canadians and the international community to support his party's political rhetoric. At a time of such economic uncertainty, businesses and investors need to have confidence in the finance minister and the department working behind him.

Today, we have a motion that is based upon independent analysis, hard numbers, and facts, to cut through the political rhetoric.

First, we had the PBO reporting that Canada is on track to post a \$1.2 billion surplus for the 2016 fiscal year. Now, the report from the “Fiscal Monitor”, produced by Finance Canada, is telling us that Canada posted a surplus of \$1 billion from April to November 2015.

I will wrap up by saying this proves conclusively that the Liberals inherited a surplus from our Conservative government. If the finance minister and the Liberal Party do not trust their own officials, how

can they expect them to prepare a budget or manage our finances during these troubling times?

•(1030)

Ms. Yasmin Ratansi (Don Valley East, Lib.): Mr. Speaker, I listened to the speeches from both members opposite.

I concur with my colleague, the President of the Treasury Board, that this looks like *Alice in Wonderland*. Where are they coming up with facts? Suddenly, they are relying upon the Department of Finance. They suddenly have come back to facts and figures when all they did was ignore the department, muzzle the scientists, and muzzle anybody who gave them figures.

Let us see how they created the surplus that they claim.

How about cutting \$1 billion to veterans ? How about delaying payments, ensuring that funding lapsed?

This is the type of trickery they have been using. They have not balanced the budget. The PBO says that they have actually created a deficit of \$3 billion.

I do not need any lessons from them.

Mr. Phil McColeman: Mr. Speaker, such comments are shocking because they are an indication that they do not trust the people in the finance department. They do not trust their own people with the numbers they have published.

We can go back and talk about what happened in previous governments and what happened in certain departments in previous governments, but the facts are the facts are the facts. The fact is the finance department has said there was a surplus of \$1 billion left to the government. That cannot be disputed. Those are the facts. Those are from the experts within government.

The member asked where those numbers came from. They came from the economic experts within government. That is where they came from.

•(1035)

Mr. Wayne Stetski (Kootenay—Columbia, NDP): Mr. Speaker, it is such a pleasure to see my Conservative colleagues supporting public servants through section (c) of this motion.

This certainly was not the case when they were in government. In my riding of Kootenay—Columbia, I know a number of federal public servants who lived in constant fear for their jobs with no faith in the Conservative government to support them in any way.

I have a question for my colleague. Does this motion indicate a clear change in direction for the Conservative opposition where it intends to support our federal public servants in the future?

Mr. Phil McColeman: Mr. Speaker, because I cannot resist, I will answer this with the words of a good friend who I got to know very well, the late Hon. Jim Flaherty.

Business of Supply

He would always say people want to dig something up and say it is a change, but it is not a change. He would go to the experts across government, the people within his department, and he would bring the top economic people in the country together. He would ask them for their views about economic circumstances. I know that because I was in the building industry as the president of the Ontario group. Mr. Flaherty would then take the median from the forecasters, from the experts in the field, and that is what this is driving at today.

Today, this is driving at the fact that the government made a clear choice. It made a clear choice to ignore those numbers. Those are the numbers. The very institutions in private sector and others have been saying all along that the books were balanced and that the actual surplus was there.

Yes, I will acknowledge these are experts; these are the people within government circles. Also, this is driving at the point of people who should be trusted with the expertise, the experts in the field. It is evidence based and fact based. Today, this is what our motion drives at.

Hon. Bill Morneau (Minister of Finance, Lib.): Mr. Speaker, in spite of your best efforts, there are times in the House where cynicism can drive hon. members to focus on division rather than honest debate. The motion that the opposition has chosen to debate today could be described as clever. At first glance, it seems to present an impossible choice: agree with false assumptions or publicly deny our support and appreciation for an institution dedicated to serving Canadians.

In fact, if we were to take it at face value, one might even begin to suspect that the party opposite had suddenly discovered the virtues of evidence-based policy-making. Sadly, I do not believe that this is the case today. Rather, the motion is nothing more than yet another example of the party opposite's contempt for the very professionals that they now want to appear to so valiantly support.

As much as we would all wish the world be made of simple choices, that is just not how the world works. Pretending that it does is a disservice to the quality of debate in the House. Cherry-picking data to use as a political football devalues the work of our proud public servants.

When considering the choices on how to respond to the motion, it is clear to me what the answer should be. The answer should be the truth. The truth is the government's first economic and fiscal update in November 2015 was about being open and transparent with Canadians about the state of the economy. Canadians deserve nothing less.

The November update was produced by the very same finance department that the opposition and all members of the House hold in such high esteem. This non-partisan analysis confirms that circumstances had changed and the predictions made by the previous government in its budget were off by about \$6 billion.

Our November economic and fiscal update took into account such factors as low and volatile crude oil prices and a weak global environment. These risks have not gone away and in fact some of them have become much more pronounced in recent months. The numbers are clear and they are in line with the projected deficit for the 2015-16 fiscal year, a deficit that will be the direct result of the

actions and inactions of the previous government. No amount of clever wording or spin can change that fact.

Let us take a closer look at the numbers. We know that the November "Fiscal Monitor" being debated today is simply a snapshot and does not tell the full story. In fact, focusing on it alone is disingenuous. True, revenues for the April to November 2015 period have increased from the same period last year, however, it is important to remember that this revenue increase is mostly the result of one-time factors and timing issues.

Economists at the Department of Finance have said that it is due to a few factors such as the following: the \$2.1-billion gain realized on the sale of General Motors common shares in April; higher corporate income tax revenues driven by assessments and reassessments for prior tax years; and higher monthly remittances that continue to lag economic developments, since they are generally based on taxes paid in the previous year before being adjusted near fiscal year-end.

The previous government may have banked on one-offs like the GM share sale to feign sound economic management, but let me caution the now opposition against basing their arguments on the snapshots these manoeuvres were designed to provide. It is no different than checking our bank statement before paying off the bills. It means absolutely nothing. When Conservatives sat down and drafted budget 2015, they got it wrong. The question we should really ask ourselves is: did they get it wrong on purpose? As the Minister of National Defence once said, Canadians are smart enough to call baloney.

The reality is that revenue growth is expected to slow over the remainder of the fiscal year, reflecting economic trends of collapsing commodity prices. It would be short-sighted to believe that these one-time revenue-boosting factors and timing issues can be counted on to bring us into a surplus position in this fiscal year.

Let us make no mistake: the Government of Canada will post a deficit for the 2015-16 fiscal year.

● (1040)

At the G20 meeting, leaders from around the world agreed that this was a challenging time for the global economy. The economists who were counting on emerging economies to help restore global growth were questioning their previous predictions. As a result, the Canadian economy is going through a difficult period in an uncertain global climate.

The Bank of Canada, which we all respect as another institution that provides independent and non-partisan evidence-based analysis, has revised downward its economic forecast twice over the last 12 months and eased the overnight interest rate twice.

Going forward, it is very likely that global economic conditions will remain unfavourable and that subdued commodity prices will persist.

Business of Supply

In spite of these difficulties, we are presented with real opportunities to put in place the conditions to create long-term growth. The economy may not be living up to anyone's hopes and expectations, but the good news is that we have been elected on a plan to grow the economy. There has never been a better time to make targeted investments to support economic growth in our country. We are confident that our plan will accomplish this. That is one key reason why I am optimistic about our prospects going forward.

I am also optimistic, after having heard from thousands of Canadians online and when I criss-crossed the country earlier this month as part of my pre-budget consultations. I launched our historic consultations with our parliamentary secretary, the member for Saint-Maurice—Champlain. We firmly believe that good planning starts with listening. We are going to continue listening in the coming weeks for great ideas on how to strengthen the middle class and grow our economy.

The concept of open and transparent consultations is something about which the Department of Finance also feels strongly. That is why Finance Canada consults with Canadians on issues large and small, enabling public input on policy options. The department tries to ensure that as many people as possible, whether they represent businesses, groups with special interests, or individual Canadians, get the opportunity to have their say.

I would like to personally thank Canadians for coming out in record numbers to our pre-budget consultations and for participating in Finance Canada-led consultations throughout the year.

I would also like to thank Deputy Minister Paul Rochon and all of the department officials who helped in meeting and engaging with Canadians to a degree that had never before been attempted. While the pre-budget consultations remain open, department officials are already taking their views into account to develop new policies and new approaches.

As we develop our plans for new investments to grow the economy, we will remain mindful of the input we have received from groups such as aboriginal leaders, small business owners, cultural groups, the energy sector, high-tech and telecom experts, and representatives from the financial services industries, among many others.

Let me remind the House that the previous government added \$150 billion to our national debt, yet still managed to have the worst economic growth record since the depths of the Great Depression. After 10 years of weak economic growth, this government will grow the economy and create jobs by focusing on the middle class, investing in infrastructure, and helping those who need it most. We will make smart investments that will grow the economy in the short, medium, and long term.

•(1045)

[Translation]

Last fall, we wrapped up a long election campaign at the end of which Canadians voted for real change in Ottawa. They voted for a clear commitment to helping the middle class and investing in our country to grow the economy and create good jobs. Canadians indicated that it was time for a new plan and a new economic

direction. They indicated that it was time to invest in people and our communities across the country.

Our government is ready for that challenge. We have already taken meaningful steps to grow our economy, and we will do more.

In December, we introduced a tax cut for middle-class Canadians. On January 1, we made it possible for nine million Canadians to enjoy a significant tax cut every year. This legislative measure is just the first step in our plan for long-term economic growth, job creation and a prosperous middle class in Canada.

The next budget will include the new Canada child tax benefit, another important measure that will provide extra support to the vast majority of families and lift hundreds of thousands of children out of poverty.

Compared to the existing program, the Canada child tax benefit will be simpler, more generous and better targeted toward the families that need it most. It will also be tax-free.

[English]

We have demonstrated our commitment. Canadians should have a real and fair chance to succeed, and central to that success is a strong and growing middle class.

Informed by the views of Canadians, our 2016 budget will create the conditions required to advance our plan for economic growth. We have plans to support stronger communities and economic growth through historic infrastructure investments in things that bring Canadians together, with commerce and support, a healthy and mobile population.

We have plans for long-term investments in skills and labour strategies to improve productivity and employment. These investments will grow the economy in the short, medium, and long term. Our budget will also create the opportunities needed for communities to grow and build an even more prosperous and inclusive Canada.

However, as I think about our ambitious economic agenda, including all the accomplishments that the government has achieved since November and all we will do in the coming years, it is difficult to think of any of it occurring without the support and dedication of the public service. I often tell the story of the enormous binders I received from my officials on my first day on the job. I think it was their way of welcoming me to the Department of Finance. Their expertise is nothing short of amazing.

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I can confidently speak for all of my cabinet colleagues when I say that we are truly thankful for the help and support we have and continue to receive from our officials. From championing climate change in Paris, to facilitating a renewed relationship with indigenous people across the country, to the G20 meetings, APEC meetings and other global summits, to welcoming tens of thousands of Syrian refugees who now call Canada home, to the work they have done to implement our tax cut for nine million Canadians. All of these efforts would simply not have been possible without the input and the organization of the public service.

We will continue to call upon the public service as we work to bring real change to Canadian families. More to the point, the government will continue to value and respect the hard work and evidenced-based analysis that Canada's Department of Finance and all public servants provide to us and to Canadians.

I will conclude by saying that I take no lessons from the party opposite on respecting public servants. Respect comes down to more than a simple vote. It is about valuing their contribution day after day. It is about listening to advice, respecting expertise, and working collaboratively toward a better Canada. It is about little things, like saying "thank you" for a job well done.

Those small things, the important things, may not have come easy to members of the party opposite, but they are what really matters. Frankly, public servants deserve better than to see their work being used so blatantly in political manoeuvring in the House.

Therefore, while the hard-working women and men in the Department of Finance and the deputy minister have my full support, this motion does not. Real support, real change means action, not just words.

● (1050)

Hon. Lisa Raitt (Milton, CPC): Mr. Speaker, in my eight years as minister, I enjoyed great relationships with all my departments, and indeed my deputy ministers, and I can count them as friends as I go through my life. I know the respect that the previous government had for them, regardless of what the hon. members says across respecting it.

Finance officials will know that they can be proud of the fact that they helped steer us through the great recession. They were the ones who helped us become number one in the G7. They helped to create one million net new jobs. They helped support the best finance minister in the world, which, I would daresay, is a title that we will not be seeing in a long time with respect to the current government.

I have three questions for the minister. If he could answer them, it would be great.

When is the budget? How much is the deficit? How is he going to get back to his surplus?

Hon. Bill Morneau: Mr. Speaker, the only people who believe the previous Conservative government left a surplus are the Conservatives themselves. Neither one month nor six months of information make a year. We are looking at the entire year.

Make no mistake. For the budget year 2015-16, we will be in a deficit. It is a deficit that will be there because of the actions and

inactions of the previous government. It will not be about the choices made by this government.

[Translation]

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

Previous governments have been known to take money from the workers' fund that was meant to pay for employment insurance. Previous Liberal governments have taken as much as \$55 billion. The Conservative government also helped itself.

Can the Minister of Finance assure us today that he will not balance the budget and the books on the backs of workers by taking money out of the EI fund?

● (1055)

[English]

Hon. Bill Morneau: Mr. Speaker, we made a commitment to Canadians that we would exercise caution in all that we do. We made a commitment that we would be open and transparent with Canadians in explaining the state of our finances. That is exactly what we endeavoured to do with our economic and fiscal update in November.

We will continue to do that through the course of our term. We will help Canadians to understand the state of our finances, where the money is coming from and where it is not coming from, and we will ensure that workers and everyone in Canada know exactly where the money is coming from.

Mr. Kevin Lamoureux (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I would like to compliment and thank the Minister of Finance for doing such an outstanding job in bringing things together and presenting it in such a way that people can understand and relate to it.

A great deal of pre-budget consultation was done. Could the Minister of Finance add to what kind of consultations took place? I understand he and his parliamentary secretary have gone to all the regions of Canada. Could he provide a backdrop as to why the department does these pre-budget consultations and highlight some of the places he has gone to?

Hon. Bill Morneau: Mr. Speaker, as I mentioned, we made a real commitment to being open and transparent. We made a commitment to listening to Canadians. One of our very first initiatives in that regard was ensuring we had a pre-budget consultation process that was as open as possible.

We travelled across the country. We went to cities from the Atlantic coast to the Pacific coast and right up to the North. We went to rural communities and urban communities to listen to Canadians. So far, more than 150,000 Canadians have engaged with us online and we have more than 3,500 submissions, which is almost triple the number that were received last year.

We feel this enables us to get a good sense of what Canadians understand, to listen to what they believe we should do, and to incorporate their thoughts and views as we create budget 2016.

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[*Translation*]

Hon. Maxime Bernier (Beauce, CPC): Mr. Speaker, it is only today that the Minister of Finance is telling us that he was handed a surplus by his officials, as well as a \$1 billion surplus by our former government last November. He then prepared his economic update.

When he prepared his economic update, those same officials told him that if he did not do something, there would be a deficit by the end of the fiscal year. The minister chose to do nothing, because he controls spending. He may not control revenues, but he does control spending and he could have closed out the fiscal year with a surplus.

Therefore, the deficit at the end of the fiscal year is his responsibility. When he was preparing his economic and fiscal update with his officials, despite the numbers presented to him, he chose to do nothing and did not make the cuts needed to have a surplus.

We, the Conservatives, left him with a surplus last November. He did nothing and now we are heading toward a deficit, which is his fault. He cannot point the finger at Canada's economic situation, because he controls spending. The Treasury Board controls spending. If the minister had wanted it, he could have had a surplus at the end of the fiscal year.

I have a question for the minister. Why burden future generations with debt? I would remind him that the government does not invest money, it spends money. Business people invest money. The government is currently spending money that we do not have at the expense of future generations, saying that we should take advantage of the low interest rates to borrow money.

The minister does not seem to realize that interest rates are at a historic low and that they will go up. As things stand, 10¢ out of every dollar that Canadians pay in taxes is used to pay the interest on the debt, a sum that represents the entire budget for the Minister of National Defence.

We have to stop increasing the debt and start balancing the budget for the good of future generations and the economic prosperity of the country.

• (1100)

[*English*]

Hon. Bill Morneau: Mr. Speaker, I would like to start by commenting on the absurdity of the motion before us. To think that one month's worth of information or even six months' worth of information constitutes information for an entire year is patently absurd. It is like people looking at their bank balance before they have paid their bills and saying how thankful they are for a positive bank balance, not realizing that their bills amount to more than what they have in the bank.

Let us just start by telling the honest to goodness truth to Canadians. When the Conservatives prepared budget 2015, they got it wrong. They made an economic assumption for growth that was incorrect. There is not one economist in this country who believes that the assumption they made was correct.

When it came time for our economic and fiscal update in November, we looked at the true facts of what was going on in our economy and realized that the Conservatives' assumption for growth

was just wrong. The revenues were going to be seriously different from what they had assessed them to be in their budget and, therefore, we are faced with the inevitability of a deficit this year based on the actions and assumptions of the government before us. There is no simpler way to state it.

The next thing the Liberals can do is to deal with the real facts. The real facts are that we are in a deficit position. The question that faced Canadians in the campaign was what we should do about it. We presented them with a plan to grow, to actually deal with the real facts and create a new Canada, one that invests in productive assets for the long term, to help businesses and Canadians do better in the future.

[*Translation*]

Mr. Rhéal Fortin (Rivière-du-Nord, BQ): Mr. Speaker, successive governments in recent years lied to workers, telling them that they were taking money off their weekly paycheques and contributing it to an employment insurance fund when that money really went to the government's general budget to balance the books.

The question that my colleague from Rosemont—La Petite-Patrie asked the Minister of Finance seemed clear to me. He asked whether the current government plans to continue dipping into the EI fund to balance the books or whether it intends to honour its commitment to workers.

The Minister of Finance's answer was most ambiguous. He did not answer the question. He simply said that his government would be transparent. Being transparent about raiding the EI fund is not acceptable either.

I will repeat the question. Can the Minister of Finance confirm that the money the government takes off workers' paycheques for employment insurance will be used solely for employment insurance?

[*English*]

Hon. Bill Morneau: Mr. Speaker, I believe that the hon. member and I can agree that the employment insurance fund is critically important for Canadians. We recognize, especially in times of economic challenge, that this is an extremely important vehicle to help Canadians be able to deal with challenging personal situations.

We plan to make changes to the employment insurance fund to enhance its ability to act as a cushion for people when they are going through economic challenges. We commit to being transparent in what we do and to ensuring that Canadians understand the employment insurance fund, understand what the advantages cost and how we best fund that employment insurance fund.

We will follow through on that commitment by making absolutely clear what the income is and what the outflow is from that fund.

[*Translation*]

Mr. Peter Julian (New Westminster—Burnaby, NDP): Mr. Speaker, I am very pleased to say that I will be splitting my time with the excellent member for Elmwood—Transcona. He will take the second portion of the 20 minutes allocated to us.

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I was a financial administrator before I was elected to Parliament, so I am well versed in making sure that we balance budgets. I am proud to say that at many of the organizations I ran, we received awards for the work we did, including two business excellence awards. We always balanced our budgets and paid down debt, while at the same time ensuring that we were increasing the services we were offering to the population.

That is a good reason why I am a New Democrat. The NDP has a proud tradition of making sure that services are available for the population and at the same time balancing budgets. We can go right back to our founding leader, Tommy Douglas, who was voted the greatest Canadian in our history by Canadians a few years ago. He balanced budgets 17 consecutive times while creating a universal health care system. That was extremely important, because it shows that there can be sustainability in the environment and the economy and in the nation's finances.

What we are referencing in this motion is fiscal period returns. That is, as a number of speakers have referenced, really the book that indicates to us what the actual figures are. Anyone can make a budget speech; anyone can talk a good game. We have certainly seen this a number of times with Liberal and Conservative governments in the past.

The reality is that it is the fiscal period returns, the actual year-end accounting of the finances of a province or of a nation, that determine whether or not the finances were actually balanced.

I am pleased to say that the federal Department of Finance, which is surely not a hotbed of social democrats, for the last 25 years has been keeping track of governments in the fiscal period returns, whether Liberal or Conservative or NDP or other governments. It has been making sure that the public is aware of what the records are of those parties in balancing their budgets.

It will be no surprise that the worst party among the three parties represented as official parties here in the House is the Liberal Party of Canada. The Liberal Party, at either the provincial or federal level, actually has the worst record in balancing budgets.

Second worst, and only marginally ahead of it, is the Conservative Party.

I am pleased to say, because it is important that the public be aware of this information coming from the ministry of finance, that the best party in terms of balancing budgets, year in and year out, is the New Democratic Party. Our provincial administrations have the best record at balancing budgets and paying down debt.

We have done that while maintaining and enhancing services. We believe very strongly in making sure that there is sustainability in the nation's finances. That means we take positions of principle. For example, when workers pay into employment insurance, that employment insurance should be there when they need it.

As members know, only 40% of workers who are unemployed can access employment insurance. That is because of consecutive so-called reforms, first under the Liberals and then under the Conservatives. The people of this nation, the people who paid into

the employment insurance fund, have been cut from accessing that insurance when they are unemployed.

An NDP government would not do that. An NDP government believes in making sure that there is sustainability in finances, but not at the cost of the workers.

● (1105)

[Translation]

When we look at what the Conservatives did in recent years, the same fiscal period returns that I mentioned earlier come up, and I begin to understand why the Conservatives moved this motion today.

The Conservatives began ringing up deficits in 2008. A total of \$150 billion was added to our collective debt, a debt that all Canadians must pay. There were six consecutive deficits. Last year, there was a change. The Conservatives realized that the deficits reflected badly on their performance, so they dipped into the employment insurance fund and then sold the General Motors shares to create a temporary surplus that could be presented to the Canadian public just before the election.

It did not work. The public understood all too well that even though the sale of General Motors shares brought money into the government coffers, the government was actually ringing up an average monthly deficit of \$400 million from the start of the fiscal year onwards. Even though the sale of the shares created a temporary surplus, this financial claim does not stand up to scrutiny.

When we examine the Conservatives' record, we understand very well why they are perhaps just as bad as the Liberals when it comes to financial management.

● (1110)

[English]

That brings us back to this motion. It is a little strange, I must say. We have a motion from the Conservatives that basically says that we should take half of the year and say we are in surplus.

If I had done that with any of the boards of directors I had to report to as the financial administrator and said that we were going to take half the year and say it were the whole year, that that would show the real year-end fiscal situation of our organization, I do not think any of the boards of directors would have taken it seriously.

However, that is what the Conservatives have done. They are taking half the year, with the special sale of GM shares, and are trying to say to the public that it means we are in surplus, even though we know that in an average month it was a \$400-million deficit.

I wonder how that translates into other realms of life. If that is the Conservative approach on finances, that we take half a year and try to pretend it is a full year, could a hockey team pretend that half a season is a full season, that they made it to the playoffs because in the first half of the season they did pretty well, even though in the last half of the season they did not do so well? Or should it be half a game, rather than a whole game, or that we stop the game after a period and a half? What would that mean for the testing of our nation's students, if they could go into the classroom and say they will just take half a test because they know half of the material, and that doing so should be enough for them to get a full A for the full test?

It makes no sense at all, whether we are talking about testing, or hockey, or the nation's finances, to take half a year and say, "Let us pretend it's a full year?"

The reality when we look at the Conservative record—and people often vote Conservative because they are told that Conservatives may be better fiscal managers—of the last 10 years, where we suffered so much, in terms of health care cutbacks, and a whole range of other cuts that led to the deterioration in the quality of life of Canadians, there is no doubt that even on the fiscal front, the Conservative record, to say the least, is not admirable. There have been six consecutive deficits, with some of the largest deficits in Canadian history.

We believe that deficits should be applied prudently. When a deficit is used to jig the economy, that is something that could be appropriate. Six in a row, obviously, is not.

I hope my Conservative colleagues will not find me unkind when I say that after six consecutive deficits and after the problems that our nation's finances went through under the Conservative government, it may indicate to me that the Conservatives just were not ready to govern when they took office 10 years ago.

Mr. Andrew Scheer (Regina—Qu'Appelle, CPC): Mr. Speaker, I want to thank my NDP counterpart for his speech, although he will not be surprised that I do not agree with anything he said. I do love sports analogies though, and I love a good cliché. I appreciate what he was trying to do with that hockey analogy, but he is missing the point.

Let me switch gears a little to football, something with which I am a little more familiar. What we have is not a team saying it is going to call the game at halftime, because it is ahead. What we are talking about is a team taking a ball from one quarterback and giving it to the backup quarterback, when it has a lead, then that quarterback losing the lead and losing the game.

This is what the motion is about. We are asking our colleagues to agree with what the Department of Finance has said, that when we switched quarterbacks there was a surplus, and if we end up in deficit it is because of choices of the play-calling of the new quarterback. That is what we are dealing with.

We left the Liberal Party with a surplus, with a healthy budgetary situation. It has now started to fumble the ball. It has started to throw inadvisable passes and is now losing the game. When the clock expires at the end of the year, if we are in deficit, it is because of the

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play-calling and the choices of the new quarterback on the government side.

•(1115)

Mr. Peter Julian: Mr. Speaker, I know the House leader opposite is a Roughriders fan. I am a B.C. Lions fan. We will hopefully see the B.C. Lions back next year even stronger.

I have to disagree with the analogy, because we cannot translate the fact that we are talking about half a year. The fact is that the Conservatives managed to achieve this little point-up, after six years of consecutive deficits, by taking from the contingency fund, by taking from workers through the employment insurance fund, and by a one-time sale of General Motors shares. It was a sort of fire sale of those shares as well.

What I think the analogy would be is that, on October 19, Canadians threw out all the players on the old team. They brought in a new team, and we have to watch what that new team will do. However, the new team is still looking at six years of consecutive deficits that happened under the Conservatives, so I do not think the Conservatives have much of a lesson to give to anyone.

Mr. Anthony Housefather (Mount Royal, Lib.): Mr. Speaker, I want to congratulate the hon. member on what I thought was an excellent speech. Also being a sports fan, I very much enjoyed his analogies.

I was wondering if the hon. member would like to consider an election analogy. During the midpoint in the election, the Conservative Party suddenly pulled ahead. It was almost as if it would then say, "Wow, the election stops now; we won the election", despite the results of the election. It almost sounds as if the motion is a bid to reinvent what happened in the previous government in a certain way.

I was wondering if the hon. member had any other interesting analogies about the motion that he might want to give the House.

Mr. Peter Julian: Mr. Speaker, I thank the member for Mount Royal for his question. It actually hurts a little because, if we recall, halfway through the election, the NDP was actually leading in the polls. We continue to fight the good fight in the House of Commons.

When I see yesterday's result, the NDP pushing for pay equity and getting the support of pay equity through the House and finally moving forward after 20 years of stagnation, I believe that shows the effectiveness of our team here in the House of Commons.

The reality is that, when we are talking about finances, lots of analogies will apply. However, I do think it is passing strange that the Conservatives would bring this forward. In a sense, it is as if they are trying to overcompensate for their poor fiscal record. They had six consecutive years of deficits. The former Conservative government, 20 years ago, had record deficits. They are just not very good at managing finances. They are arguably better than the Liberals, when we look at the fiscal period returns by the ministry of finance, but not at all in keeping with their own spin on the nation's finances.

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When we look at government, in the provincial governments we have had across the country, the best party at managing money, paying down debt, and maintaining and enhancing services is the New Democratic Party. We are very proud of that legacy.

Mr. Daniel Blaikie (Elmwood—Transcona, NDP): Mr. Speaker, it is an honour to rise to give my first speech in the House of Commons. I have been up on my feet a number of times, but this is my first official speech.

I would like to start by thanking the voters of Elmwood—Transcona for giving me the opportunity to come to this place and speak on their behalf.

I would like to thank my wife, Janelle, and my son, Robert, who in their own way are working just as hard as I am on the project of providing good representation to people in our hometown.

I want to say a special thanks to my father as well, who served for a long time in this House. He was a great political role model, both on how to conduct oneself in this place, and also on the substantive issues that face the country. He was a great voice for the working people for many years in this place. I hope to continue that tradition here today. I want to thank my mother also, because I know that she was as much a part of that project as he was, the project of providing good representation to the people in Elmwood—Transcona. It is something one always knows, even as part of a family growing up in that, but I think as all members get here it really does impress upon us just how much it is a family effort to be able to do this job and do it well. Therefore, I thank everyone in my family again.

I want to thank all of the volunteers and supporters who helped put me here as well. I intend to honour them by speaking up on the issues that they have sent me here to talk about.

Elmwood—Transcona is a great riding. It is full of people who are down to earth, who work hard for a living, and who have always understood that we face a lot of common challenges. We know we are better off facing those challenges together and addressing them collectively than leaving our neighbours to fend for themselves, because we know that the kinds of problems they are facing the next day may be the very same problems we will find ourselves facing. We know we ought to work together to build a world where we allow for bad times and prepare ourselves so that we have systems and programs in place to help our neighbours and ourselves when that time of need arises. That is why Elmwood—Transcona has always tended to return social democrats to the House of Commons, because that way of thinking is at the core of our program. It is at the core of our vision for the country. It is not just window dressing that we put on at election time. Rather, it is something that informs the policies and positions we present in the House.

Therefore, when I saw today's motion, I wondered if this was the kind of thing that people had sent me here to debate, discuss, and to take a strong position on. A simple snapshot of the fiscal picture at a certain time of year does not represent the entire year of a budget. That is clear. At the end of the day, I think hon. members on all sides of the House know that. I do not think that posturing for cheap political points in the House on that issue is what I was sent here to do. I was sent here to talk about social justice. That is why I am proud to be part of a caucus that, on its opposition day, decided to bring forward a motion on pay equity and to have the House spend

its time debating and voting on that. That made me very proud yesterday. There is a lot of good work to do. There is work left to do when we talk about the situation that aboriginal people are facing in this country, or the funding gaps that exist that perpetuate social injustice on and off reserve for aboriginal people, and there are many other people whose causes we have to champion in this House and do something about.

This motion does not speak to any form of economic justice, which social democrats also take to heart. Members have heard us talk here about income inequality.

We are also concerned about income security because we know that individuals' dignity is tied to their freedom to be able to take hold of their own destiny to make decisions about their life and what they want to do. However, there has to be enough money in the bank to be able to make those kinds of decisions, because I think we can all agree that, when we do not have those resources, we do not have a lot of choices. That is why the NDP has always fought to make sure workers get their fair share of what they work every day to produce. Yes, workers have employers who help organize their work. However, as someone who has worked on a number of job sites, I can say that it is the workers who are bringing that value to the work they do every day.

• (1120)

They are the ones doing the building. They are the ones doing the producing. They are the ones filing the paperwork. It is fair that they get a good return on that investment and on that work.

Looking at the numbers, over decades now, we see that it is the same group of people who are producing that value who are getting less of a return on that value. We see that as the corporate income tax rate drops from 28% to 15% in almost as many years. Meanwhile, workers who are getting laid off because of a downturn in the economy cannot access EI, and seniors who worked and paid into a pension plan their entire life are not seeing an adequate return on that. They are not seeing enough to be able to pay their rent and buy their food.

These are issues that really matter to us in this party, not trading points about what time in the fiscal cycle there happened to be more money in accounts receivable instead of accounts payable, when we all know that at the end of the day there really was a deficit, as my hon. colleague has done a good job of pointing out. A one-time sale of GM shares does not address a systemic deficit.

We are here also to talk about environmental justice and to talk about people having the dignity and freedom to make their own decisions. We can only have a good life if we have a planet to live it on. It is reasonable for people to raise concerns about the way we are extracting certain kinds of natural resources. It is reasonable for people to be concerned about what that is doing to the planet. It is reasonable for people to demand a process for approval of these projects that takes those considerations seriously.

It is also reasonable to be concerned about the overall effect of those projects over time on climate change. We are having an unseasonably warm winter. These things do happen from time to time, but they are starting to happen with a frequency that we have not seen before. That is well documented.

These are all reasonable concerns if we look at the evidence. They are not just reasonable concerns; it is a benchmark for sanity that we do take these things seriously in the 21st century.

I am proud to be part of a team that is here to raise that. It was the minority view in the late seventies and early eighties that we were headed down a road that would have serious consequences. We were the first to raise this and we are raising it again here today. I hope we are going to be part of the solution soon, rather than just shouting across the aisle at governments that are listening with deaf ears. That is part of what we were working on at election time.

The other component to social democracy, which the motion does not address, is the democratic component, in keeping with the idea that it is important for people to be able to take charge of their own destiny. It is also important that they have the economic freedom to do that, which means getting a fair share of the value they produce at work. It means having income security. We know people are worried about getting laid off because they do not have access to employment insurance. Some people cannot retire and leave the workforce when they want because they do not have an adequate pension. Workers do not have economic freedom when they are fighting for a better deal but know the government is willing to legislate them back to work as soon as they start to talk about a strike. Those workers are not in charge of their destiny. Certain economists would call that promoting labour discipline, but we see it for what it is, and that is taking advantage of people. It is robbing them of the dignity to take charge of their own destiny.

As much as that is important on the economic side of things, it is important on the political side as well. People need to have political freedom. They need to elect their representatives to this place, and they need to do it in a way that reflects their desire for the country. That is why the NDP has long been an advocate for electoral reform. We have not had a system for a long time, if ever, that has done a good job of that. We are keen to hold the government to account on its promises for meaningful electoral reform.

That comes as a total package. The social democratic vision of the NDP is to give people the power to determine their own destiny by giving them the economic freedom they need to do that. We can do that by addressing problems with respect to social justice. We can do that by giving them a plan to do it on. We can do that by giving them the political freedom to implement it if they so choose, and not to if they do not.

That is why we have been gracious in defeat from time to time and we have worked hard whenever we win, whether it is right now in Alberta with an NDP government or in Manitoba with an NDP government. We are hard-working in victory and gracious in defeat.

• (1125)

Mr. Todd Doherty (Cariboo—Prince George, CPC): Mr. Speaker, it is great to sit beside the member for Elmwood—Transcona.

My points today are directed at not only my hon. colleague from Elmwood—Transcona, but also the member for Timmins—James Bay. I, too, love sports and I am a diehard BC Lions fan. That is about all we have in common right now.

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However, I want to talk about leadership and confidence. Leadership is about accepting adversity, regardless of what is coming, not making excuses, not pointing fingers, but taking charge and showing to the team that you are a strong leader. We have asked time and time again for the government to give us a plan, give us a budget, and yet we have not seen it. Canadians deserve better. Our partners deserve better.

Banks, lenders, the world needs to know that Canada is on a strong footing. Rather than pointing fingers at each other and pointing out some of the challenges we have faced over the years, we should get together and focus our attention on holding the government accountable.

Do you not feel that the uncertainty and the lack of leadership we see is shaking the foundation of confidence from not only Canadians but our world partners?

• (1130)

Mr. Daniel Blaikie: Mr. Speaker, I look forward to the day, perhaps a BC Lions games day, when the member shows up in the House wearing an orange tie.

I agree that planning is a cornerstone of good governance. We will have a budget eventually. We have been asking for this.

Something we never did see from the Conservative government was an impact assessment on what the TPP would really mean for the Canadian economy. When we look at the long-term fiscal situation of the country, the TPP has the potential to have an effect on that. Its proponents obviously say it would make it better. On our side of the House, we are quite concerned that in important respects it will make it worse.

To your point about having a plan, that is the kind of document we would like to see so we can have a better debate in the House about the long-term fiscal position of the country.

Mr. Lloyd Longfield (Guelph, Lib.): Mr. Speaker, I thank the hon. member for Elmwood—Transcona for representing the hard workers at the steel and rail yards in Transcona. I am very familiar with them. My brother married Barbara Nebozenko from Elmwood and brought Ukrainian-Canadian heritage to our family, so the member is representing some fine people.

I am very interested in what the member said around social justice and environmental deficits and how they all relate to economic deficits, that we have to take the whole package. We have talked about sports analogies, but we are also talking about things mid-season here where we do not have all the numbers in. In November, a lot of bills had not been paid, as the Minister of Finance pointed out, and will result in a deficit by the end of the year.

I would be very interested if you could expand a little more on how social justice, environmental, and economic all work together.

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Mr. Daniel Blaikie: Mr. Speaker, I actually have a little Transcona Ukrainian in me as well on my mother's side.

The member is absolutely right. Part of what we have often pushed for is the kind of complete bottom line, where we include the environment, social deficits as well as the fiscal bottom line. Therefore, we absolutely need that.

What facilitates that discussion or the people on whom it is incumbent to provide that analysis is government. I would hope that with the change of government we will start to see better planning documents and analysis that are released to the public so we can start to have that conversation in a meaningful way.

I agree that fiscal conversations divorced from these other issues eventually come with a price tag. They either come with a price tag on the environmental side later during cleanup or when damage is done that cannot be repaired, and it is not a matter of spending but a matter of damage done.

However, we also see in a number of government departments expenditures that could be reduced or avoided if we were to make investments upfront. I am thinking especially of the justice and health systems. When the right kinds of investments are made upfront, which you can do if you are looking at the complete bottom line, you can save money in the long term.

• (1135)

The Deputy Speaker: Before we resume debate, I remind all hon. members that the Standing Orders compel us to address the Chair, whether in a question or in their speech or when members are responding to questions and comments. There is a reason for that.

When we make our style of speech in the House in the third person, we tend not to use the word “you” except in a rhetorical way. I recognize there has been no disorder in the chamber and it has been a good healthy exchange. However, from time to time the “you” comments can invoke personal sentiments and this is when disorder can occur. This is the reason that the style of speech in the House has tended to be this way historically. It also keeps the decorum at a level that is quite respectful, as it has been this morning. This is just a reminder for all hon. members.

We will resume debate. The hon. member for Niagara Falls.

Hon. Rob Nicholson (Niagara Falls, CPC): Mr. Speaker, I am honoured to share my time today with the member for Sherwood Park—Fort Saskatchewan.

This is an opposition motion put forward by my colleague from Milton. I was very pleased when she asked me if I would be one of the individuals who would speak to it.

As members can see, the motion thanks member of our public servants, particularly in the Department of Finance, for their hard work and their projections that there would be a budgetary surplus of \$1 billion. I like the idea that she is thanking the public servants who work in that department.

I know very well the dedication and commitment of our public servants. I have had the honour of serving in five different portfolios during my career, and I have received a huge amount of support and information from my departmental officials who were invaluable to me.

On the portfolio of Veterans Affairs, which is the one I most recently had, departmental officials did an outstanding job of compiling information and giving me briefing notes, and for that I was very grateful. Likewise in National Defence and Justice, they could not have been more helpful or on time, and to this day I am very grateful toward them. I am therefore pleased that my colleague from Milton has brought forward the motion thanking the members of the Department of Finance for what they are doing.

The members of the Department of Finance are projecting a \$1 billion surplus for this year. I appreciate that this is upsetting to the Liberals in terms of what they had to say during the election campaign. It is maybe one of the first times in Canadian history that somebody is upset that there is a surplus, but we all have our different approaches to this.

I remember during the election when my campaign manager said to me that the NDP was starting to slip in the polls. I asked what the issues were. My campaign manager noted that one of the issues was the fact that the New Democrats wanted a balanced budget and many people disagreed with that. This was one of the first times I was going to say that I agreed with the New Democrats, that balanced budgets were a good idea. I am sorry they lost support on that. I still think it is the right thing for Canada.

I am very proud of the way our government handled the budgets prior to the last election. In fact, I am proud of all the different aspects of what it took to govern the country. I was very pleased with the leadership of our prime minister during that time. I now have the honour of being his seatmate. He was consistent over those 10 years. In my six and a half years as justice minister, he was consistently supportive of standing up for victims and law-abiding citizens and in holding people who committed crimes to account.

His and our government's stand with respect to foreign policy was always consistent. People knew where the Conservative government stood with respect to Ukraine, Israel, and the fight against terrorists. I had the honour to visit various parts of the world. People knew where Canada stood and they were grateful. This was the one thing that was consistent about all the places I visited. People thanked me. They asked me to thank Canadians and our government for our consistency on that.

However, with respect to the finances, again there was consistency in our government in keeping taxes low, to strive toward a balanced budget, and to have responsible spending. Those were the characteristics of our Conservative government. It allowed us to do things that were important to Canadians, and did not break the bank.

I remember coming back here in 2004 and my colleague, the member for Niagara West, started to lobby the then Liberal government to remove the federal excise tax on 100% Canadian wine. He made a very good point. There was not a huge amount of money being collected by the federal government on Canadian wine, but if it were removed, it would be a huge boost to the wine industry in our area. When the government at that time would not listen to him, he brought forward a private member's bill and gave me the honour of seconding it. He tried to push forward with that.

Business of Supply

• (1140)

That is why I am so appreciative of what took place after the Conservatives became government in 2006. In the first budget presented by Jim Flaherty, he brought forward the recommendation that had the support of the member for Haldimand—Norfolk, the other members in Niagara, and my colleagues British Columbia. It was a huge boost to the wine industry and a responsible way to act.

I can remember, as well, as justice minister, being informed about child advocacy centres when I was visiting Edmonton. At that same time, one was established in St. Catharines. These centres were to help children who had been victimized by crime, having a one-stop family-friendly and child-friendly centre for them to get help. The federal government was not involved with this, but Jim Flaherty and the former prime minister were supportive of it. This did not cost a huge amount of money, but made a big difference in helping children who had been victimized. I have been very grateful to them for those centres.

Now the Liberals are telling us they have some problems. As my colleague, the member for Beauce, has said, they have no problem with spending, but they have a problem with financial accountability. It should be the exact opposite. They should be concentrating on financial accountability and controlling spending. We need this in our country.

People have told me that the Liberals will make a mess of the finances and this will guarantee the re-election of the Conservatives in 2019. However, I want what is best for Canada right now. I do not want a mess. We have seen what has happened in other provinces at times when governments irresponsibly spend. It takes many years to correct those situations. This is not what we want.

The Liberals have a different agenda. As we heard yesterday in debates, Conservatives want union members to have the right to privacy. The Liberals want something different than that. We disagree with that, but one thing the Conservative Party will be consistently in favour of is controlling government spending and keeping taxes low. We would have continued with a balanced budget. This is apparently out the window now with the Liberal government. It is a mistake and I think some day Canadians will not only give us the opportunity, but will very quickly realize that this is a huge mistake on the part of the Liberal government.

[*Translation*]

Mrs. Sherry Romanado (Longueuil—Charles-LeMoine, Lib.): Mr. Speaker, I would like to know whether the member for Niagara Falls can explain why no projects were approved for Quebec under the building Canada fund. The Conservatives left \$1.6 billion on the table. They balanced the budget on the backs of Quebecers.

[*English*]

Hon. Rob Nicholson: Mr. Speaker, nobody has done more for infrastructure than the Conservative government did. When there was a downturn in the economy in 2008 and 2009, the Conservatives put billions of dollars toward infrastructure. As the member for Niagara Falls, I am very proud of all the infrastructure projects that we were able to finance during that period of time. These will be for the long-term benefit of the people of our areas.

Members can check right across the country and see that billions of dollars were put into the country by the Conservative government. I am very proud of that. This is exactly what we needed at that time, and it is exactly what we did.

• (1145)

Mr. Erin Weir (Regina—Lewvan, NDP): Mr. Speaker, as a former economist with the Department of Finance, I am happy to discuss a motion recognizing the good work of civil servants in that department.

I would like to ask the hon. member, however, if he acknowledges that the “Fiscal Monitor”, to which the Conservatives are referring, also shows that between April and November of 2015, employment insurance premiums were \$14 billion, whereas employment insurance benefits were only \$12 billion. That difference of \$2 billion is more than twice the \$1-billion surplus that is being claimed.

Would the hon. member acknowledge that the only reason for this surplus is, in fact, because the former Conservative government took money out of the EI fund?

Hon. Rob Nicholson: Mr. Speaker, I am not quite sure exactly what the hon. member is implying from the Department of Finance. He said he was a member of the Department of Finance. It was the finance department that said there is a \$1-billion surplus.

I am hoping that the NDP is still onside with us. They apparently lost some votes because of their support for a balanced budget, but nonetheless, I believe it was the right thing for them to do. They should train their sights on the Liberal government, which is determined to run a deficit. This is exactly what we do not want, and he should know as well. If he has been a member of the Department of Finance, he should know better than anybody how difficult it is to come out of a deficit when there is a deficit. He should be completely supportive of this.

This recognizes the wonderful work that is being done by our public servants, and in this case the public servants within the Department of Finance. I agree with them that we have a \$1-billion surplus. We can all be very proud of that.

I hope the government reconsiders its plans to recklessly spend in the future.

Mr. Bev Shipley (Lambton—Kent—Middlesex, CPC): First, Mr. Speaker, let me thank the member for Niagara Falls for his years of service, not only to his constituents, but to Canadians, for all of his efforts and accomplishments.

We have a big problem. The Liberal government projected a modest deficit of \$10 billion. The Liberals said they would have a tax cut that would be neutral. We have a math problem, because it is not only not neutral, it was not \$1 billion, but \$2 billion out.

All of us have the greatest respect for the Minister of Finance, particularly in his past role, but the policies he is bringing forward now are different from those he talked about in his private life.

Business of Supply

I want to ask my colleague from Niagara Falls, is it not the responsibility of the government to one, talk about and know what the deficit is, and two, as the Liberals talked earlier in their platform about balancing the budget, know when will they actually be able to do that?

Hon. Rob Nicholson: Mr. Speaker, the hon. member has it exactly correct. Things were said during the campaign. I am well aware of Liberal platforms in the past saying one thing during the election and then having a different position later.

That being said, it is important for them to realize, now that they are actually in government, that a \$10-billion deficit is not minor. This could be a major problem for this country. It could completely degenerate into \$20 billion or \$30 billion, and we will be paying the price for that for many years to come.

Mr. Garnett Genuis (Sherwood Park—Fort Saskatchewan, CPC): Mr. Speaker, it is a great honour for me to participate in this important discussion.

I want to say hello to my almost three-year-old daughter, Gianna, who I believe is watching this back home. She is probably the only three-year-old in the country who watches CPAC on a regular basis. Although when I told her yesterday that I would be giving a speech today, I think she thought we were going to the beach. Therefore, despite my excitement about being to speak today, she may be a bit disappointed.

In watching this debate today, I wonder if my three-year-old daughter may be a bit disappointed for a different reason. As parents, we all want to pass the best that we can on to our children in the context of our own individual families, but also in the context of social relations. We receive the goods of society from our parents and we pass them on to our children, hopefully improved or at least not diminished.

As Edmund Burke writes in *Reflections on the Revolution in France*, society is “a partnership not only between those who are living, but between those who are living, those who are dead, and those who are to be born. Each contract of each particular state is but a clause in the great primeval contract of eternal society”.

He says later:

...one of the first and most leading principles on which the commonwealth and the laws are consecrated is, lest the temporary possessors and life-renters in it... [should be mindful of] what is due to their posterity...should not think it among their rights to cut off the entail or commit waste on the inheritance by destroying at their pleasure the whole original fabric of their society, hazarding to leave to those who come after them a ruin instead of an habitation...

We live here in a great country. We can and indeed we must be grateful for the goods of civilization that we have received from our predecessors. We have a duty to pass the goods of our civilization on to the next generation, socially, culturally, and fiscally. However, for reasons unknown to us, and perhaps even unknown to it, the government is betraying this sacred obligation by running massive, totally unnecessary, deficits, creating debts that our children and grandchildren will have to pay off. We are spending massive amounts of money today, and they will have to pay off these debts with interest.

The government is running deficits in spite of the fact that the economy is growing. The Liberals are running deficits not because

of a financial crisis, but because the government felt that its only chance in the last election was to outflank the NDP on the far left. It was a cynical political game rooted in the narrow politics of the present, betraying the hard-learned lessons of the past when it comes to deficits and debt, and ignoring the needs of the future. The Liberals' cynical game was to say whatever they needed to say to get elected and let the future worry about itself.

How did the Liberals plan to satisfy all of their spending commitments and keep the deficit under \$10 billion? They did not have a plan. Again, it was the narrow, cynical politics of the present, without regard for the lessons of the past or the needs of the future.

The Liberals promised three deficits of \$10 billion each, but now we know that they may use up all \$30 billion of that deficit commitment in year one. Even a \$10-billion deficit would add over \$300 to my daughter's share of the debt. However important the needs of the present are, let us have enough regard for my daughter and her generation to pay for present needs with present dollars.

I think Canadians get this. They intuitively get the obligation that we have to generations past and to generations in the future. They get that it is wrong to burden future generations just so that we can have more right now.

Therefore, the Liberals are casting around for an excuse to run a massive, new, entirely pointless deficit. Their strategy is to claim that they were left with a deficit, in spite of clear evidence to the contrary from the Department of Finance and from the parliamentary budget officer. Forgetting the past and ignoring the future, unfortunately, has become the Liberal way.

By contrast, it is important to highlight the realities of the previous Conservative government's very strong fiscal record, which demonstrates mindfulness of the past and the future, as well as the present. In our first years in office, our Conservative government ran significant surpluses, paid down debt, and cut taxes for middle- and low-income Canadians. However, in late 2008, Canada was hit by the global financial crisis, the worst financial crisis since the Great Depression.

At the time of the global financial crisis, the Liberals, then in opposition, presented none of their own plan for the economy. Sometimes they attacked our government for running deficits. At other times, they demanded bigger deficits. We did the responsible thing.

• (1150)

We did what past and future generations would want us to do. We ran timely, targeted, and temporary deficits, stimulating the economy and preserving vital Canadian industries, while also seeking efficiencies and bringing the budget back to balance one year ahead of schedule.

Business of Supply

We did this while increasing transfers to the provinces for vital public services, and we did it while further cutting taxes. According to every credible authority, we ended our mandate in surplus. We had the best job creation record, the best GDP growth record, and we have by far the lowest debt-to-GDP ratio anywhere in the G7. We led Canada through challenging economic circumstances; we preserved strong economic fundamentals.

Still today, when the Liberals look back on the global financial crisis, they insist on having their cake and eating it too. Some of the time they tell us that Canada fared poorly during the financial crisis despite obvious facts to the contrary, and some of the time they tell us that Canada did well in the financial crisis but it was only because of Liberal governments of the 1990s.

Other times they criticize the deficits we used to stimulate the economy, and the rest of the time they criticize the spending controls we imposed on the federal bureaucracy, as if it were possible to balance the budget without controlling spending in certain areas.

Here is our position with respect to fiscal policy. A government should run timely, targeted, and temporary deficits only in the face of significant declining revenues or in response to major crises like war or natural disasters. There is no need to cut during these periods provided that the same government can make up the difference during good years. To do this in a timely, targeted, and temporary way is not a betrayal of future generations, rather it is prudent and responsible, because it is a way for the present generation to both create debt when necessary and also to do the work to pay it off.

However, to capriciously run structural deficits far beyond the scope that Canadians were led to believe would occur during the election, to do so in response to no significant decline in revenue or major financial event, is a betrayal of our obligations to our children. It is, in effect, a demand that our children and grandchildren pay in the future for what we do not want to do without today.

Our children do not have a choice in this matter. Profligate deficit spending today robs future generations of citizens and policy-makers of the ability to enact their own ambitious plans. It saddles them with debt that will limit their dreams long after ours have faded.

This is the reality in many countries around the world, countries where the financial crisis was followed by a debt crisis because they had used up all the room they had to bail themselves out. We do not have to go down this road in Canada. That is certainly not where we started from. It certainly is not inevitable.

If we are to now run up large new deficits, it will only be because of an irresponsible political choice, one that the government could have decided not to make and one that the government must take responsibility for.

If members of the government wish to be generous to their friends, let them do so with their own money. However, the government has no money of its own, it only has the ability to spend the money earned by Canadian taxpayers. As such, it should adopt the requisite humility that normally comes with being entrusted to discharge someone else's property.

It is not too late. I say to the government, "Do not capriciously run massive, totally unnecessary deficits. Do not saddle my daughter

with your debt, she does not deserve it. Do not distort the facts to obscure responsibility. Take responsibility. Look squarely on the numbers given to you by the finance department and the parliamentary budget officer. Take responsibility, and do right by present and future taxpayers."

● (1155)

Mr. Sean Casey (Parliamentary Secretary to the Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I listened to my colleague from Sherwood Park—Fort Saskatchewan deliver his speech and talk about timely, temporary, and modest deficits.

During his time in the prime minister's office and during the Conservatives' time in office, those timely, temporary, and modest deficits added \$160 billion to this country's debt.

Just to be clear, the eight deficits that were run during the last government, were all of them timely, temporary, and modest?

Mr. Garnett Genuis: Mr. Speaker, just a brief correction. What I said was "timely, targeted, and temporary".

Absolutely, we had a clear plan to stimulate the economy at a time of great global economic uncertainty, and we came out of that. We came out of that with a balanced budget a year ahead of schedule.

Perhaps the hon. member and I would disagree about the record, but what is clear, and what he cannot walk away from, is the total absence of a Liberal position on this. The Liberals will at one time say we should have run bigger deficits. They will at other times say that it was terrible that we ran deficits. It is rather curious that they seem to think we should not have run deficits in the 2008-09 period and yet they think it is okay to run deficits now in spite of radically different economic circumstances. There were much more challenging circumstances at the time.

I understand that we are going to disagree on both sides of this House. However, I wish the government would have the courage of its convictions to actually take a position on this issue, one way or the other.

● (1200)

[*Translation*]

Ms. Anne Minh-Thu Quach (Salaberry—Suroît, NDP): Mr. Speaker, I simply want to say that it is a fact that there was a \$1-billion surplus from April to November 2015. It is written in black and white in a study conducted by the parliamentary budget officer. However, the Conservatives were only able to create that surplus by selling General Motors shares. As a result, this is a false debate. There is no doubt that the officials did a lot of work and a tremendous job. However, today, we should be debating what to do now in view of what is happening today.

Business of Supply

Are we using the money we have to help families live better by introducing a \$15 minimum wage, having affordable day care and making sure that seniors are not living below the poverty line? These are the issues that people need to hear us talking about, not whether there is enough money left or whether there is as much as we thought there was. This is really just petty partisanship. What is more, debating this issue all day is a waste of money.

Does the member agree that we need to discuss the middle class and things that can really advance debate in our society?

[English]

Mr. Garnett Genuis: Mr. Speaker, it sounds as though the NDP, at least from her comments, is prepared to recognize our record and the reality of the surpluses that we run.

Of course, there are disagreements with respect to where we go in the future. The NDP agrees on the importance of balanced budgets. It wants to get there by major tax increases on Canada's job creators. The Liberals propose, though, to both increase taxes and run massive deficits because, as I said in my speech, they are desperate to outflank the NDP on the far left.

We are not going to play that game. We are going to stand up responsibly for Canadian jobs, Canadian workers, and for balanced budgets. We are going to do our best to ensure that the next generation is not saddled with a big, new, totally unnecessary deficit just because of the government's capricious attitude toward this nation's finances.

Mr. Tom Kmiec (Calgary Shepard, CPC): Mr. Speaker, I listened attentively to the hon. member's speech. It is always interesting to hear him talk.

I would like to bring up two reports.

In 2015 Canada was ranked number one in the world by the Reputation Institute. We did not get there by doing nothing for 10 years. We got there by doing for 10 years exactly what the member was talking about.

In "The Global Competitiveness Report 2015-2016", Canada's ranking increased from 15th to 13th. That is a two-spot improvement, according to the World Economic Forum's study. Again, we did not increase our ranking among world countries without doing exactly what the member said we had done, which is good economic stewardship.

We left Canadians with the lowest tax burden in 50-plus years.

I especially like what he said about intergenerational fairness and taxation. I would like to hear him expand upon that and upon this decade of excellence that we had.

Mr. Garnett Genuis: Mr. Speaker, I thank the hon. member for his great work on behalf of fiscal responsibility.

The Liberals talk a lot about evidence-based policy. However, when it comes to the fiscal record of our government, they seem totally unwilling to look at the numbers. They want to talk down Canada's performance over the last 10 years. However, the reality is that Canada's middle class has performed very well. Canada's economy, overall, has performed very well.

Of course, we have been through challenging economic circumstances. However, if we compare Canada's performance relative to other countries', we have done very well.

It would be such a shame if the new government spoiled that success by moving in a totally different economic direction by running massive new, totally unnecessary deficits by burdening future generations.

The hon. member is right to talk about the importance of intergenerational fairness. It is simply morally irresponsible for us to demand, for our own purposes, that subsequent generations pay for the things we want today. We should pay for present needs with present dollars.

• (1205)

Ms. Gudie Hutchings (Parliamentary Secretary for Small Business and Tourism, Lib.): Mr. Speaker, I will be sharing my time today with my colleague, the hon. member for Nepean.

With today's turbulent global economy, the motion before us is certainly timely and the stakes in this debate are very high. Let me be clear, the stakes are high and the economy is struggling because of the actions and inactions of the previous government. Indeed, the projected deficit for 2015-16 is a direct result of an economic program that left no contingency in place for low crude oil prices, and failed to take into account weakened global growth.

The previous Liberal government left behind a \$13 billion surplus in 2006. The Conservative government squandered that surplus and accumulated an additional \$150 billion in new debt, while still managing to deliver the worst growth record since the Great Depression. All of that was coupled with no plan for supporting the middle class, no growth agenda, and no plan to invest. The only people who believe that the previous Conservative government left behind a surplus are the Conservatives themselves. Canadians know better.

Quite simply, what is at stake is a new direction for our economy. During the election campaign Canadians said it was time to make meaningful investments in people and in our communities all across the country, from coast to coast to coast. After 10 years of weak growth, our government has a plan to grow the economy and create jobs by focusing on the middle class, investing in infrastructure, and helping those who need it the most. We are committed to leaving our children and grandchildren with a more sustainable and prosperous economy.

However, our plan needs to be realistic, sustainable, prudent, and transparent. That is why we have continued to listen to Canadians through the government's pre-budget consultations. When we set out to do these consultations, we wanted two things. The government wanted to involve as many Canadians as possible and we wanted to do things a little differently. The numbers really do tell a story. To date, the combined total number of Canadians we have reached through our channels amounts to more than 150,000 individuals. What is more, the Department of Finance has received more than 3,500 formal submissions. That is more than triple what the Conservatives managed over a six-month timeframe. We did it in just two months last year.

Since early January, the Minister of Finance connected with university students across Canada through Google hangouts and Facebook live on three separate occasions, giving the government valuable insight into the current concerns of young Canadians from across the country. More than 8,000 students tuned in to hear from the Minister of Finance at the Dalhousie University Facebook live event. Since then, many more have replied online. At the second Facebook live event in Calgary, the government had over 70,000 tuning in live to watch the Minister of Finance take questions from students in a town hall format. That is openness and transparency, and that is doing things differently.

The pre-budget consultation hashtag, #pbc16, is still being used widely by Canadians to discuss ideas on how to implement our plan to grow the economy, and by commentators and MPs from across the political spectrum. Through these pre-budget consultations, we are engaging with Canadians, looking for input on how the federal government can support the middle class and those working hard to join it, how we can best invest in infrastructure to grow the economy, and how we can ensure that the most vulnerable do not get left behind again.

Personally, I want to assure Canadians that we are listening. We hope that this renewed interest in the political process by Canadians will make a better country for all of us, for our families, and especially for our communities. I know that the Canadian economy is going through a difficult period, and I know that the Minister of Finance is doing all he can to support people affected by this crisis, especially those living in Alberta, Saskatchewan, and my home province of Newfoundland and Labrador. We believe that in the face of this challenge, there is a real opportunity, an opportunity to put in place conditions that create long-term growth and an opportunity to do something that the previous government failed to do in its 10 years in office.

• (1210)

That is why in the coming weeks we will be announcing a new advisory council on economic growth. It will be composed of people from various backgrounds with experience in both the private and public sectors, and will not be just composed of Canadians. It will include leaders and citizens from other countries, people with global experience in growing a successful and inclusive economy. The mandate of this advisory council will be to help us think about how we can best tackle our longer term economic challenges. I am personally proud to serve in a government that is thinking critically about the kinds of investments that we need to spur the growth in our economy.

Although the previous government squandered a \$13 billion surplus and added \$150 billion to the country's debt, it also managed to have the worst growth record since the Great Depression. Members across the aisle should remember that it is their party's record, that is their economic legacy of 10 years in office.

All members would agree that investing in economic growth is the best way to improve our country's outlook in the short, medium, and long term. The previous government gave the illusion of responsible fiscal management by wrapping up debt and posting surpluses based on inflated growth projections.

Business of Supply

Now is the time to be better, to make meaningful investments while being realistic about our fiscal situation. Together we can overcome the challenges we face and to seize the opportunities to grow our economy together.

Where does the path to prosperity lie? It lies through delivering the kind of real change that all Canadians can be proud of. It lies through investing in our economy to create jobs, and in strengthening the middle class and helping those working hard to join it. It comes through committing to a higher bar for openness and transparency in government, and it comes from delivering on all of our commitments to Canadians.

We are confident that our plan will accomplish these goals, and that is why the government is optimistic about our country's prospects going forward. Given that, I encourage all members to vote against this motion. The official opposition has had its chance to govern and now it is our turn.

The Assistant Deputy Speaker (Mr. Anthony Rota): Before we resume debate, I want to remind the hon. members that when referring to another member, we refer to them by their riding or their title, not by their name.

The hon. member for Burnaby South.

Mr. Kennedy Stewart (Burnaby South, NDP): Mr. Speaker, I listened to the government member's speech with great interest, and I have a question. We have been talking about finances today. We heard a lot about Mr. Flaherty. We heard a little less about Mr. Martin.

Twenty years ago, Mr. Martin made a very serious statement about the measure he used to assess unemployment, which is called a natural unemployment rate. Mr. Martin controversially said that he thought the natural unemployment rate in Canada was 5%. Most economists say it is 8%.

We are wondering, as the government formulates its budget, which natural unemployment rate is the government using on which to base its projections?

Ms. Gudie Hutchings: Mr. Speaker, going forward, the government is committed to being open and transparent, as we said before. We will deal with all departments, and any information we come up with will be factual, based on information we get from our valued public servants, and we will come up with a number that will be true, going forward, that we can all base all our assessments and all our decisions on.

Hon. Kevin Sorenson (Battle River—Crowfoot, CPC): Mr. Speaker, the member talked at length about how the Conservatives had deficits, but she forgot to tell the House and remind Canadians that in 2008, the world went into the largest recession since the Great Depression. Prior to 2008, the Conservative government had surpluses and had paid down close to \$40 billion of national debt. It then promoted a low-tax plan and an investment in infrastructure that drove our economy so that Canada was number one among the G7.

Business of Supply

As we know, KPMG said that total business costs in Canada were the best. Bloomberg said that Canada was the second-best place in the world to do business. That was based on the economic action plan, the investment in infrastructure, and how the Conservative government encouraged and created jobs.

The member talks about the added billions in debt. Conservatives agree that there was some deficit spending, but it did not become a structural deficit. We came back to balanced budgets when we promised we would. We had said that it would be for a set time.

The Conservatives had a plan, a strategy, but we have seen no strategy put forward. All we heard during the election campaign was that Liberals would not run more than a \$10-billion deficit. They acknowledged that there would be deficits. Now not just pundits but economists are saying that the Liberal government is going to have massive deficits, and that is based on their high-spending practices.

I would ask the member to at least reference the fact that the Conservatives paid down close to \$40 billion in debt when we had a surplus. We did not have deficit after deficit and then, all of a sudden, last fall, say that we had a \$1-billion deficit. In 2013-14, we ended up with a \$1.9-billion surplus, and last year, we were building on a \$1-billion surplus.

•(1215)

Ms. Gudie Hutchings: Mr. Speaker, there is a great saying in Newfoundland, which is that the devil is in the details. One detail I can reference from Newfoundland is that, yes, you may have done that, sir, but you did it on the backs of hard-working Canadians. I can talk about the hundreds of jobs that were lost, affecting rural parts of our country, taking well-paying jobs out of the country, and putting vulnerable people at more risk.

I would like to reference one of the comments my colleague from New Westminster—Burnaby made in a sports analogy this morning, which I thought was quite lovely. I am not a sports aficionado, but he was referring to a season of activity, whereas my colleague on the Conservative side was referring to a football game. It is clear that the Conservatives fumbled the ball.

The Assistant Deputy Speaker (Mr. Anthony Rota): Before we resume debate, I again want to remind hon. members that they make their comments to the Chair and not directly to other members.

Resuming debate, the hon. member for Nepean.

Mr. Chandra Arya (Nepean, Lib.): Mr. Speaker, to begin, I would like to address today's motion and reassure the hon. member that we support the officials in the Department of Finance. They are consummate professionals who are working hard drafting our government's first budget. Like the members on this side of the House, they know that a snapshot in time is just that. It does not tell the whole story. It is like looking at one's bank account before paying the bills.

Let us make no mistake. The projections outlined in the economic and fiscal update show that there will be a deficit in budget year 2015-16 as a direct result of the previous government's failure to prepare for a downturn in global oil prices and volatility in the global market.

Happily, we have a plan. After 10 years of weak growth, this government has a plan to grow the economy and create jobs by focusing on the middle class, investing in infrastructure, and helping those who need it most.

As the Prime Minister recently said, we fully intend to take all means necessary to support an economic growth strategy that will benefit all Canadians.

Our government was elected on ambitious economic measures. We know that there has never been a better time to make targeted investments to support economic growth. If the members opposite are patient, we will certainly provide them with our vision for the future and the details of these targeted investments.

Let me describe our starting point. As we embark on an agenda of economic growth and long-term prosperity, there is no doubt that we are facing considerable headwinds. Globally, we continue to experience what the International Monetary Fund's managing director, Christine Lagarde, famously called the "new mediocre". In its latest world economic outlook, in January, the IMF said that it expects global growth to pick up modestly to 3.4% in 2016 and 3.6% in 2017. This is down 0.2 percentage points for both 2016 and 2017 compared to the October 2015 world economic outlook.

Although the recent performance of the U.S. economy is encouraging, the emerging economies, especially China, are causes for concern. Global crude oil prices remain at levels less than a third of what they were mid-2014, reflecting a persistent global oversupply and softening demand. What is happening beyond our borders has real and tangible effects for all Canadians.

In Canada, our economic performance in the first half of 2015 was poor, mainly due to collapsing oil prices in 2014. It has become obvious that growth in Canada will be lower than was expected in the previous government's last budget projections, in April 2015. This, of course, has important implications for our current fiscal situation. Indeed, the Department of Finance's own numbers in the economic and fiscal update, tabled in this House, show this. I find it strange that the members opposite only seem to respect the numbers from department officials when they feel that they can score political points with them. I urge them all to review the economic and fiscal update, and in the spirit of respect for this country's public servants, admit that they are dead wrong in believing that we will not be in a deficit by the end of this fiscal year.

The previous Liberal government left behind a \$13-billion surplus in 2006. The Conservative government squandered the surplus and accumulated an additional \$150 billion in new debt while still managing to deliver the worst growth record since the Great Depression. The "Fiscal Monitor" referred to in the member's motion is a snapshot in time and does not tell the full story.

Business of Supply

• (1220)

Tough economic times call for bold measures to support the middle class and those working hard to join it. We in the government are prepared to implement these measures.

We maintain an enviable position here in Canada, with a low debt-to-GDP ratio, abundant natural resources, and one of the most educated and talented workforces in the world. Keeping our debt-to-GDP ratio on a downward path throughout our mandate remains a central plank of our economic agenda, alongside balancing the budget by the end of our mandate. To achieve this, our policies will strike a balance between fiscal responsibility and our commitments to Canadians.

One of the most important pillars of our plan is strengthening our middle class, the backbone of our economy, whose members have gone too long without a raise. This is why one of the government's first orders of business was to table a notice of ways and means motion to cut taxes for the middle class. We would cut taxes for nine million Canadians by asking the wealthiest 1% of earners to kick in just a little more. This is the right thing to do and the smart thing to do for our economy.

The middle-class tax cut and the accompanying tax changes would help make taxes fairer so that all Canadians would have the opportunity to succeed and prosper. I am pleased to note that Bill C-2, the bill to implement these measures, is now being debated in Parliament. The middle-class tax cuts would mark an important first step in our plan for economic growth.

Going forward, the government will introduce proposals in the budget to create a new Canada child benefit. Changes under the new child benefit would begin in July 2016. In addition to replacing the universal childcare benefit, which is not tied to income, the proposed Canada child benefit would simplify and consolidate existing child benefits while ensuring that the help is targeted to those who need it most.

Taken together, these measures will help strengthen the middle class and those working hard to join it, putting more money in their pockets to save, invest, and grow the economy. More broadly, they will help grow our economy in the context of a difficult global economic climate so that all Canadians benefit.

The second challenge the government faces, and the most important one, is creating long-term conditions for strong and durable economic growth. The international community, as well as leaders right here at home, have more or less arrived at the same conclusion: targeted investments in infrastructure are key to driving economic growth. With interest rates at historic lows, now is the right time to invest. Canadian cities have been growing at a rapid rate, and all governments have a shared challenge in making investments in infrastructure that create economic advantages for Canada and more sustainable urban areas.

For the next decade, we will make investments in social infrastructure, like affordable and seniors' housing, in green infrastructure, like water-treatment systems, and in public transit. We have pledged to make historic investments in Canadian infrastructure, and we intend to follow through. These investments will aim to get Canadians moving and will open more cost-efficient

trade options for our exporters. These are big, meaningful measures that can have a significant impact on our long-term growth.

Unlike the previous government, we do not intend to recklessly add to the national debt on the backs of our children and grandchildren by making reckless and politically motivated investments. Rather, we intend to make smart investments that will build an even more prosperous country for our children and grandchildren.

Given the government's clear objectives listed today, I would strongly encourage hon. members to support the government in our efforts to strengthen the middle class and grow the economy.

• (1225)

Mr. Alexander Nuttall (Barrie—Springwater—Oro-Medonte, CPC): Mr. Speaker, I cannot help but take issue with some of the comments that were just made.

In the comments regarding picking which reports members on this side of the House want to accept from the finance department and which ones we do not, the member is referring to a December report that was issued by the ministry of finance, which outlined a Liberal deficit. Subsequently, a report was issued last week outlining that there was a surplus in November. The question is not which report we accept. We accept both reports. We agree that the Liberals have turned a Conservative surplus into a Liberal deficit. There is no question about it.

Second, in terms of squandering a \$13 billion surplus that was left, I do not believe giving Canadians their hard-earned money back would be considered squandering. It would be putting money back where it belongs. We introduced the TFSA. We lowered the GST. We increased the personal exemption, which most affects those who earn the least. We are proud of these things.

We believe money belongs in people's pockets. Could the member stand in the House and explain why he does not believe that?

Mr. Chandra Arya: Mr. Speaker, once again the hon. member is picking and choosing his answers to the Conservatives' advantage.

My colleague mentioned that the previous Conservative government put money back into the pockets of Canadians where it belongs, but he failed to mention that the previous Conservative government racked up our national debt by \$150 billion on the backs of our children and grandchildren.

Mr. Fin Donnelly (Port Moody—Coquitlam, NDP): Mr. Speaker, I want to put the Conservative motion into a broader context. We cannot forget the seven straight deficits that the Conservatives ran. We cannot forget that they sold off public assets. We cannot forget that they made massive cuts to departmental budgets. They made those cuts on the backs of hard-working Canadians.

I am wondering if the hon. member could comment about the broader context of what the motion we are debating here includes in terms of the purported Conservative surplus, the deficit spending in the past, and the Conservatives' broader record.

Business of Supply

• (1230)

Mr. Chandra Arya: Mr. Speaker, I agree with the statement made by the hon. member. The Conservative government made major cuts to the public service, and many high-quality, well-paying jobs were lost across the economy.

Whatever jobs were created during the last 10 years were low-paying, minimum wage jobs. Youth unemployment has now risen to 15.5%, which is double the national average of unemployment.

Mr. Fayçal El-Khoury (Laval—Les Îles, Lib.): Mr. Speaker, I would like to ask my hon. colleague about his explanation of infrastructure development and how this would stimulate the economy and create jobs. If possible, could he explain that to this esteemed chamber?

Mr. Chandra Arya: Mr. Speaker, we have made it very clear that we are in for sustained economic growth, and that growth will be achieved through massive investment in infrastructure. We made a commitment in our platform to invest close to \$125 billion in infrastructure. About \$20 million of that will go to social infrastructure and about \$20 million toward green infrastructure.

It is important to create high-quality jobs in the process. Investment in infrastructure is one of the most proven ways to achieve this.

[*Translation*]

Hon. Maxime Bernier (Beauce, CPC): Mr. Speaker, I will share my time with my colleague, the member for Battle River—Crowfoot. I thank all the members who are in the House today to debate the motion before us, which is on an important subject.

I am disappointed to see that my government colleagues and my New Democrat colleagues are planning on voting against this simple motion, which thanks public servants for their independence and expertise in conducting a financial analysis of government data.

We commend their expertise, because last November, they confirmed that for the period from April 1 to November 30, we left a \$1-billion surplus to the current government.

I was disappointed to hear the Minister of Finance say earlier that it was, in fact, a deficit. Facts are facts and truth is truth: at the beginning of November 2015, the government inherited a \$1-billion surplus from the previous government.

What did the Minister of Finance do with that surplus? He claims to have done an economic update, and with some economic growth projections, he will end up with a deficit at the end of this fiscal year.

What we are telling the Minister of Finance is that he has the power and all the freedom he needs to balance the budget by March 31 because the government does not have a revenue problem—it has a spending problem.

The minister is in charge of spending. When the economic update came out in November, the government could have made decisions to ensure that the surplus it inherited from the previous government would still be a surplus on March 31. It could have made the tough decisions that needed to be made instead of putting future generations in debt.

During the election campaign four years ago, we told Canadians that we would balance the books by 2015. We had to make tough choices and major decisions to do that. We also told Canadians that we would not balance the books on the backs of the provinces by cutting transfers. We also told Canadians that we would not balance the books by raising their taxes. We did not raise Canadians' taxes; we actually reduced them.

We also told Canadians that we would look in our own backyard and continue to control our spending in order to balance the budget. As the former minister of small business and tourism, I had to make some tough decisions and, yes, make cuts in my department. All of my cabinet colleagues had to do the same thing, in order to ensure that we would not leave structural deficits for future generations.

We did our job, and I am proud to have reduced the small business and tourism budget by 20%. On a percentage basis, that was the largest cut made by the government of the day, although, certainly, that department's budget is quite small. Nevertheless, it was still 20%. That was money that the Canadian Tourism Commission used to promote Canada abroad and bring visitors to Canada. Despite that 20% cut, the commission was efficient. It maintained its promotion programs abroad and changed its way of doing things. It did as we asked; it was very thrifty and found ways to save money.

The people at the Canadian Tourism Commission, now known as Destination Canada, did a good job, and the statistics are there to prove it. The numbers for 2015 show that there was a 10% increase in international visitors as compared to 2014. The commission continued to hold targeted advertising campaigns in various countries, including the United States, India, and European countries. Tourism increased even though the commission's budget was smaller. The commission was able to make that happen within its budget. There was also an 8.4% increase in international visitors as a result of the investment that the commission made. I trusted the managers at the Canadian Tourism Commission to make the right cuts and to use the money they had to promote Canada in order to continue to attract international visitors. That is what they did.

All my colleagues from other departments did the same thing. We kept our promise to Canadians and we can be proud of the \$1-billion surplus that we delivered last November.

• (1235)

I am very disappointed to see that this government plans to stimulate the economy by spending money that we do not have. Canadian families know that, when they are strapped for cash, they should not start spending more and living beyond their means. They know that, in times like that, they have to make tough choices, cut back on their spending, and save for a rainy day. They are responsible people.

What does the government do when times are tough and economic growth is at only 2%, 3%, or 4%? It says that it is going to spend to stimulate the economy, when its credit card is already maxed out.

Business of Supply

A maxed-out credit card means that it is time to start repaying debts. That is what the government should be doing. It should be leaving money in the pockets of Canadians to stimulate the economy. That will help them spend more and allow entrepreneurs to invest. Instead, the government is taxing Canadians, and future generations will have to pay off that debt.

Today, while the interest rate is quite low, 10¢ out of every dollar that Canadians pay in taxes to the Government of Canada is used to pay the interest on the debt. However, everyone knows that the interest rate will go up in a few years because it is at a historic low. It cannot remain artificially low. When it increases, the cost of the interest on the debt will be even greater to the government. The cost could increase to 12¢ or 15¢ out of every tax dollar.

Today, the interest the government pays annually on the debt represents the entire budget for the Department of National Defence. That is a lot of money. That is why the government needs to manage this responsibly, continue to have a balanced budget, avoid burdening future generations with debt, and certainly lower taxes. Parliamentarians are not the ones who create wealth. Canadian business people create wealth.

Let us help entrepreneurs to be productive by lowering their taxes, signing free trade deals to help them export their products to other countries without tariffs and quotas, and by cutting red tape. There is still quite a bit of inefficient federal red tape. Entrepreneurs end up spending more time filling out government forms than doing what they do best, and that is working for themselves and creating wealth and jobs.

Let us not forget that since people who create wealth have to pay taxes, this also helps the Government of Canada. Government spending is not going to stimulate the economy, but fiscal responsibility and lower taxes will.

As I only have two minutes remaining, I will close by saying that the current Minister of Finance's approach has failed around the world. Consider Greece, which failed to stimulate the economy by spending. Today it is bankrupt. We do not want structural deficits, but that is where the government is headed. This year's deficit will exceed the estimated \$10 billion, and a deficit will be posted next year and the year after that. We will have to live with structural deficits, which will hurt the Canadian economy.

I encourage the minister and the government to vote in favour of the motion and to adopt a responsible economic policy.

• (1240)

Mr. Fayçal El-Khoury (Laval—Les Îles, Lib.): Mr. Speaker, I thank my colleague.

He continues to criticize our Minister of Finance, who is very competent and values transparency. He will ensure that we balance the budget for Canadians by the end of this government's term. The Minister of Finance criss-crossed Canada with his parliamentary secretary in order to consult Canadians, businesses, and chambers of commerce to identify their needs and prepare a budget that meets the needs of all sectors. As the Minister of Finance said in response to my colleague, the only people who believe that the previous government left a surplus are the members opposite.

Hon. Maxime Bernier: Mr. Speaker, my colleague, the former parliamentary secretary to the minister of finance, just confirmed to me that this is one of the first times in Canadian history that the Standing Committee on Finance is not conducting public consultations across Canada. It is now conducting consultations over the Internet. That is all well and good, but it is also important for parliamentarians to question people who appear before the committee. It is very disappointing to learn that the Standing Committee on Finance did not come together to hold consultations. There was no committee meeting, no report. Parliamentarians did not get a chance to talk to stakeholders, which is very disappointing.

[*English*]

Mr. Bev Shipley (Lambton—Kent—Middlesex, CPC): Mr. Speaker, I find it quite interesting. We delivered a \$1 billion surplus to the current government. The theme through the campaign was transparency and accountability. The concern of the member for Beauce, who I thank for his commitment to his constituents and Canada over a number of years, is that the Liberals need something to cover up the tracks of their irresponsible spending. That is their responsibility as a government. They were given a surplus, but even though in the election a modest \$10 billion deficit was projected, they have absolutely no idea now what that number will be. They know how much revenue will come in but have absolutely no idea what the deficit will be.

Is that not the responsibility of the Minister of Finance to know, who in his former position in the private sector believed the total opposite of what he is now preaching to Canadians? Does he not have the responsibility as a minister to listen to his department and understand that when it says there is a surplus there is one? Second, is it not his responsibility to know what the deficit will be, and when is he going to talk about being able to bring back a balanced budget?

Hon. Maxime Bernier: Mr. Speaker, the member is absolutely right that the Minister of Finance has the responsibility of being transparent to the House and also to tell us the truth. We asked him what the deficit would be, and he said that the end of the fiscal year would be in a couple of weeks from now and that he could not answer that simple question.

As a member of Parliament, usually in the past when we were asked that question and the former minister received a question like that, we were very transparent with Canadians and the numbers were there.

However, what is amazing right now is that the minister does not want to look at the facts. The facts are the facts: the Liberals received a surplus of \$1.1 billion from the former government, and now they are trying to say no, no, it is not a surplus. It is a surplus and maybe we will have a deficit because the minister does not want to act and the Liberals cannot control spending, which is the most important thing.

• (1245)

[*Translation*]

The Assistant Deputy Speaker (Mr. Anthony Rota): I remind members that if they want to speak to the House, they must be in their own seat. This is something that members often forget, but it is important.

Business of Supply

[English]

Resuming debate, the hon. member for Battle River—Crowfoot.

Hon. Kevin Sorenson (Battle River—Crowfoot, CPC): Mr. Speaker, for 15 years in this House, I represented Crowfoot, and now with the boundary changes it is a pleasure to stand here and represent Battle River—Crowfoot.

It is a pleasure to stand in this House on this topic. The motion we are debating is this:

That the House: (a) thank the independent non-partisan officials from the Department of Finance for their hard work and evidence based analysis; (b) acknowledge their most recent Fiscal Monitor which informed Members and Canadians that, for the period from April to November 2015 of the 2015-2016 fiscal year, the previous government posted a budgetary surplus of \$1.0 billion; and (c) concur in its conclusions and express its confidence in the Deputy Minister and his team.

As the former minister of state for finance, I am pleased to advise the House that in my experience working with the finance department and the deputy minister of finance, past and present, the current and the former deputy minister, and all their officials, they provide a remarkable service to Canadians. I think most of us would acknowledge that the public service, and certainly the finance department, does that. They help keep Canada's government of the day implementing the policies that are brought forward in budgets, and in other initiatives at different times, or the different implementations of different measures as they are brought forward. The finance department officials are experts. The officials at Finance Canada worked to help ensure that the Government of Canada achieved a \$1 billion surplus for the period of April to November 2015.

As the Liberals go forward, amassing huge budgetary deficits, Canadians will understand that these deficits are of the Liberals' own making. The report from the "Fiscal Monitor" produced by Finance Canada proves that the Liberals inherited a surplus from our Conservative government. The parliamentary budget officer has also substantiated this fact.

If the Liberal Party engages in deficit spending, it will be 100% as a result of its own actions. It did not take long. The Liberals began down the track of deficit spending very quickly. Only a few days after the election it became apparent what its agenda was. Balanced budgets were made possible for Canada because of our Conservative government's responsible approach and commitment to putting in place initiatives to foster job creation, to help build economic growth in Canada's economy.

We knew that we could not move the Government of Canada into a position of ongoing structural deficits. That would appear as a lack of discipline to investors and certainly to Canadians. Our economic action plan was put in place to move the government to a position of budgetary surpluses in 2015.

We accomplished that one year earlier than what was originally anticipated because of extra growth in the economy. That is one point that has been missed here today. The Liberals and the NDP's position is that we came from a deficit and left with a deficit. That is not what happened.

In 2014, a year ahead of schedule, we had a \$1.9 billion surplus, and building on that surplus, from April to November, we had another \$1 billion surplus.

The heated rhetoric by the Liberal government demonstrates that it is already feeling the pressure of its broken promises and its growing debt. The Canadian economy is not a game. Choices have consequences. The stakes are high. Budgets do not magically balance themselves. Jobs, families, and housing are all affected by the management or mismanagement of Canada's economy.

● (1250)

By voting against today's motion, the government would signal that it has little confidence in the employees at the highest levels of Finance Canada. These employees are experts who do not play the same political game as the Liberal Party. They are non-partisan. The Liberals are trying to deny the voice of those officials at Finance Canada when they come here and misrepresent those officials' findings in the "Fiscal Monitor".

The Liberal government would be adopting what I call the Sergey Lavrov type of politics. We read about him today in the *National Post*. He is the foreign minister of Russia who basically made an announcement about Ukraine that was completely wrong. I will quote what it says about him:

He has not been foreign minister for 12 years because he is an idiot. He was lying. He knew he was lying, and he knew everyone knew he was lying and he did not care.

I would never use those words in Parliament about anyone, but let me say that we do not want the government to take the Sergey Lavrov position on how to deal with whether we had a surplus or deficit. Canadian officials at Finance Canada are not lying. The publishers of the "Fiscal Monitor" have no political axe to grind. They have no hidden agenda. They have no political agenda. They are not concerned with what other economists may say about the numbers, facts, and figures they publish. They publish the facts and the figures.

If the Liberals command that Canada be plunged into budgetary deficits, then the department will chronicle that and will help the Liberal government facilitate its measures. The department monitors closely how much the deficit will be. They know how vast and how large it is and how it is growing. They can tell the Minister of Finance anytime he asks how slow the economy is or how fast it is growing. That is what they will do. They have spoken about last year and it is very clear.

Our Conservative government asked the department to help balance the budget, to help us with the federal budget. They helped us keep tabs on our progress in our program. They always knew how close or how far we were from balancing the books. They say that before the Liberals formed government, Canada was in a \$1 billion surplus. We were in the black. Canada actually had a budgetary operating surplus of little over \$1 billion.

They will not say this is a good thing. They will not tell the Liberals that the massive budgetary deficits they will amass are bad. They will only tell the Liberals how fast they are spending Canadians' money, and more and more it is becoming taxpayers' money that taxpayers do not have.

Business of Supply

They will keep accurate specifics on how much spending the Liberals are doing. They will help the Liberals understand many things that it would seem they do not understand today, including monetary policy, fiscal policy, the debt-to-GDP ratio, etc., etc.

The government's top priority should not be about changing history and bringing forward false facts. The government's top priority should be job creation. It should be focusing on economic growth. It should be focused on long-term prosperity for Canadians. The Liberals should take action on cutting taxes for job-creating businesses, investing in research and development, expanding markets for Canadian businesses abroad so that as an exporting country we can deliver our products around the world. They should deliver on support for job-creating infrastructure and establishing the framework for responsible development of our natural resources.

Canadians know that our previous government did those things. It steered Canada throughout the great recession and created over 1.2 million net new jobs from the downturn in 2009. These were overwhelmingly private sector jobs, full-time, well-paying jobs. According to KPMG, total business tax costs in Canada were the lowest among the G7 countries. We wanted people investing here in their country, in Canada. These costs were 46% lower than our chief trading partner and actual competitor at the time, the United States.

As I mentioned earlier today, *Bloomberg* ranked Canada as the second-best place in the world to do business. Why was this? Did this success just happen? Do budgets balance themselves? It does not occur overnight. It requires tough decisions, sound judgment, and a focus on priority.

Our government had that focus. I wish the Liberals well as they move forward with our economy. I want to see people working. I come from a province where right now there is a massive challenge in the oil and gas sector, with hundreds of thousands of jobs at risk.

We want job creation. We want balanced budgets. We want lower taxes because we know our record is a good record.

• (1255)

Mr. Ken Hardie (Fleetwood—Port Kells, Lib.): Mr. Speaker, once again, we have been treated to an example of economic delirium, really. We had a government that tried to sort of pull one over the public's eyes in the last election. They did not buy it then. I do not think they are going to buy it now. The fact is that the Conservatives ran up the deficit \$150 billion over a succession of deficits and added to the national debt, with very little to show for it in terms of expansion and growth in the economy. In fact, the Canadian Imperial Bank of Commerce said that job creation in Canada was very low grade.

We would remind the members opposite that about this time nigh on a year ago, Canada was technically in recession, the only one of the G7 to be in that situation. When we talk about leaving a legacy for the government of today, we need to remember that.

I would ask the member this question. Given his record, which is selectively interpreted, would he have been in any better shape to help the people in Alberta, who now are relying upon our government to come to the rescue with the kind of stimulus spending that we desire? Or would he still hang his hat on a balanced budget?

Hon. Kevin Sorenson: Mr. Speaker, that is a good question. It is a question that is worthy: would we continue?

We had the largest infrastructure program that the federal government has ever been involved in. Those are the facts. The Liberals are talking about a larger one now. That is fine. However, at the time, it was the largest infrastructure spending that we ever had.

What did we do? We began by saying we would double the gas tax rebate to municipalities and get it out the door earlier so they could be involved in the construction period. Every municipality across this country applauded that measure. We did not tie it to any jobs. We said, "You can pick your priorities. You, municipalities, can take that money and put it where you want. We want that out the door. We're going to make it permanent. We're going to double it."

We did that, doubling from what the Liberal Party had done.

Then we indexed it. Then, we said that we would continue to invest in the largest Canada building fund across the country. We did that.

Why did we do that? We did that because the world had moved into this recession. Prior to it, we had paid down close to \$40 billion in national debt, we had lowered the taxes, lowered the GST. That is the record of the previous government.

Then, when the world moved into this recession, not created here in Canada, we started spending. We did not spend enough at the time. The Liberals felt we should have spent more, as did the NDP. However, we did not spend without a plan. We said, "We're going to invest in infrastructure, we're going to come out of that and back to balanced budgets."

In this election, the Liberals have said they are going to spend up to \$10 billion in deficit this year. Yet, now, everyone says, "There is no upper limit here" and they spend, spend, spend.

We worry for the economy, business worries for the economy, job creators worry for the economy, and they worry about the government that is a big-spending government and just straight big government.

• (1300)

Mr. Erin Weir (Regina—Lewvan, NDP): Mr. Speaker, the hon. member for Battle River—Crowfoot has expressed full confidence in the "Fiscal Monitor". I wonder if he would acknowledge that very same document shows, in table 2, between April and November 2015, that employment insurance premiums were \$14 billion, while table 3 shows that employment insurance benefits were only \$12 billion. That difference of \$2 billion more than explains the razor-thin surplus of \$1 billion for which the Conservatives are trying to congratulate themselves.

Business of Supply

The member for Battle River—Crowfoot also mentioned layoffs in the resource sector in his home province of Alberta. We have the same challenge in Saskatchewan. I wonder if the hon. member would join with the NDP in calling for an improvement to employment insurance benefits to help workers in the energy sector who have been laid off.

Hon. Kevin Sorenson: Mr. Speaker, the member may very well be right in his comments, but let me tell him that in 2008, 2009, and 2010, the employment insurance dollars were in deficit. There was some catch-up to do in the last year or two and we had the plan to lower premiums so that it would better adjust. Conservatives lowered them once and we know that 2017 is the year that they will be lowered again.

The difference between Alberta and Saskatchewan right now is Saskatchewan has a government that will be able to take care of investment and jobs. Alberta, provincially, does not.

Ms. Yasmin Ratansi (Don Valley East, Lib.): Mr. Speaker, I must say I am genuinely intrigued by the opposition Conservatives' new-found appreciation for the hard work and evidence-based analysis offered by the independent, non-partisan officials from the Department of Finance. Previously they tried to muzzle everyone. As I have been listening to the debate, I really thought I was in Wonderland.

It is, however, very unfortunate for Canadians that the opposition only came to the realization about evidence-based and factual information after leaving office. Regrettably, the Conservatives made it clear while they were in government that they preferred the advice and analysis of outside organizations to that of the Department of Finance. Unfortunately, because of that, we see the current economic crisis and the challenges we face.

Our government's first economic and fiscal update, produced by the very same finance department that the opposition suddenly holds in such high esteem, confirms that the predictions made by the previous government in budget 2015 were off by around \$6 billion. This means that our government inherited a projected deficit of \$3 billion for 2015-16, which is a stark contrast to the \$13 billion that the previous Liberal government left them in 2006. After inheriting a \$3-billion surplus, we have to work hard to ensure that we balance the budget, as promised.

Canadians elected our government to address the whole range of myths and other challenges that the previous government left us. We are doing so by implementing an ambitious economic agenda that will get our economy growing again. Our work in advancing this agenda is well under way. The only people who believe that the Conservative government left behind a surplus are the Conservatives themselves. Canadians know better.

Let us get some facts right. The previous Conservative government claimed a surplus without booking the \$3.4 billion payment it made in July. It claimed a surplus by withholding \$1 billion from veterans, the DND cuts, the lapsing of funds, and the list goes on. Instead of smoke and mirrors, let us acknowledge the fact that the previous Conservative government left us in a deficit. Conservatives do not want to acknowledge that they were the worst economic managers. They had eight consecutive deficits and they are still claiming that they left us with a surplus. The reason they are

so terrible in managing the economy is that they do not realize that the budget is for a full year, not a monthly fiscal snapshot. It is like people looking at their bank accounts after payday but before they make their mortgage payments. We do not really know what expenses the Conservatives left for the next government.

As mentioned, the previous Liberal government left behind a \$13-billion surplus in 2006. The Conservatives squandered it and accumulated an additional \$150 billion in new debt while still managing to deliver the worst economic growth since the Great Depression. They must make note of all this. Those are the facts. All of that is coupled with no plan for supporting the middle class, no growth agenda, and no plan to invest.

The "Fiscal Monitor" cited in the opposition member's motion is a snapshot in time, as I said, and does not tell the full story. It is like counting chickens before they hatch. The economic and fiscal update presented in the November statement by the Liberal government gave Canadians a transparent picture of our economic and fiscal situation.

● (1305)

Let me begin with an important example.

When we took office, in just over 100 days, we made it our immediate priority to deliver a tax cut for the middle class. We took actions on the understanding that Canadians should have a real and fair chance to succeed, and central to that is a strong and growing middle class. In December, at the earliest opportunity, we delivered on this commitment.

Effective January 1, 2016, our proposed middle-class tax cut reduced the personal income tax rate from 22% to 20.5%, which provided \$3.4 billion in annual relief to nine million Canadians, and that is a lot. Single individuals who qualify will see an average tax reduction of \$330 every year, and couples who qualify will see an average tax reduction of \$540 every year. To help pay for this middle-class tax cut, the government is asking the wealthiest 1% of Canadians to contribute a little more. We therefore created a new top personal income tax rate of 33% for those earning in excess of \$200,000.

With these measures, we are already delivering on what we promised to Canadians. This is just one example of what we have accomplished as a government.

In our first 100 days, we appointed the first ever gender-balanced cabinet. We have championed climate change at the Conference of the Parties in Paris, and out of the momentum of those meetings, have now met for a second time with our provincial and territorial partners to determine the right path forward for Canada on this critical file. In 100 days, we have done more than the previous Conservative government ever did.

We have also renewed our relationship with Canada's indigenous peoples through the full endorsement of all 94 recommendations proposed in the final report of the Truth and Reconciliation Commission, including a new inquiry into missing and murdered women.

These accomplishments do not take place without the hard work and commitment of our government.

It is interesting that, with the Conservatives' motion, they now believe strongly in facts. They did not want facts when they eliminated the long-form census, muzzled scientists, and did not listen to the Department of Finance.

We need to work together and defeat a motion which is filled with fallacy.

• (1310)

Mr. Todd Doherty (Cariboo—Prince George, CPC): Mr. Speaker, I thank my hon. colleague across the way for giving us fine detail of what the Liberals have done in their 100 days of being in office. Let us talk about what they also have done. They have added more confusion for Canadians. They have lessened the world's confidence in Canada and in our ability to get projects done and to boost our economy. They have lessened our Canadian opportunities in building our economy and projects.

However, this is about confidence and it is the confidence in those people who are working very hard in the Department of Finance and whether the government has any confidence in the reports they are building for it.

One of the members across the way asked whether, if we were still in power, we would be able to do anything better in the 100 days that we were there. First, it would not have taken our former prime minister 100 days to get to the communities hardest hit by our economy's downturn, which I think the Prime Minister is just doing now. Our prime minister, instead of jetting off to Paris or on other international trips, would have been in those communities, finding out what was needed and spending time with friends and families that were hurting the most, and putting that into a plan. He would have demonstrated and delivered to Canadians a plan on how we would move Canada forward.

We have uncertainty with the Minister of Finance and the gobbledegook and verbal gymnastics that he has put forth in our questions about the geo-statistics, where the Liberals are getting their data, the online correspondence and forms and where they are getting them from, and where they are basing any decisions. We want to know. Canadians want to know what the plan is and if he can deliver it. The confidence in the Minister of Finance is the uncertainty and the inconsistency in the numbers he puts out from time to time.

Ms. Yasmin Ratansi: Mr. Speaker, I forgot to mention that I will be splitting my time with the member for Winnipeg North.

I listened to the hon. member's question, and he is totally and absolutely confused. There is the example of our Paris conference and examples of our meeting with the provincial and territorial leaders. International communities have said that Canada is back and they are happy it is back. It is a positive environment.

Business of Supply

During the election, the only platform the opposition Conservatives would give was negative ads, and it is a good thing Canadians booted them out.

Mr. Erin Weir (Regina—Lewvan, NDP): Mr. Speaker, previously in this debate, I have pointed out that the Conservatives managed to create a small surplus for at least part of the year by withdrawing money from the EI fund. Could the member for Don Valley East commit that the new Liberal government will not resume the practice of withdrawing money from the employment insurance fund? Also could she provide a bit of a timeline as to when the new government will make concrete improvements to employment insurance and improve the accessibility level and duration of benefits?

Ms. Yasmin Ratansi: Mr. Speaker, the hon. member would have been well advised to ask the Minister of Finance that question.

Dipping into the EI fund is not a good practice, but it goes into the consolidated revenue fund. Once it does that, the fund is used to fund other investments. I would like to work with the member as part of the finance committee. He should work with the finance committee as we do our pre-budget consultation and ensure that those things do not happen again.

• (1315)

Mr. Garnett Genuis: Mr. Speaker, I rise on a point of order. I believe the hon. member mentioned during questions and comments that she was splitting her time. However, my understanding of the rules is that members have to mention they are splitting their time during their speech, not during questions and comments.

The Assistant Deputy Speaker (Mr. Anthony Rota): That is a good point. As we are going through this, a lot of the members are new and are just getting used to the procedure. We will proceed to the Parliamentary Secretary to the Leader of the Government in the House of Commons.

I want to remind all members that when they split their time, to say it when they start. That would make life easier for all of us.

Mr. Kevin Lamoureux (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.): Mr. Speaker, it is always a pleasure to address the House on what I believe are important issues. More often than not that is the case when we are dealing with financial bills. Although this is not a bill, it is an interesting opposition day motion. When I first read it, I found it a little hard to believe. It would appear that the official opposition is trying to shape what history should look like as opposed to what history is going to reflect in the 2015-16 budget year.

As has been pointed out, the only ones who believe there might have been any sort of a balanced budget or even a surplus would be those who sit on the Conservative benches. Canadians will not be fooled. The reality and the facts speak very clearly as to whether there is a deficit versus a surplus in the 2015-16 budget. It is a deficit. One needs to be very clear on that. However, I can appreciate why the Conservatives would try to give the impression otherwise.

The way I will approach that is to briefly make comment on one of the questions.

Business of Supply

A member made reference to the Prime Minister and his trip to western Canada, particularly to the province of Alberta. I am a member of Parliament from the Prairies. I say that to highlight the fact that I am concerned with what is happening in the province of Alberta. I sit in the northwestern caucus of the Liberal Party. Whether it be the Liberal members of Parliament from Alberta, British Columbia, Saskatchewan, and my home province of Manitoba in the northern region, there is a strong advocacy coming out that caucus with respect to what is taking place in western Canada, which is that a healthy western Canada economy helps all of Canada. We all benefit from that.

Therefore, we are happy the Prime Minister is in Alberta. He went there yesterday. He is working with the premier and is working and meeting with different stakeholders to try to not only get a better, more comprehensive understanding but to also indicate that this government genuinely cares and is prepared to take action, unlike the previous government.

The former government would often talk about it. However, rarely did we see any significant steps taken to try to improve the conditions. A good example of that is the whole energy east pipeline issue.

For many years the Conservatives failed at being able to establish an inch of additional pipeline, not to mention that throughout their term in government they were unable to get any pipelines to tidewaters. For the first time a national government is working with the different stakeholders, coming up with a process that will better enable us in the future to get oil to our tidewaters through an extension of our pipelines.

Going specifically to the motion before us, let me provide very quick comment with respect to the civil service.

The Liberal Party, and myself personally, have the deepest amount of respect for the civil service. It has done an outstanding job over the years. In fact, countries all around the world look to Canada to provide leadership on the issue of how to provide good quality public service through a healthy civil service. Therefore, we should commend those who represent us so well, both from a service and leadership point of view, and the positive impact they have with respect to allow us to make good, solid, sound policy decisions.

I want to comment on the deficit, the debt, and the reality, as I often refer to it.

The Liberal Party took governance back on October 19 after the election, when we saw the winds of change in every region of our country.

● (1320)

Shortly thereafter, in November, the Prime Minister was sworn in and we provided an economic update to the House. During that economic update, it was made very clear that there in fact was no balanced budget, or surplus, that because of the policies of the previous government, Canada would be in a serious deficit situation. Nothing has changed since then. We recognize there will be a deficit.

The Conservatives do not want to hear that because they have tried to portray a certain image, which is just not true, that they know

how to manage an economy and finances. The former minister was wrong. They were not successful in the previous 10 years.

Deficit and debt are two different things. If we speak strictly of debt, Canada has a debt somewhere in the neighbourhood of \$640 billion. When we look at that total picture, we will find that the previous Conservative government and the Brian Mulroney Conservative government added more than half of that accumulated debt. It is from those two regimes. That is substantial.

When we talk about deficit, it even gets worse. The Conservative Party inherited a multi-billion dollar surplus in 2006 and converted it into a multi-billion deficit. That was even before the recession hit. It has run a deficit every year since then, including in 2015-16.

I spoke to the budget when it was introduced last year and indicated back then that the books were cooked, that there was no balanced budget. I cited several reasons. Then in the month of July, the Governor of the Bank of Canada confirmed there was a running deficit.

There is no credibility or merit to the Conservatives proclaiming any sort of a balanced budget or surplus. In the last eight years, they have done nothing but deficit financing.

We in the Liberal Party acknowledge that at times there is a need to go into a deficit situation, for example, if we want to invest in infrastructure programs and incentives that will enhance and grow Canada's middle class and those wanting to join it. Now is the time to do that. The economy needs the government to play a role. There will be deficits.

However, we have heard from the Prime Minister and our government that there will be a balanced budget under a Liberal regime in time. We have been transparent, honest, and open to Canadians right from the get-go. The only party in the House that can clearly indicate to Canadians that they have been fully transparent on the issue of finances and deficit financing has been the Liberal Party of Canada, and in particular, the Prime Minister of Canada.

Our party has a record demonstrating to Canadians and reassuring them that we can deliver balanced budgets. However, for now, we are looking at it from the point of view of investing in Canada. We will invest in infrastructure, housing, and programs like the Canada child benefit program that is coming up.

There is so much on the horizon. I believe Canadians, for the first time in many years, have good reason to be hopeful for good governance, something that has been lacking in the last eight to ten years.

● (1325)

Mr. Bev Shipley (Lambton—Kent—Middlesex, CPC): Mr. Speaker, I always enjoy the discussion that comes from the other side, from the member for Winnipeg North.

The member brought up the issue of government image. One of the things the Liberals never talk about is that, shortly after the Conservatives came into government, we went into the worst recession since the Great Depression of the 1930s.

Business of Supply

One of the things that Canadians appreciate—although very few Canadians were seriously impacted by that great recession we had, because of the policies the government brought in—is that over our term we saved families some \$6,600 for a family of four. Our belief was that the money should be left in the pockets of families. They are the ones who generate the economy.

We were the second-best country in the world in which to do business. We had a finance minister recognized as the best finance minister in the world. There was the creation of more than one million net new jobs.

Let me talk about image. In the 1990s, when there was also a blip, the Liberals gutted the military. I was in municipal government, as the hon. member was. There was basically no funding in small rural municipalities for infrastructure. There were health care cuts in my province of Ontario of some 20% to 25%.

When it has a serious spending problem, which the Liberal government does, should it not be able to tell us what the deficit is going to be and when it is going to be able to balance the budget?

Mr. Kevin Lamoureux: Mr. Speaker, the issue is that there is no serious problem in terms of transparency coming from the government.

There seems to be a lack of factual information being provided by the official opposition, in particular of this nature. Let us remember when the member talked about that blip or that recession. Prior to the recession, the former Conservative government inherited a multi-billion dollar surplus, and it turned that surplus into a deficit before the recession even took place. That is the reality. History cannot be changed.

The member talks about the dollar value in health care, but everyone would agree that we have the highest amount of federal dollars going to provincial health care services, and that is great to see. That is happening today because of the health care accord, which was signed under the Paul Martin government. It had nothing to do with the Conservative government. It had everything to do with Paul Martin when he was the prime minister. That is what gave us the health care funds we see today.

The Conservatives failed to get a new health care accord. It is only this Liberal government and Prime Minister that recognize that Canadians care about health care, and that have the Minister of Health and others work with the provinces to see what we can do to better improve one of those programs in which Canadians truly believe.

• (1330)

Mr. Erin Weir (Regina—Lewvan, NDP): Mr. Speaker, the member for Don Valley East suggested that, despite a weak job market, the Minister of Finance may well decide to continue withdrawing money from the employment insurance fund by keeping EI benefits well below EI premium revenues.

I wonder if the member for Winnipeg North could confirm that the Liberal government is planning to continue the fine Paul Martin tradition he alluded to, of draining money from the employment insurance program, or whether the sense of Prairie solidarity that he invoked earlier in his speech would extend to providing a helping

hand to laid-off resource workers who are really in need of improved EI benefits.

Mr. Kevin Lamoureux: Mr. Speaker, let me focus on the deficit.

There is a difference in terms of approach in dealing with the deficit. The Conservatives will be dishonest with the facts. The New Democrats, in the last election, said that they were not going to have a deficit at all in the next couple of years.

There is a distinct difference. Liberals believe that deficits can be a good thing. That is why we will allow them to occur. It is the way in which we can drive, and be supportive of, the economy, adding wealth to our economy.

We believe in Canada's middle class. We will have deficits when there is a need to have a deficit.

[*Translation*]

Hon. Steven Blaney (Bellechasse—Les Etchemins—Lévis, CPC): Mr. Speaker, I would like to share my time with the excellent member for Calgary Nose Hill.

Today's motion is quite simple and has two objectives. The first objective is something that we do not often take the time to do as politicians, but it is still important. I am talking about thanking those who dedicate their lives to public service. Today, we want to thank our experts at the Department of Finance, specifically, but we want to also thank all public servants.

The second objective is just as simple, and it involves recognizing that two and two equals four. As my colleague from Milton pointed out, in the latest "Fiscal Monitor", Canadians learned that for the period from April to November 2015, and I hope that my colleagues opposite are listening closely and that they cleaned out their ears, the previous Conservative government posted a budget surplus of \$1 billion. That is the truth.

Today, all the members of the House are invited to support a concept that is important to all Canadians and all parliamentarians: the truth and the facts. The Conservative government posted a \$1-billion surplus, just days after the election on October 19. That is a fact.

Our first objective is to thank public servants. Throughout my political career—this is now my 10th year—and even before that, I myself have been a federal public servant. I worked for the Department of Indian Affairs and Northern Development in a regional office in Quebec City. I still deeply admire the work ethic of the men and women who worked there and who are still working to improve the lives of our first nations people. I know people who left after dedicating their lives to improving the lives of first nations people, as well as young people who entered the public service with plans to do the same. I have so much respect for public servants.

Business of Supply

While I was a minister, I had the opportunity to work with public servants at Veterans Affairs, including deputy ministers Suzanne Tining and Mary Chaput and their team. The people working here in Ottawa and in Charlottetown care so much about improving the lives of our veterans and making sure that all Canadians are aware of the sacrifices they made. That was from my time at Veterans Affairs.

More recently, I was the minister of public safety and emergency preparedness, with deputy minister François Guimont and his team. I have nothing but praise for them at a time when our country needed an effective public service focused on protecting people from the terrorist threat. Mission accomplished, I say. I thank the public servants at Public Safety Canada, who did amazing work in concert with the people at the Department of Justice and other departments that were involved. Because of their work, our country is now safer from the terrorist threat. Who do we have to thank for all that? Our great prime minister, of course, but also a team of dedicated public servants.

It is quite simple. We should not overthink things today and just read the motion for what it is. As I just illustrated, there are very good reasons to adopt the motion. However, as we know, this is Parliament, this is politics, and, unfortunately, the current government seems to have a problem with facts and figures. It is worrisome because we saw our current Prime Minister go to Paris early on in his term and talk to international stars about sustainable development. He tried to impress them by saying that he would take \$2 billion of Canadian taxpayers' money and distribute it here and there around the world. Obviously, Canadian taxpayers are going to foot the bill.

As everyone knows, we have a target to reduce greenhouse gas emissions by 30% over 2005 levels by 2030, and we have to invest that money here at home in order to meet that target.

● (1335)

However, the government decided to take taxpayers' money and put \$2 billion elsewhere. The government also decided, as soon as it took office, to take taxpayers' money and create a deficit.

In my riding, some people earn \$40,000 a year, while others earn \$90,000. They work at Rotobec, Plastique Micron, and Exceldor, and they are not part of what the government calls the middle class.

However, those who earn \$150,000, \$200,000, \$300,000, or \$500,000 a year are part of the Liberal government's middle class, and the tax cut that the Liberals plan to give them is going to create an \$8-billion deficit. That is the reality.

The Liberals were bragging over cocktails in Paris, while mortgaging the future of generations to come by putting them into debt. That is what the government opposite is doing just months after taking office.

One thing that we cannot accept is playing fast and loose with the truth. That is why we are respectfully reaching out to the current government in a constructive manner. We are calling on the government to acknowledge the facts, namely that there was a \$1-billion surplus in December, and to thank the people who dedicate their lives to the public service, such as the employees of the House of Commons.

We managed to balance the budget because we worked hard to do so. It is quite easy to say yes, pull out one's chequebook for anyone who asks and write a cheque. Anyone can do that. Santa Claus likes to do that, too. However, the government is accountable to taxpayers, and we were very responsible in that regard.

When our country was facing an economic crisis, we did not hesitate to invest to stimulate the economy. We also managed to avoid structural deficits. That is where the current government is headed. I demonstrated that we were heading towards nearly \$10 billion in recurring deficits before this government even tried to present its tempting measures.

Unfortunately, the government did not bother to consult parliamentarians or set up an advisory committee on finance to find out what direction we wanted to take as a country. That is what I did in my riding, and I have some recommendations that I would like to submit to the Minister of Finance. These recommendations will help our seniors.

Instead of throwing money out the window, will the government help our seniors? Will it keep its promises concerning the guaranteed income supplement for our poorest seniors? Will it keep its promise about more generous pension indexing? Those are some of the things I heard, but the government did not hear, because it did not consult Canadians.

I would like to share a brief quote. This week I read a book about former president Ronald Reagan.

● (1340)

[English]

Here is what Ronald Reagan had to say about Jimmy Carter's tax scheme to raise the taxes for those earning more: "getting the most feathers as possible from the fewest...in order to minimize the quacking".

Can we steepen the tax brackets any more than they are without being totally unfair to those who work and earn and make this country go?

[Translation]

The question President Reagan asked at the time is relevant today.

We should continue to invest in Canadians in order to create wealth, but we must acknowledge the facts. Let us support the very clear motion that is before us today.

In November 2015, the federal government had \$1 billion in its coffers, and we thank our public servants, who do a great job.

[English]

Mr. Lloyd Longfield (Guelph, Lib.): Mr. Speaker, business analysis includes a general ledger and a balance sheet. The previous government added \$154 billion to our debt, yet the balance of trade went from a \$54 billion surplus to a \$13 billion deficit. Exports are down and economic growth was anemic in the Conservatives' term.

Businesses can sometimes make the bank balance book look a bit better by delaying payments owed to others or by taking on additional debt. The previous government did both.

Would the hon. member admit that the snapshot of the bank book as of the end of November includes deferred payments that were not made for programs such as veterans affairs, EI, seniors programs, and education for first nations, and I could go on?

Hon. Steven Blaney: Mr. Speaker, I hope the member clearly understood my speech, whether it is an ongoing, recurrent deficit generation after generation, like the Liberals are currently willing to throw us, or investing to combat a crisis, which is what our government did in 2008. When there was a world recession, we were the last to enter a recession and the first to come out of it, because of wide policies.

I hope the current government will review the way we managed this economy for the last 10 years. I hope the Liberals will realize that when the economy is doing relatively well, as it currently is, it is not the time to create ballooning deficits that will have to be paid by future generations.

Mr. Wayne Stetski (Kootenay—Columbia, NDP): Mr. Speaker, the people of the Kootenay—Columbia riding sent me here to help build a better Canada, and I want to thank them for that opportunity.

Two days ago in our opposition day, the NDP put forward a motion to move Canada forward on the important issue of pay equity for women. I am very proud of that motion and the support of the majority of the House.

There are so many issues facing Canada, such as child poverty, health care, climate change, and the environment, to name just a few. With so many important issues facing Canadians and so few opposition days, why did the Conservatives decide to focus the House on this particular issue, which really has no future benefit for Canadians?

• (1345)

Hon. Steven Blaney: Mr. Speaker, I wish the member well in his endeavours as the member for Kootenay—Columbia.

There is nothing more important, then, now, and in the future, than the truth, the facts, and a clear direction of where we are going, and also to take the time to thank those who serve Canadians on a daily basis and do a very important job.

While we were able to balance the budget, we were also able to make massive investments like never before in provinces like British Columbia and Quebec. We have never seen such a large investment in health, education, and social services, while balancing the budget. That is the Conservative government's legacy. We are very proud of it, and will seek to further pursue it in the future.

Mr. Dan Albas (Central Okanagan—Similkameen—Nicola, CPC): Mr. Speaker, why do the Liberals seem so touchy about this subject? Why do they seem to be denying that the information as presented by their own officials is correct?

[*Translation*]

Hon. Steven Blaney: Mr. Speaker, I would like to thank my colleague for his question.

Business of Supply

Once again, I want to clearly say that it was the excellent team at the Department of Finance that confirmed that from April to November of the 2015-16 fiscal year, the previous government posted a budgetary surplus of \$1 billion.

In recent months, additional amounts were added to this surplus. We left the country in excellent shape. The current government had better take care of it.

[*English*]

Hon. Michelle Rempel (Calgary Nose Hill, CPC): Mr. Speaker, in this place, we spend Canadians' money. It does not come from us; it comes from them. When we make decisions around program expenditures, we are spending Canadians' money. What we discuss in this place is how we do that, why we do that, at what level we should do that, and how it benefits the economy. At the end of day, we are spending people's money. This is money that they earned. Therefore, it really behooves us to be accountable to them on how we are doing that.

There was a question that came up in debate about why this motion is important. It is important to the people who give us their money, who entrust us here to make decisions on how we spend their money, because it sets the stage for the government's narrative on how much money it is actually spending. The reality is that this year's "Fiscal Monitor" stated that their research and analysis shows that the current government was left in a surplus position. These are department officials in the public service, people who members across the aisle cited over and over again in the previous Parliament. That should be important to the people who give us their money and entrust us on how to spend it. Why? It is because what we are hearing from across the aisle is that there is no end in sight for government spending. That should concern all Canadians, because we do not have the money to pay for what it is spending.

Every day across this country, people make decisions on how they spend their money. They try to make ends meet. They make decisions on whether they are able to put their kids in a sporting program or how they are going to pay their rent. These are decisions that everybody has to make, and they make decisions on whether they can afford to do that. That choice is what is important. Therefore, for the government to continually say in the House that it is already in a deficit position so it should spend to high heaven is a problem for Canadians. They should be paying attention to that.

What Conservatives are asking government members to do today is something that they should take to heart. They should look at the fact that the statistics and the research of government officials show that we are in a surplus position; ergo, the big deficit position they put us in is their choice. It is their choice and they need to be accountable to Canadians on that. This is about accountability. They should have to tell their constituents that they put them in a \$50-billion deficit position this year, they mortgaged their children's futures, and they should be able to explain to their constituents why they are doing that.

Business of Supply

During the campaign, we did not hear a lot about “why” from the government. We did not hear a lot from the Liberals about why they want to go into deficit. To quote my colleague opposite in the last round of questions, he said deficits can be a good thing. What he should have said, and this belies the underlying philosophy of the Liberals, is why they want to make this program expenditure and how they predict it is going to affect the economy, x, y, and z. No, they are focusing on spending, spending, spending, and that spending comes out of the wallets of the people we represent. We have to be accountable for that. There is a huge fallacy the Liberals put in place when they talk over and over again about spending our way out of a bad situation.

I want to direct my colleague's attention to the annual fiscal tables, table 3, and look at the revenues. This is straight-up revenues in millions of dollars. If we look at that over the last 10 years, we will notice that last year the Conservative government, if I am reading this table correctly, had one of the highest levels of revenue coming into the government coffers for expenditures. However, the Conservatives did that while the federal tax burden was at its lowest level in 50 years. Therefore, there was a high level of government revenue coming in and yet Canadians, the people who give us their money, were paying less taxes. Why is that? It is because when people have more of their own money in their pockets, the economy grows. They are better off.

• (1350)

At the heart of this motion, the Liberals need to admit that they were left in a surplus situation. Now they need to go to Canadians and tell them why they are going into a massive deficit situation of their own choosing with, and here is the rub, no plan to get out of it. They should be able to tell Canadians, in two or three years, here is how these program expenditures will bring us back on track.

What do we have instead? The rhetoric we get instead out of the government is, let us make a checklist of absolutely everything we can do to hamper the Canadian economy right now. Point in case: Last night, the Prime Minister of this country was in Calgary. He was asked a very simple question. He was asked if the National Energy Board, our regulator in charge of conducting arm's-length scientific review processes for major infrastructure projects, green-lights the energy east pipeline, will his cabinet approve it.

Reader's Digest notes on his comments were long and obfuscating: “we will see”. He told a job-creating company to forget investing billions of dollars into the review process or going to their investors or their workers and saying that they would take a risk and build some job-creating infrastructure, forget the sanctity of the scientific review process. “I do not know, maybe we will approve it; maybe we will not. It is up to me.” That puts the chill on investment. That is what drives down government revenues over time.

Why is it important to support the motion? We left the Liberals in a surplus position. They should have to go to Canadians. They should have to go and tell them why we are in a deficit position of inordinate magnitude.

During the campaign, the Liberals said that their platform was fully costed. We are already at the point where they are well over that, just on the one area of responsibility. I am responsible for talking in the House about the Syrian refugee initiative. That

platform was not fully costed, not even close. The Liberals have an accountability to Canadians.

I am happy to stand up and argue in this place on how we spend Canadians' money, but the Liberals should not lie to them. They should not tell them that we are in a deficit situation when we are not. They should not tell them that government officials the Liberals use to produce their budgets and their projections are wrong all the time. How else are we supposed to be accountable to Canadians?

For every Liberal who will stand up in this House and vote against the motion, I hope that all of their constituents write to them and ask why they would lie about the position we are in. Why would they do that? At least they should be honest with Canadians about how they are taking their money and spending it.

In a time of economic downturn, the government proposes to increase premiums for the CPP. That is not what people need right now. They do not need more money coming off their paycheque. It is the same thing with increases in EI premiums. That says to job-creating companies that maybe they will not be able to hire another person because their operating expenditures are going up. When we raise taxes on job-creating companies, they have to make a choice on whether they can invest in a new project or hire more people.

Again, table 3 in that report shows government revenue increased while the federal tax burden was at its lowest level in 50 years. The Liberals' logic is flawed. They owe it to Canadians to be honest. Every single one of them who gets up and votes against the motion in this place has a lot of explaining to do.

• (1355)

[*Translation*]

Mr. François-Philippe Champagne (Parliamentary Secretary to the Minister of Finance, Lib.): Mr. Speaker, I would like to thank my hon. colleague for sharing that tale with Canadians.

My hon. colleague forgot one thing, though: on October 19, Canadians clearly chose a government that invests in Canadians, in infrastructure, and in the middle class.

She asked us if we held consultations. I am proud to say that I consulted the people of Quebec, in Saint-Maurice—Champlain. I also held 15 or so consultations across the country. It is clear that the only ones who believe in rhetoric are the members across the way. They are the ones who put this country in more than \$150 billion of debt and left us a deficit.

Canadians understand that the only ones who are trying to play politics with our country's difficult economic situation are the members on the other side. They have absolutely no credibility on the economy. They had seven successive deficit budgets and added \$150 billion to the national debt.

Why does my colleague opposite continue to tell Canadians that everything is fine? Why does she not admit that, on October 19, Canadians chose to invest in the economy? Why does she disagree with the IMF, which suggests investing when interest rates are low? The international community and economists all agree, and Canadians understand that. My colleague should explain her position to Canadians.

[English]

Hon. Michelle Rempel: Mr. Speaker, I would like to direct my colleague's attention to page 175 of the federal budget 2015, chart 3.4.1. If he looks at that, he will see a noticeable spike in 2004. We know what started to happen then, but from 2006 onwards there was the highest level of infrastructure investments in Canadian history by an order of magnitude.

I know that in my home province of Alberta, our federal government invested multiple times more than the Liberal government ever did. And here is the thing: we did it while bringing the federal tax burden to its lowest level in over 50 years. Canadians have more money in their pockets because of us, and I really hope that the parliamentary secretary will really enjoy telling Canadians over and over again why the Liberals are stealing their money.

The Assistant Deputy Speaker (Mr. Anthony Rota): We will resume debate after question period.

STATEMENTS BY MEMBERS

[English]

BRAMPTON CENTRE

Mr. Ramesh Sangha (Brampton Centre, Lib.): Mr. Speaker, like many immigrants, I came to Canada 20 years back. Canada gave me the opportunity to establish my successful law business.

I want to thank all of the constituents of Brampton Centre for giving me the privilege of representing them in the House of Commons. I would also like to thank my friends, my immediate and extended family members, and all volunteers for their contributions to my successful campaign.

Brampton Centre is one of the most diverse ridings in Canada and I am proud to represent the same in the House. I pledge to work hard for every constituent.

I also look forward to working with every member of the House for the betterment of my riding, as well as the betterment of Canada.

* * *

• (1400)

[Translation]

OPTIMIST MOVEMENT

Mrs. Sylvie Boucher (Beauport—Côte-de-Beaupré—Île d'Orléans—Charlevoix, CPC): Mr. Speaker, this being national Optimist day, I would like to take the opportunity to talk about the tremendous work the members of this organization do every day to make the future brighter and bring out the best in children, their communities and themselves.

Statements by Members

For over 90 years, the Optimist movement has been one of the premier volunteer organizations. It values all children and helps them develop to their full potential.

Today I would like to recognize the extraordinary work of the Optimist clubs in my region, Baie-Saint-Paul, La Malbaie, l'Île d'Orléans, and the Côte-de-Beaupré Optimist club, for the incredible work they do with young people.

They are very involved in our community, and their dedication is remarkable. I would like to thank all of the members and volunteers who keep the Optimist movement going and making a huge difference in the lives of our youth.

It is a privilege for me to work with them and to be part of the movement.

* * *

[English]

STATUS OF WOMEN

Ms. Pam Damoff (Oakville North—Burlington, Lib.): Mr. Speaker, today I am pleased to have Coral McMillan shadow me as one of the young women participating in Brock University's Women in the House program. This program aims to better acknowledge and increase female participation in all levels of government.

We have come a long way since Agnes Macphail was elected as the first female MP in Canada, in 1921. Today, we celebrate having Canada's first gender-based cabinet. I am proud to be one of 88 women elected to the House.

However, we still have a long way to go. Young women like Coral, and Emma and Julia Mogus from my riding, founders of Books With No Bounds and passionate advocates for our indigenous communities, must be encouraged to become leaders in government, in business, and in their communities.

* * *

[Translation]

CANADA POST

Ms. Christine Moore (Abitibi—Témiscamingue, NDP): Mr. Speaker, when I first heard about the plan to install community mailboxes in Rouyn-Noranda, I knew it was a bad idea.

I can now say that it was more than just a bad idea; it has been a complete disaster.

Complaints have been pouring in ever since those controversial mailboxes were installed: the sites are inappropriate or too far away; the locks and doors are freezing; some keys open more than one box; snow is getting inside the boxes; boxes are practically buried in snow due to inadequate snow removal; and the ground is icy and slippery around the boxes.

On top of all that, complaints are coming in about how hard it is to reach Canada Post's complaints department.

Given how ridiculous this whole situation is, here is a list of equally ridiculous solutions that I have heard: install heated shelters over all mailboxes; provide dogs to dig tunnels so customers can get to their boxes; build giant igloos over the boxes; or abolish winter.

Statements by Members

The simplest solution would be to restore home delivery—

The Speaker: The hon. member for Northwest Territories.

* * *

[English]

RETIREMENT CONGRATULATIONS

Mr. Michael McLeod (Northwest Territories, Lib.): Mr. Speaker, a dedicated public servant and influential businesswoman in the Northwest Territories retired from her position as chair of the Inuvialuit Regional Corporation last month. Nellie Courmoyea held this elected position for 20 years. Her continuing endorsement by the Inuvialuit is truly remarkable.

Nellie has many other remarkable career highlights. She was elected premier of the Northwest Territories in 1991, meaning that she holds two records: Nellie was the second female premier and the first aboriginal premier in our country.

Nellie was also made an Officer of the Order of Canada, was inducted into the Aboriginal Business Hall of Fame, and has been awarded honorary doctorates in law from Lakehead University, Carleton University, and the University of Toronto.

From the oil companies in Calgary to the boardrooms in Ottawa, and throughout the north, the single name “Nellie” commands respect and admiration.

I wish Ms. Courmoyea the best of luck and happiness in the future.

* * *

● (1405)

PRINCE ALBERT

Mr. Randy Hoback (Prince Albert, CPC): Mr. Speaker, I want to get up and thank the constituents of the riding of Prince Albert for re-electing me for a third time. It is a great honour to serve the people of Prince Albert. After all, it is the riding of the great John Diefenbaker, who served from 1953 to 1979. His are big shoes to fill.

I would like to thank the people of my entire campaign team for their commitment to my re-election. I could not have done it without their support and advice. I would also like to thank my many friends and family who stood by me and gave it that extra mile to push across the finish line.

Prince Albert is a beautiful riding. It has abundance in agriculture, forestry, lakes and rivers. It truly is God's country. I am blessed to represent the people there.

* * *

[Translation]

ALYSSA SIPPLEY

Mr. Pat Finnigan (Miramichi—Grand Lake, Lib.): Mr. Speaker, today, I would like to tell the House about the courage of a young girl from my riding of Miramichi—Grand Lake and about the generosity of the people in her community of Baie-Sainte-Anne.

Young Alyssa Sippley's misfortune began two years ago when she was only nine years old. She developed a step throat infection and

had to be transferred to the IWK Health Centre in Halifax, where she underwent surgery to amputate her arms and legs and where she remained for over a year to undergo rehabilitation.

The people of the community took action. Under the leadership of Marie-Paule Thériault, a retired school teacher, they found a home owned by the RCMP that was not in use and made it accessible for young Alyssa. The entire region also donated over \$150,000 in supplies and volunteer time.

This shows that, even if people in rural communities live a bit farther away from each other, they are closer in spirit than anywhere else.

* * *

[English]

HUMAN RIGHTS

Mr. Anthony Housefather (Mount Royal, Lib.): Mr. Speaker, I rise today to draw the attention of the House to an outstanding initiative that I am proud to support. The Foundation for the Compulsory Study of Genocide in Schools, led by my constituent, Heidi Berger, has collected over 1,200 signatures on a petition urging the Quebec government to add education about the horrors of genocide to the school curriculum across the province.

[Translation]

Next week, I will be accompanying the foundation to the Quebec National Assembly, where they will submit their petition.

[English]

My predecessor, Irwin Cotler, often said that the Holocaust did not begin in the concentration camps; it began with words, the ferocious anti-Jewish and racist lexicon of the Nazi regime.

It is essential that students across Canada be educated about all of the different genocides of human history in order to ensure it never again becomes a reality.

* * *

INTERGOVERNMENTAL AFFAIRS

Mr. Matt Jeneroux (Edmonton Riverbend, CPC): Mr. Speaker, I am a proud Albertan and I take tremendous pride in our resourceful and resilient province, a province, though, that seems to have been forgotten in the first 100 days of the current Liberal government.

I would like to take a moment to direct the Prime Minister, his government, and in particular four Liberal MPs from Alberta as to where the west is. It is that way.

The foreclosures in my constituency have real meaning and result in families uprooting their lives. People have lost their jobs, and can no longer afford to pay the bills. They cannot simply hang in there.

The hard-working constituents in Edmonton Riverbend elected me to stand up for them in the House. This is why I would like to point out that a previous Liberal prime minister was told that the west wants in. I am here to tell the current Prime Minister that the west needs in.

NORTHERN LIGHTS CONFERENCE

Ms. Yvonne Jones (Labrador, Lib.): Mr. Speaker, I was pleased to welcome so many people from the north and join them at the Northern Lights Conference here in Ottawa last week. The Labrador North and Baffin Regional Chambers of Commerce hosted a premier event showcasing business, industry, culture, and history in the northern regions of Nunavik, Nunavut, Nunatsiavut, and Labrador.

I was pleased to participate, along with my colleague, the member of Parliament for Nunavut, and many other colleagues in the House of Commons. I want to express my deep gratitude and thanks to the chambers for organizing a successful conference profiling the aboriginal people, resource development, and opportunities for communities in this region of the north, where beauty and opportunity know no bounds.

* * *

• (1410)

HEALTH

Mr. Dan Ruimy (Pitt Meadows—Maple Ridge, Lib.): Mr. Speaker, this being World Cancer Day, I would like to draw the attention of the House to the efforts of a remarkable man in my riding, Matt Kelso. Matt is a young man in his 20s who is now recovering from his battle with brain cancer. This has not stopped him from trying to make Pitt Meadows—Maple Ridge a safer community.

We have fabulous and capable paramedics in my riding. Matt knows this all too well. The problem is that there are only two ambulances to serve the needs of 100,000 people. This is unacceptable. Matt started a petition to increase the number of ambulances because he knows that both ambulances are often busy at the same time. This can lead to long waits for those in emergency situations. He knows that the next time he calls for help, his life could depend on it. With every signature that Matt collects, he raises awareness and continues the fight to make our riding safer. I thank Matt.

* * *

[Translation]

WORLD CANCER DAY

Hon. K. Kellie Leitch (Simcoe—Grey, CPC): Mr. Speaker, I am proud to rise in the House today to mark World Cancer Day.

[English]

World Cancer Day unites the world's population in the fight against cancer. It aims to save millions of preventable deaths each year by raising awareness through education about the disease, pressing people across the world to get involved.

Breast cancer is the most common form of cancer among Canadian women, and many of us are touched by this devastating disease. Personally, my mother, Lynne, lost her battle to breast cancer in 1989 and is one of the reasons I am an ardent supporter of the Canadian Breast Cancer Foundation and host an annual fundraiser every year in my riding of Simcoe—Grey, where hundreds of local volunteers get involved.

Statements by Members

[Translation]

On February 4, World Cancer Day, let us spread the word and take action against cancer.

* * *

[English]

BILL BENNETT

Ms. Joyce Murray (Vancouver Quadra, Lib.): Mr. Speaker, historian David Mitchell describes former B.C. premier Bill Bennett as one of the most important premiers in the province's history. Sadly, Bill passed away on December 3 last year.

Elected to the B.C. legislature in 1973, he served as premier for 10 years. He was a member of Canada's Privy Council and received the Order of British Columbia.

Bill was born and raised in Kelowna, where he was a community builder and entrepreneur. His business interests eventually included real estate, the family hardware store, an appliance store, a ranch, and a sawmill.

Bill brought Expo 86, SkyTrain, the Vancouver Convention Centre, and the Coquihalla Highway through B.C. and set Vancouver on course to be the world-class city it is today.

He was a family man. He was married to Audrey for 60 years. He was the father of Brad, Kevin, Stephen, and Greg, a grandfather of eight, and a proud great-grandfather as well.

Bill will be greatly missed and remembered fondly by many.

* * *

KOMAGATU MARU

Ms. Jenny Kwan (Vancouver East, NDP): Mr. Speaker, when the *Komagata Maru* arrived in Vancouver 102 years ago, it was not allowed to dock in the Burrard Inlet. The government forced the ship to depart under the discriminatory Continuous Passage Act. When the ship arrived back in India, 20 passengers were killed.

The descendants of those who were on the *Komagata Maru* deserve closure. The community, along with the NDP, have long called for a meaningful apology, to be made in Parliament. Successive governments have failed to do so.

In 2014, at an event in Surrey organized by the Prof. Mohan Singh Memorial Foundation of Canada, the now Prime Minister promised that he would make a formal apology in Parliament within the first 90 days of the Liberal government's mandate. It has now been more than 100 days, and we are still waiting.

My motion on the order paper calls for action. I call on the government to build on the hard work of the former NDP MP Jasbir Sandhu to finally bring justice and healing to the community.

* * *

ENERGY EAST PIPELINE

Mr. Jim Hillyer (Medicine Hat—Cardston—Warner, CPC): Mr. Speaker, the Liberals voted against our motion on Monday to support the energy east pipeline.

Oral Questions

My riding of Medicine Hat—Cardston—Warner, in southern Alberta, has been greatly impacted by the recent downturn in the oil industry. Over 100,000 Albertans have lost their jobs. However, this is much bigger than local politics; it is about the entire Canadian economy.

This is one time when the Prime Minister does not need to favour Quebec politicians over Alberta. Quebeckers are with us. They need jobs and a stable economy too. Liberals should not talk to us about social licence. Countless Canadians desperate for work and desperate to make ends meet are all the social licence the Liberals need.

The Conservative Party will always stand up for Canada's natural resources sector. The pipeline is the most effective way, the most efficient way, and the most environmentally responsible way to get our energy resources to market. What is the holdup? The Liberals should get that pipeline going and get Albertans back to work.

* * *

• (1415)

WORLD CANCER DAY

Mr. Arnold Chan (Scarborough—Agincourt, Lib.): Mr. Speaker, as already noted in this House, today marks World Cancer Day. This day aims to reflect on how we can make a difference in the global fight against cancer. Cancer affects everyone in different ways.

Last year, I was also diagnosed with cancer, forcing me to take a leave from my parliamentary duties. After almost six months of treatment, and with the great support from family, friends, and colleagues in this House, I am proud to once again stand in this place.

We have the power to take various actions to reduce the impact cancer can cause individuals, families, and communities. It is a chance to reflect on what we can do, either by making a pledge or taking action.

Today I invite my colleagues to participate in the global #NoHairSelfie initiative to show their solidarity with cancer patients from all over the world. Luckily, it will not require them to actually shave their heads, as they can do so virtually with a no-hair selfie photo by using an app that is available online. This is a fun way to show our support for this cause.

ORAL QUESTIONS

[Translation]

PORT OF QUÉBEC

Hon. Rona Ambrose (Leader of the Opposition, CPC): Mr. Speaker, there are 8,000 jobs in the greater Quebec City area associated with the Port of Québec. The ferry terminal project and the Foulon walkway project, which our party supported during the election campaign, are important to the port's prosperity.

The Port of Québec is still waiting for an answer from the Liberal government.

Will the Prime Minister assure the people of Quebec City that he will not drag his feet and jeopardize jobs, as he is doing elsewhere in the country?

Hon. Marc Garneau (Minister of Transport, Lib.): Mr. Speaker, we certainly recognize that the Port of Québec is an important port along the St. Lawrence that is part of Quebec's maritime strategy. This port plays a key role in the delivery of bulk commodities and, as my colleague mentioned, in the ferry sector. We are examining this request and will make a decision in the near future.

* * *

[English]

NATURAL RESOURCES

Hon. Rona Ambrose (Leader of the Opposition, CPC): Mr. Speaker, yesterday, in Edmonton, the Prime Minister was asked a very direct question. His response, or his non-response, was very troubling, troubling to every resource worker who is laid off and all of their families that are worrying about where their next paycheck will come from.

The Prime Minister could not bring himself to say yes yesterday, so I am going to ask him here one more time. If job-creating energy projects get through his new process at the National Energy Board, will the Liberal cabinet also approve them, yes or no?

Hon. Bill Morneau (Minister of Finance, Lib.): Mr. Speaker, we find it pretty ironic that members on the opposite side, who were not able to get resources to tidewater over nine years, are talking about what we are trying to do.

We are looking for a way to actually get resources to tidewater. We have been very clear about this point. We are working hard to get the licence required to do that. We are convinced that our approach will make a real difference for people in Alberta, Saskatchewan, Newfoundland and Labrador, and across this country.

Hon. Rona Ambrose (Leader of the Opposition, CPC): Mr. Speaker, here is the problem. The Prime Minister already has a record of blocking job-creating energy projects. Northern gateway was approved with 204 conditions, but then the Prime Minister killed it with his unilateral transportation ban off the west coast, so that is his record.

It would do a lot more for investor confidence and public confidence if the government would stand behind its own process.

I ask again, if new projects get through this new process, will they be approved by the Liberal government, yes or no?

• (1420)

Hon. Bill Morneau (Minister of Finance, Lib.): Mr. Speaker, with respect to the hon. member, here is the real problem. The real problem is that the Conservatives were not able to do anything over nine years getting resources to market. On what basis do they have any credibility in asking us how we are going to do it?

We are going to take an approach that is actually going to get resources to tidewater. We are going to make a difference for the people who need us to make a difference across this country, creating real economic growth through getting our resources to market.

* * *

[Translation]

REGIONAL ECONOMIC DEVELOPMENT

Mr. Gérard Deltell (Louis-Saint-Laurent, CPC): Mr. Speaker, the Minister of Transport's earlier response regarding funding for the Port of Québec was vague, to say the least.

The port is not the only organization in Québec City waiting for news from this government. There is also the National Optics Institute, which is a very important institute that generates jobs. Nearly 4,000 jobs have been generated by this centre for development and applied research.

If the port has to wait, will the NOI, which needs its funding by March 31, get a positive response from this government?

[English]

Hon. Navdeep Bains (Minister of Innovation, Science and Economic Development, Lib.): Mr. Speaker, I understand the great work done by this institute. It does great work to commercialize innovative ideas to market to help SMEs. We have had a productive conversation with it, and we will provide it with a timely response in regard to funding.

We understand the importance of growing the economy. We understand the importance of innovation and creating jobs, and we will continue to work with that institute and other institutes across the country.

[Translation]

Mr. Gérard Deltell (Louis-Saint-Laurent, CPC): Mr. Speaker, words are nice, but firm commitments are needed. The port and the National Optics Institute are not the only ones with needs. Université Laval also needs funding for the Institut nordique du Québec.

The Liberal Party has yet to follow through on its commitments. The people of Québec City want answers. The Liberals' track record in Québec City in the first 100 days is zero plus zero, which equals zero.

When will the government follow through on its commitments to the people of Québec City?

[English]

Hon. Navdeep Bains (Minister of Innovation, Science and Economic Development, Lib.): Mr. Speaker, our number one priority is the economy. We will make investments in aerospace, automotive, by-products, biopharmaceuticals, business services, chemicals and plastics, digital media, financial services, food and beverage, media devices, mining industries, oil and gas, renewable energy, retail, and software.

I can go on and on, but the bottom line is that we will grow the economy and create jobs.

Oral Questions

JUSTICE

Hon. Thomas Mulcair (Outremont, NDP): Mr. Speaker, Canadians learned today that it is upwards of 3,000 indigenous people, who suffered abuse in residential schools, who have had their claims denied because of a technicality.

It was the Department of Justice that came up with this loophole, and argued against these victims in court. This is contrary to the spirit of reconciliation and a violation of the residential schools agreement.

Will the Minister of Justice instruct her officials to back down? Will she also apologize for this tactic and provide the compensation these survivors are entitled to?

Hon. Jody Wilson-Raybould (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I would like to thank the hon. member across the way for the question and certainly the passion he expresses with respect to indigenous people.

Without question, I share that same passion, as does our government, to ensure that we implement the Indian Residential Schools Settlement Agreement in a timely and fair way. As the Minister of Justice, I take very seriously my commitment to follow through with our commitments in the election to ensure that we are compliant with the charter and to ensure that there is fairness.

I have instructed my hard-working and dedicated officials to come up with options to remedy this situation, working with the Minister of Indigenous and Northern Affairs—

The Speaker: The member for Outremont.

* * *

INTERNATIONAL TRADE

Hon. Thomas Mulcair (Outremont, NDP): Mr. Speaker, I thank the minister for her answer, but she said, “in a timely..way”. Does she not think these victims have already waited enough?

[Translation]

Yesterday, the government signed the trans-Pacific partnership, which will add hundreds of millions of dollars to the cost of the public drug insurance plan, according to a recently published study.

My question for the government is simple. Does it plan on compensating the provinces for the increased costs of their public drug insurance plans, yes or no?

● (1425)

Mr. David Lametti (Parliamentary Secretary to the Minister of International Trade, Lib.): Mr. Speaker, I thank the hon. member for Outremont for his question.

Parliament will have an opportunity to study the TPP by means of a parliamentary committee, and there will be consultations with Canadians. We will certainly examine the impact on various sectors, and we will look not only at the challenges, but also at the solutions should we decide to ratify the agreement.

Oral Questions

Hon. Thomas Mulcair (Outremont, NDP): Mr. Speaker, the Liberal government signed the trans-Pacific partnership, which the Conservatives negotiated in secret, without conducting an economic impact study. Canadian innovators and creators are afraid of losing billions of dollars by giving the United States the upper hand on intellectual property. The founder of BlackBerry even called the agreement “the worst thing in policy that Canada’s ever done”.

Why is the Prime Minister bent on signing an agreement that we know will hurt jobs and innovation in Canada?

Mr. David Lametti (Parliamentary Secretary to the Minister of International Trade, Lib.): Mr. Speaker, I thank the hon. member for Outremont for his question.

We will study the impact of the TPP. That is what we have been doing by holding consultations since October 19, as we did during the election campaign, and that is what we will continue to do by means of the Standing Committee on International Trade here in Parliament. The important thing is whether we ratify the agreement. Signing it does not mean much; ratifying it does. We will make that decision after we study the agreement.

Hon. Thomas Mulcair (Outremont, NDP): Mr. Speaker, does the member often sign deals that he does not agree with?

[*English*]

After promising openness and accountability, the Liberals signed onto a trade deal negotiated in secret with no economic impact study—he just admitted it: he wants to do the study after signing—and no mandate from Canadians to sign.

Now that they have signed, further changes are impossible. Since they are gambling with Canadian jobs, perhaps it was appropriate that they signed it in a casino.

Will the government admit that it just signed away any possibility of making changes to the wrongheaded Conservative trade deal?

Mr. David Lametti (Parliamentary Secretary to the Minister of International Trade, Lib.): Mr. Speaker, it is true that the previous government negotiated this accord in secret, but it is also true that the hon. member for Outremont decided not to support the agreement without even having read it.

We promised the Canadian public during the election that we would study the agreement and we would look at all aspects of the agreement in depth, and that is precisely what we have done and what we are going to continue to do.

* * *

FINANCE

Hon. Lisa Raitt (Milton, CPC): Mr. Speaker, at the first finance committee meeting today, on our suggestion, it was agreed that we do some pre-budget consultations, bringing in witnesses from across Canada.

A suggestion was made as well that the Minister of Finance appear at the committee.

My question for the minister is this. Will he take the invitation and appear before the committee for pre-budget consultations?

Hon. Bill Morneau (Minister of Finance, Lib.): Mr. Speaker, I want to thank the hon. member for her question. I can say that I have done an enormous number of pre-budget consultations across this country, in actuality from coast to coast.

We have seen people from all sectors of the economy. I have listened more than any minister of finance has ever listened in the history of this country. We have 3,500 budget submissions.

Hon. Lisa Raitt (Milton, CPC): Mr. Speaker, I found that really funny. It is going to be hard after that. It is kind of weird.

One of the things I did note in committee today, in all fairness, is that we do not want pre-budget consultations at the committee to hold up the budget. Canadians want a budget. They want a plan. They want to know what is going on.

My question to the Minister of Finance is pretty simple. Does he feel he has the ability to actually make a decision and tell us when the budget will be?

• (1430)

Hon. Bill Morneau (Minister of Finance, Lib.): Mr. Speaker, I would like to thank the hon. member for her question. I would like to remind her what happened last year when the budget was actually announced far after the traditional season.

This year we are working to listen to Canadians as best we can. We have heard from thousands upon thousands of Canadians. We have had 3,500 submissions. We owe it to Canadians to actually go through those submissions. We are doing so.

We will get to the budget as expeditiously as we can, recognizing our challenging economic environment.

[*Translation*]

Mr. Luc Berthold (Mégantic—L'Érable, CPC): Mr. Speaker, we want to know what the Minister of Finance has to say.

Today the House is debating an opposition motion that stems from the “Fiscal Monitor” put out by the Department of Finance, which clearly indicates that the Conservative government left a surplus. However, members of this government continue to deny the truth.

Will the Minister of Finance set an example and stand up here to tell the House that he has confidence in his own officials? Will he acknowledge that his government inherited a \$1-billion surplus?

Hon. Bill Morneau (Minister of Finance, Lib.): Mr. Speaker, the only people who believe that the previous Conservative government left a surplus are the Conservatives themselves.

Canadians will not be fooled. Make no mistake, the Government of Canada is going to run a deficit for the 2015-16 fiscal year, a deficit that will result from the previous government's measures and inaction. That is a fact.

Mr. Luc Berthold (Mégantic—L'Érable, CPC): Mr. Speaker, Canadians support infrastructure investments, but few Canadians support the unnecessary deficits that result from Liberals funding their pet projects.

We know that as deficits increase, confidence in the government's ability to manage decreases. There is every indication that the government is going to post a deficit of more than \$20 billion.

Oral Questions

Will the Minister of Finance tell the House that that is not the case? How large will the Liberal deficit be?

[English]

Hon. Bill Morneau (Minister of Finance, Lib.): Mr. Speaker, it is particularly ironic that members from a party that inherited a \$13 billion surplus from a Liberal government in 2006 and then added \$150 billion in debt to Canadians are talking to us about this. On top of that, they did it while creating the lowest rate of growth since the Great Depression, maybe because they spent the money on things like gazebos.

We have a different plan. We are going to spend on productive assets that can help our country to do better in the future.

* * *

[Translation]

TAXATION

Hon. Maxime Bernier (Beauce, CPC): Mr. Speaker, yesterday, we learned that after campaigning on a tax increase for the province's well-heeled citizens and then raising their taxes, the Liberal government in New Brunswick is realizing that this is not working and that the government coffers are bare. You cannot create wealth by raising everyone's taxes.

Why is this government being so stubborn? Why is the Minister of Finance bent on raising Canadians' taxes?

[English]

Hon. Bill Morneau (Minister of Finance, Lib.): Mr. Speaker, I just want to say how much I appreciate the question from the hon. member, because it provides me with an opportunity to remind all the people here that we actually lowered taxes on nine million Canadians. As of January 1 this year, nine million Canadians have more money in their pockets.

It is true that we raised taxes on a very small proportion of Canadians, whom perhaps the hon. member is talking about. We recognize that we have helped the vast majority of people in this country.

Hon. Maxime Bernier (Beauce, CPC): Mr. Speaker, middle-class Canadians need Liberal governments to get out of the way and not raise their taxes. That is simple. If it keeps raising taxes, there will be less revenue and fewer jobs.

When will the finance minister realize that taxing Canadians is not a solution for prosperity in this country?

Hon. Bill Morneau (Minister of Finance, Lib.): Mr. Speaker, Canadians elected a new government on October 19. They recognized that we had a plan. We had a plan to deal with low growth through bringing forward a new approach. We reduced taxes on the middle class, which will stimulate the economy while helping nine million Canadians. We are going to help the most vulnerable people in this country by giving them a Canada child benefit. We are going to stimulate the economy through infrastructure investments that can make a real long-term difference in productivity for this country.

• (1435)

INTERNATIONAL TRADE

Ms. Tracey Ramsey (Essex, NDP): Mr. Speaker, the trade minister just signed the TPP, which will cost tens of thousands of good jobs across Canada. This deal was negotiated in secret and many Canadians still are not aware of the details, but the more they learn, the more they oppose the TPP. Maybe that is the reason the minister rushed to sign it without consulting Canadians and without any study of the economic impacts.

How are Canadian workers supposed to trust in consultations, with a minister who is in such a rush to sign away their jobs?

Mr. David Lametti (Parliamentary Secretary to the Minister of International Trade, Lib.): Mr. Speaker, we signed the agreement precisely to give us the time to look at the accord, to look at the treaty in depth, to study it, to get the proper studies done, to do this work through our parliamentary committee. It is ratification that is important. We have not taken a decision on ratification yet. We signed it in order to give us the time to look at this treaty properly.

Ms. Cheryl Hardcastle (Windsor—Tecumseh, NDP): Mr. Speaker, the reality is that the TPP is a threat to our economy, and Windsor—Tecumseh and Essex County have already suffered hard blows to the auto sector. We know. Do not dismiss our concerns. We need meaningful consultation. The auto sector supports more than 120,000 good jobs in our province. However, the trade minister, back in 2008, wanted to let the big three go bankrupt, and now the trade minister signed a bad deal that puts our auto jobs at risk again—

The Speaker: Order, please. The hon. Minister of Economic Development.

Hon. Navdeep Bains (Minister of Innovation, Science and Economic Development, Lib.): Mr. Speaker, I do appreciate the passion the hon. member has demonstrated.

The bottom line is that we understand the importance of the automotive sector. It creates half a million direct and indirect jobs in Ontario. That is why I went to Detroit to meet with the global heads of the OEMs to talk about investments in Canada.

We will use the automotive innovation fund and the automotive supplier innovation fund to attract investments and to create jobs in this very important sector.

* * *

GOVERNMENT APPOINTMENTS

Mr. Blaine Calkins (Red Deer—Lacombe, CPC): Mr. Speaker, the Immigration and Refugee Board of Canada website states:

The reappointment process for IRB members will continue to reflect a performance evaluation consistent with the merit-based competency criteria. The Minister will continue to recommend the reappointment of members...after taking note of the IRB Chairperson's recommendations concerning performance and operational needs.

Oral Questions

Could the government House leader tell us this? For the reappointed IRB members he has politically intimidated to resign, what specific problems with their performance were identified?

Hon. Dominic LeBlanc (Leader of the Government in the House of Commons, Lib.): Mr. Speaker, we have said over and over again that the problem with the performance was the previous government's attempt, at five minutes to midnight, to appoint a whole bunch of people to jobs that took effect after it lost the election.

This is a case of projection. The real scandal is on that side of the House and the Conservatives are somehow trying to project it over here.

Mr. Blaine Calkins (Red Deer—Lacombe, CPC): Mr. Speaker, this is outrageous. This is political interference in the courts. Is there any court in Canada that can escape the reach of the new Liberal government? No one has ever done this before. No one has even had the gall to attempt something like this before.

Every minister in the past who has interfered with these tribunals has resigned. When is he going to get to it?

Hon. Dominic LeBlanc (Leader of the Government in the House of Commons, Lib.): Mr. Speaker, what a surprise to hear a member from that party speaking about attempting to intimidate a court. Canadians were shocked, and international jurists were shocked, when the former government tried to publicly intimidate the chief justice of the Supreme Court of Canada. That is something we will never do.

* * *

●(1440)

DEMOCRATIC REFORM

Hon. Michael Chong (Wellington—Halton Hills, CPC): Mr. Speaker, yesterday, when the government House leader was asked whether he and the cabinet complied with the law by voting four times last November 5, he said, "I want to assure the House and the member that at all times, everyone on this side complied with all legislation."

However, *Canadian Press* reported on November 5, that Liberal MPs chose unanimously to defer a decision on the rules. The government House leader is reported as saying, "We didn't think it was appropriate [to vote]". Could he explain this contradiction? Did he and his cabinet colleagues vote four times, in accordance with the law, yes or no?

Hon. Dominic LeBlanc (Leader of the Government in the House of Commons, Lib.): Mr. Speaker, the member is seeking to confuse two issues. The statute to which he referred refers to a caucus vote. A caucus vote is different than a cabinet vote, and the member has been in cabinet and he knows that cabinet does not vote. What he is trying to do is phrase a question to make it properly the business of the government when he knows very well that we answered that question after our first caucus meeting in November.

Hon. Michael Chong (Wellington—Halton Hills, CPC): Mr. Speaker, government ministers, at all times, must comply with the law, whether they are in caucus or out. The government does not get to pick and choose which laws they get to follow and which laws are

appropriate for them to follow. They must follow the law. The rule of law is the most sacrosanct principle of our democracy.

I encourage members opposite to Google the Parliament of Canada Act, section 49—

The Speaker: Order, please. The member is an experienced member. He knows that props are not allowed in the House, so I would ask him not to hold things up. We do not hold up any props, no matter what they are. The member knows that.

The member for Wellington—Halton Hills may go on.

Hon. Michael Chong: Mr. Speaker, I encourage members opposite to Google the Parliament of Canada Act, read section 49, and conclude themselves whether they followed the law on November 5.

My question is for the Attorney General. What will she do to uphold the rule of law and ensure that ministers acted in accordance with section 49?

Hon. Dominic LeBlanc (Leader of the Government in the House of Commons, Lib.): Mr. Speaker, you know very well that the Minister of Justice acts every day to uphold the rule of law. This is a fundamental responsibility that she takes very seriously. We are proud of the extraordinary way she does that.

The hon. member can be assured that at all times ministers, members of the caucus, and surely he would agree all members of Parliament uphold the rule of law.

* * *

[*Translation*]

INTERNATIONAL TRADE

Ms. Brigitte Sansoucy (Saint-Hyacinthe—Bagot, NDP): Mr. Speaker, yesterday, an American giant bought Rona, a Canadian company with 23,000 employees and many suppliers.

At the same time, the government is signing the trans-Pacific partnership, an agreement that will cost us 60,000 good jobs, weaken family farms, and accelerate foreign control of our businesses.

Why is the minister signing an agreement that is clearly bad for our jobs and our dairy farms?

Mr. David Lametti (Parliamentary Secretary to the Minister of International Trade, Lib.): Mr. Speaker, I would like to thank the hon. member for her question.

As I just said, we are signing the agreement to give ourselves the time to have a parliamentary committee study it properly.

Should we ratify the agreement, we will work with the sectors affected. That is a commitment we made during the election campaign, and that is exactly what we are doing.

* * *

FOREIGN INVESTMENT

Mr. Alexandre Boulerice (Rosemont—La Petite-Patrie, NDP): Mr. Speaker, we only sign something if we agree with it.

Everyone but the Liberal government understands that.

Yesterday morning, Quebeckers woke up to bad news. Rona has been sold to American interests. Rona employees do not know what is going to happen to them tomorrow, but the bosses are pocketing \$40 million.

Will the minister commit to releasing the mandatory review of this foreign takeover and if so, will he table it here in the House so that everyone will know what is happening with our jobs here at home?

[English]

Hon. Navdeep Bains (Minister of Innovation, Science and Economic Development, Lib.): Mr. Speaker, I understand the concerns raised by the member opposite. That is why the Investment Canada Act is very clear. Any transaction over \$600 million automatically triggers a net benefit analysis. We have the resources and process in place to do that. The Competition Bureau will also examine it from its perspective. The shareholders have to look at it. However, the bottom line is that any decision we make will be in the best interests of Canadians and Quebeckers.

* * *

• (1445)

PUBLIC SAFETY

Ms. Ginette Petitpas Taylor (Moncton—Riverview—Dieppe, Lib.): Mr. Speaker, public safety officers put their lives on the line to keep us safe. Yet all too often they cannot access the support they need to cope with the trauma they experience. The results can be devastating. Some 39 first responders died last year from suicide. Hundreds are affected by mental health crises or operational stress injuries every year.

Could the Minister of Public Safety update the House on his commitment to help public safety officers and their families deal with the threat of operational stress injuries?

Hon. Ralph Goodale (Minister of Public Safety and Emergency Preparedness, Lib.): Mr. Speaker, I am pleased to tell the House that this past week dozens of leading experts, including those from the front line, met at the University of Regina to discuss a national strategy on post-traumatic stress injuries. My parliamentary secretary and I participated.

First responders, those we ask to stand in harm's way to keep Canadians safe, rightfully deserve the highest level of care and support. The Minister of Health and I are mandated to ensure that this is in fact the case. We are grateful for all the national support and enthusiasm for that effort.

* * *

FOREIGN AFFAIRS

Mr. James Bezan (Selkirk—Interlake—Eastman, CPC): Mr. Speaker, the Liberals have been all over the map on the fight against ISIS.

The Minister of National Defence suggested that we would stop ISIS from spreading into Libya. The Minister of Foreign Affairs said that no, we were not. The foreign affairs minister said that Canada would focus on improving security in Jordan and Lebanon and the defence minister said that no, we were going to stay in Iraq. Finally,

Oral Questions

when the defence minister was asked what the Liberal anti-ISIS plan was, he said that we should ask the Minister of Foreign Affairs who was in Rome.

Now the minister is back from Rome. Has he given the defence minister his marching orders?

Hon. Stéphane Dion (Minister of Foreign Affairs, Lib.): Mr. Speaker, contrary to the former government, this government will act together on the issue of fighting terrorism. It is why we are working very hard to have an integrated plan with the Minister of National Defence, who did a great job. The Minister of International Development did a great job, and I did my best as well.

With that, we will work in a complementary team with our allies in the coalition to fight this awful terrorist group, and we will do it courageously and with efficacy.

Mr. James Bezan (Selkirk—Interlake—Eastman, CPC): Again, Mr. Speaker, there is no plan

ISIS is a jihadi terrorist organization that is committing mass atrocities against religious and ethnic minorities. These are terrorists who believe in a dangerously radicalized version of Islam.

The Liberals are constantly rationalizing their behaviour and making excuses for ISIS. Now the Minister of National Defence is blaming climate change for ISIS.

Does the Minister of National Defence actually believe that climate change creates jihadi terrorists?

Hon. Harjit S. Sajjan (Minister of National Defence, Lib.): Mr. Speaker, as we know, in the complexities of conflict, we have to look at many different aspects of what causes it. When it comes to ISIL, Taliban, Boko Haram and the atrocities they commit, we have to be smart about it and ensure these atrocities are not committed again.

We will take the time to ensure we get this plan right.

[Translation]

Mr. Pierre Paul-Hus (Charlesbourg—Haute-Saint-Charles, CPC): Mr. Speaker, I will ask the question again and maybe we will get an answer.

For days now we have been asking the Minister of National Defence what his plan is to deal with the Islamic State. He said that the Minister of Foreign Affairs was dealing with it while he was in Rome.

The Minister of Foreign Affairs has returned. Did he submit his plan to the Minister of National Defence and can he share that plan with the rest of us?

Hon. Stéphane Dion (Minister of Foreign Affairs, Lib.): Mr. Speaker, indeed, I was in Rome, where I took part in the coalition meeting. I assured the coalition that Canada would be a strong and committed partner whose approach would complement the work of the other coalition members.

Oral Questions

This integrated and effective plan was very well received. I cannot provide any details, as the Prime Minister will share the details with us and all Canadians, right here in Canada.

Mr. Pierre Paul-Hus (Charlesbourg—Haute-Saint-Charles, CPC): Mr. Speaker, the Minister of National Defence has been causing confusion for weeks now. We still do not know how we are going to combat terrorism. We are not looking for reasons. It is time to find solutions.

The minister is confused when he talks about the reasons for the rise in terrorism.

Can he tell us how climate change is helping terrorists to cut people's heads off with knives and plant bombs?

• (1450)

[English]

Hon. Harjit S. Sajjan (Minister of National Defence, Lib.): Mr. Speaker, in the complexity of conflict and the horrible atrocities that terrorists commit around the world, we have to be smarter in this fight, because these threats are also increasing.

I will be taking the time to ensure that we get the right capabilities in the right areas at the right time so we can fight this terrorist threat.

* * *

INTERNATIONAL TRADE

Mr. Don Davies (Vancouver Kingsway, NDP): Mr. Speaker, prescription drug prices in Canada are already the second-highest in the world, and the trans-Pacific partnership will increase the cost of prescription medicine even more. A new study released this week estimates that TPP will add over \$600 million to drug costs in Canada.

Too many Canadians already cannot afford to purchase their medication. We need action to lower prices, not drive them up. Therefore, why is the government signing on to an agreement that would increase drug costs for Canadians?

Hon. Jane Philpott (Minister of Health, Lib.): Mr. Speaker, I agree with the member opposite that Canadians pay for too much for prescription drugs. We do, in fact, pay the second-highest per capita cost in the world.

Part of my mandate is to address the rising cost of drugs to ensure that prescription medicine is affordable and available to Canadians who need it. We intend to do that. We have a number of mechanisms by which we will do that. We have already taken steps in that regard. I will continue to address this issue.

Mr. Daniel Blaikie (Elmwood—Transcona, NDP): Mr. Speaker, the previous Conservative government notoriously mismanaged the temporary foreign worker program and allowed abuse to flourish. It meant downward pressure on wages and working conditions for Canadian workers, while encouraging the exploitation of foreign workers.

Now the TPP will make this worse. Employers will not even have to show that they could not hire Canadians to do the job before bringing in temporary foreign workers.

Will the Minister of Employment, Workforce Development and Labour stand today in the House and urge her government not to

ratify the TPP unless changes are made in this clause to ensure it will not bring the TFW back to Canada through the back door?

Mr. David Lametti (Parliamentary Secretary to the Minister of International Trade, Lib.): Mr. Speaker, in our consultations thus far in the TPP, we have heard opinions for, we have seen studies for, we have heard opinions against and have had representations against.

We are taking all of this into consideration. That will be the work of the committee. That will be a decision made before this Parliament. It will be this Parliament that decides whether we ratify the TPP.

* * *

FOREIGN AFFAIRS

Hon. Peter Kent (Thornhill, CPC): Mr. Speaker, it is time for the government to clarify its foreign policy positions, given the confusion and contradictions coming from the Liberals.

On the one hand, the foreign minister has said that Canada will break from our Conservative government's principled positions on Russia and its illegal occupation of Ukraine. On the other hand, the Liberal MP for Etobicoke Centre said in Kiev this week that there is no change in Canadian policy on Ukraine.

Exactly who speaks on behalf of Liberal foreign policy?

Hon. Stéphane Dion (Minister of Foreign Affairs, Lib.): Mr. Speaker, our position is very clear. It is only my colleague who is a bit confused. I will try to clarify it again for him.

Indeed, Canada's support for Ukraine is solid and will remain. Our friendship for Ukraine is not a matter of party or of government. It is a friendship between two countries that will remain.

Our ability to help Ukraine will be improved, though, because instead of snubbing Russia and not speaking to it, we will speak to Russia and tell it that what it is doing to Ukraine is wrong, as other countries are saying. Our—

The Speaker: Order, please.

The hon. member for Thornhill.

Hon. Peter Kent (Thornhill, CPC): Mr. Speaker, Russia has failed to implement any of its commitments under the Minsk agreement with Ukraine.

Fighting continues between Ukrainian forces and pro-Russian rebels despite the ceasefire, and a buildup of additional Russian forces is reported along the border.

Ukraine has appealed for tough new sanctions and more weapons. Here the Minister of International Trade and the Liberal MP for Etobicoke Centre are clearly at odds with the Minister of Foreign Affairs.

Why are the Liberals leaving the defence of Ukraine to others, just as they are doing in the fight against ISIS terrorists?

• (1455)

Hon. Stéphane Dion (Minister of Foreign Affairs, Lib.): Mr. Speaker, I want to answer with a quote: “I believe Canada will be direct, strong, and firm in its pressure on Russia.”

Who said that? The Prime Minister of Ukraine.

That is the point.

If the Government of Ukraine understands it, I am sure my colleague will.

* * *

PUBLIC SAFETY

Hon. Erin O'Toole (Durham, CPC): Mr. Speaker, the U.S. Senate hearing on Canadian fast-tracking of Syrian refugees heard yesterday that it would almost be impossible for Canadian officials to acquire the specialized skills needed to screen refugees under the pressure of the Liberal election timeline.

My question is for the chair of the public safety committee.

This morning, Liberals on that committee blocked a study on refugee security screening. Why is the safety of Canadians not important enough for the committee to study it immediately?

Mr. Robert Oliphant (Don Valley West, Lib.): Mr. Speaker, the committee met for the first time this morning and established a process whereby we will look at all important issues and determine which ones need to come first. Every issue dealing with the safety and security of Canadians will be considered seriously.

* * *

FISHERIES AND OCEANS

Mr. Colin Fraser (West Nova, Lib.): Mr. Speaker, earlier this week, a fishing boat called the *Jill Marie* and its crew ran into trouble off the coast of Yarmouth, Nova Scotia.

As we know, our oceans can become dangerous for fishermen, with unexpected changes in weather.

Would the Parliamentary Secretary to the Minister of Fisheries, Oceans and the Canadian Coast Guard explain to the House the response of the Canadian Coast Guard to this crisis situation?

[Translation]

Mr. Serge Cormier (Parliamentary Secretary to the Minister of Fisheries, Oceans and the Canadian Coast Guard, Lib.): Mr. Speaker, on January 30, the joint rescue coordination centre in Halifax responded to a distress call from a fishing boat, and the Canadian Coast Guard quickly took action to help the people aboard the *Jill Marie*.

A Canadian Armed Forces aircraft and a Coast Guard vessel, the CCGS *Spray*, were dispatched to conduct the search and rescue effort. The five fishermen on board were rescued before the boat

sank and they are safe and sound, much to the relief of their families. This is one of 9,000 rescue operations conducted by the Canadian Coast Guard each year.

I invite all members of the House of Commons to recognize the work done by the men and women of our Coast Guard.

* * *

[English]

HEALTH

Mr. Harold Albrecht (Kitchener—Conestoga, CPC): Mr. Speaker, while we recognize this week as National Suicide Prevention Week, suicide continues to be a major national public health issue in Canada.

In December 2012, Bill C-300, An Act respecting a Federal Framework for Suicide Prevention, was passed into law. This framework will help the hundreds of Canadians across Canada who are working with some of Canada's most vulnerable people.

Would the Minister of Health inform the House as to when we can expect some information as to when this bill will actually be implemented?

Hon. Jane Philpott (Minister of Health, Lib.): Mr. Speaker, I thank the member opposite for his tireless advocacy on behalf of this important issue.

I am pleased to inform him that as a result of his work in the past, the Public Health Agency of Canada has been working on the federal framework on suicide prevention. In fact, I have just seen an almost final copy of that framework.

I would be happy to meet with the member opposite to discuss it at any time, and we will continue to work to address this very serious matter of preventing suicide in this country.

* * *

DEMOCRATIC REFORM

Mr. Nathan Cullen (Skeena—Bulkley Valley, NDP): Mr. Speaker, governments in the past have chosen conflict over co-operation and have unilaterally changed voting rules in an often self-serving manner.

With the commitment that October 19 was the last first-past-the-post election, we must now create a voting system that truly respects and reflects the wishes of Canadians. They expect that the committee tasked with this momentous responsibility must also respect and reflect their wishes.

Will the minister agree to our proposal to work with the NDP, the Conservatives, the Bloc, and the Greens and seize this historic opportunity together?

Hon. Maryam Monsef (Minister of Democratic Institutions, Lib.): Mr. Speaker, allow me to make something perfectly clear: the reforms we choose must be designed to address the needs of all Canadians and go far beyond addressing the interests of the parties we represent. I urge all members of the House to adopt the same principle and work with us as we enhance our democratic institutions and serve the best interests of Canadians.

Oral Questions

●(1500)

REGIONAL ECONOMIC DEVELOPMENT

Mr. Chandra Arya (Nepean, Lib.): Mr. Speaker, as the 150th anniversary of our nation's capital draws near, many of my constituents feel that Ottawa has not received equal treatment from the economic development agencies over the last decade to help develop local projects and strengthen the local economy. In fact, Ottawa has received less than a dollar per capita in federal development agency funding.

Can the minister assure my constituents and all residents of the Ottawa region that we will be treated fairly when it comes to economic development projects?

Hon. Navdeep Bains (Minister of Innovation, Science and Economic Development, Lib.): Mr. Speaker, I would like to thank my hon. colleague for that very important question.

The national capital region is not just home to an amazing public service but home to a dynamic, innovative high-tech industry. I am working to support start-ups, scale-ups, and helping high-growth firms in Ottawa and across the country.

I look forward to working in partnership with my colleagues as we gear up to celebrate Canada's 150th anniversary here in the national capital region and across Canada.

* * *

PERSONS WITH DISABILITIES

Hon. Pierre Poilievre (Carleton, CPC): Mr. Speaker, Statistics Canada estimates that there are over one million blind or partially visually disabled Canadians. However, only 7% of literature is available in accessible formats like Braille, large print, and audio formats.

The Marrakesh Treaty amends copyright rules to give visually impaired Canadians access to 285,000 accessible books. We recently introduced legislation in the previous Parliament to adopt this treaty here in Canada, but it was interrupted by the election. I wonder if the government today would consider reintroducing that legislation so it could be passed forthwith.

Hon. Carla Qualtrough (Minister of Sport and Persons with Disabilities, Lib.): Mr. Speaker, I am very proud to support the work of my colleague, the Minister of Innovation, Science and Economic Development, as he leads our work on the Marrakesh Treaty.

Over one million Canadians who suffer from vision loss, including me, really need to have this kind of alternate format.

I am very proud to be part of a government that triumphs and trumpets accessibility and inclusion, and I look forward to bringing this to the House.

* * *

[Translation]

FOREIGN INVESTMENT

Mr. Xavier Barsalou-Duval (Pierre-Boucher—Les Patriotes—Verchères, BQ): Mr. Speaker, the media in English Canada are getting involved in the debate on the sale of Rona and telling the government not to take action.

Rona employs 23,000 people in Quebec, including 1,000 at the head office in Boucherville, in my riding. Rona makes two billion dollars' worth of purchases from Quebec suppliers.

Former Liberal minister Monique Jérôme-Forget, from the Task Force on the Protection of Québec Businesses, has said that head offices are economic drivers.

Will the minister commit to protecting our jobs?

[English]

Hon. Navdeep Bains (Minister of Innovation, Science and Economic Development, Lib.): Mr. Speaker, as I said yesterday to the member, this is a very important issue. The Investment Canada Act is very clear when it comes to the net-benefit analysis that is done. Because this transaction is close to \$3.2 billion, it would automatically trigger a net-benefit analysis. We will make sure that we have the appropriate resources and process in place to do the analysis. As I mentioned before, the Competition Bureau will look at it, the shareholders will look at it, but the bottom line is that we will do what is in the best interests of Canadians and Quebecers.

[Translation]

Mr. Gabriel Ste-Marie (Joliette, BQ): Mr. Speaker, through the Caisse de dépôt et placement du Québec, an institutional fund management company, the Government of Quebec can sell its Rona shares, which would allow the deal to go through, or it can refuse to sell those shares, which would block the deal. Should it agree to the sale, there is one thing it cannot do: impose conditions to force Lowe's to respect its commitments with regard to its head office, jobs, supply chain, and the SMEs that depend on it. That is, however, something this government can do.

Will the minister commit to imposing conditions to protect our SMEs and protect economic activity in Quebec?

[English]

Hon. Navdeep Bains (Minister of Innovation, Science and Economic Development, Lib.): Mr. Speaker, I can assure the member opposite that this government is very committed to making sure that we have strong Canadian businesses from coast to coast to coast. When it comes to this particular transaction, there are clear guidelines set in the Investment Canada Act, the legislative framework that makes it very clear that there is a process in place to deal with these kinds of transactions.

The bottom line is that jobs are important and making sure that we have the best interests of Canadians is important. We will make sure that we follow the process, that we have the resources in place, and that what we do is good for Quebecers and Canadians.

* * *

●(1505)

[Translation]

PRESENCE IN THE GALLERY

The Speaker: I would like to draw to the attention of hon. members the presence in the gallery of the hon. Pierre Paradis, Quebec's minister of agriculture, fisheries and food.

Business of Supply

Some hon. members: Hear, hear!

[*English*]

The Speaker: I would also like to draw to the attention of hon. members the presence in the gallery of the Hon. Shirley Bond, Minister of Jobs, Tourism, and Skills Training, and Minister Responsible for Labour for the province of British Columbia.

Some hon. members: Hear, hear!

The Speaker: I would also like to draw to the attention of hon. members the presence in the gallery of the Hon. John Rustad, Minister of Aboriginal Relations and Reconciliation for the province of British Columbia.

Some hon. members: Hear, hear!

* * *

BUSINESS OF THE HOUSE

Mr. Andrew Scheer (Regina—Qu'Appelle, CPC): The question everyone has been waiting for, Mr. Speaker. I am just wondering if the government House leader could update the House on the business for the rest of the week and for the week that we return after our constituency work week.

[*Translation*]

Hon. Dominic LeBlanc (Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I thank my friend for his very important question.

This afternoon, we will continue debate on the Conservative Party's opposition motion. Tomorrow, the House will debate Bill C-4, which repeals provisions having to do with unions.

On Tuesday, February 16, after our constituency work week, as my colleague says, we will resume debate on this very important bill.

[*English*]

On Wednesday, we will commence second reading debate on the bill currently standing on the order paper in the name of the President of the Treasury Board.

Lastly, I would like to designate Thursday, February 18, as the fourth opposition day of this supply period.

I want to wish you, Mr. Speaker, and colleagues a very productive and hard-working week in your constituencies and look forward to seeing everybody back on February 16.

• (1510)

Mr. Gordon Brown (Leeds—Grenville—Thousand Islands and Rideau Lakes, CPC): Mr. Speaker, I rise on a point of order. I seek unanimous consent for the following motion:

That, notwithstanding any Standing or Special Order, at the conclusion of the debate on today's opposition motion, all questions necessary to dispose of the motion be deemed put, a recorded division deemed requested and deferred until Tuesday, February 16, 2016, at the conclusion of oral questions.

The Deputy Speaker: Does the chief opposition whip have the unanimous consent of the House to propose the motion?

Some hon. members: Agreed.

The Deputy 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

[*Translation*]

BUSINESS OF SUPPLY

OPPOSITION MOTION—DEPARTMENT OF FINANCE

The House resumed consideration of the motion.

Mr. François-Philippe Champagne (Parliamentary Secretary to the Minister of Finance, Lib.): Mr. Speaker, I will be sharing my time with my colleague from Mississauga—Lakeshore.

It is a privilege for me to be here to participate in this important debate on today's motion.

I would like to reassure my hon. colleague that we have complete confidence in the abilities of the dedicated officials at the Department of Finance, who are currently working on the 2016 budget.

I can say that our budget will flesh out our plan to grow the economy, a plan that has the support of the Canadians who gave us a majority mandate last fall.

First of all, the government believes that all Canadians should have real and equal opportunities to succeed. This will be achieved by strengthening and growing the middle class. That is what we said throughout our election campaign, and that is what we are offering Canadians.

It will come as no surprise when I say that Canada is going through tough economic times. Although the recent U.S. economic performance is encouraging, emerging economies, especially China, are cause for concern.

Many analysts were counting on emerging economies, such as Brazil, Russia, India, China, and South Africa, to help stimulate economic growth. We now know that this will unfortunately not be the case.

Canada's economic performance was weak in 2015, which can primarily be explained by last year's drop in the price of oil. Make no mistake about it, the Government of Canada will post a deficit for the 2015-16 fiscal year, and this deficit is the result of what the previous government did and did not do. That is a fact.

The previous Liberal government left a \$13-billion surplus in 2006. The Conservative government wasted this surplus and racked up more than \$150 billion in additional debt, all the while managing to achieve the worst growth record since the Great Depression. Those are facts.

Our colleagues have told us all kinds of tales this morning, but what I just said is the truth. All of that, with no plan to grow the middle class, no plan to invest, and no plan for growth. That is the Conservative government's disastrous record.

Business of Supply

It is quite likely that the global economy will remain unfavourable in the future and that the price of commodities will remain low. There is no doubt that, as we begin to put our plan for economic growth and long-term prosperity into action, we are up against fierce headwinds.

However, in the face of this real challenge, there is also real opportunity to put in place the conditions to create long-term growth. This growth will create good jobs and help our middle class, the lifeblood of our economy, to prosper.

This is a good time to make targeted investments to support our country's economic growth. However, I want to be clear. We are going to focus on smart investments that promote economic growth while maintaining a commitment to fiscal responsibility.

We intend to focus on two particularly challenging issues. The first is restoring economic progress for the middle class, the backbone of our economy. We simply cannot claim that our country is prosperous if our middle class is having trouble making ends meet.

That is why the government followed through on its promise by making a tax cut for the middle class the first order of business on December 7, 2015. I am proud to say that, as of January 1, approximately nine million Canadians are receiving significant tax relief. This is a fair measure, and it is the smart thing to do for our economy.

In order to achieve this goal, we introduced Bill C-2, an act to amend the Income Tax Act.

● (1515)

This bill is merely the first step in our plan to grow the economy in the long term, create jobs, and help Canada's middle class prosper.

More specifically, Bill C-2 will cut the personal income tax rate, dropping it from 22% to 20.5%, and establish a 33% tax rate for individual taxable incomes above \$200,000. We are asking the wealthiest Canadians to contribute a little more.

Lastly, we are lowering the annual contribution limit for tax-free savings accounts, TFSAs, from its current \$10,000 back to its previous amount, which was \$5,500, and we are also reinstating the indexation of that limit. Our middle-class tax cut and the accompanying changes will help make the tax system fairer. As I mentioned, this bill is just the beginning of our government's measures to grow the economy.

In the next budget, we will introduce the new Canada child tax benefit, another important measure that will provide increased support to the vast majority of Canadian families and help lift hundreds of thousands of children out of poverty. That is right, I said hundreds of thousands of children. Unlike the existing program, the Canada child tax benefit will be simpler, more generous and more targeted to those who need it most. Plus, it is tax-free.

Together, these measures will help strengthen the middle class and help those who work hard to be a part of it. As a result of these measures, Canadians will have more money to save, invest, and help grow our economy. More generally, these measures will stimulate economic growth at a time when the global economy is cause for concern, to ensure that all Canadians will benefit.

The second challenge we are facing, and this may be the biggest one, has to do with creating the conditions for strong, long-term economic growth. Smart, targeted investments in infrastructure are essential to stimulating economic growth. Furthermore, now is the time to invest, while interest rates are at all-time lows.

Canadians made it clear that they want real change. They want their government to govern differently. They want to be able to trust their government and they want leadership that is focused on what is most important to them.

We are listening. Since early January, the Minister of Finance and I have been criss-crossing the country holding pre-budget consultations organized by the Department of Finance. We have gathered some very good ideas and excellent comments. Canadians have told us that they are concerned about the state of our infrastructure, including bridges, roads, public transit, sewers, and seniors' homes.

Canadian cities are growing rapidly, and all levels of government are facing the same challenge: making infrastructure investments that generate economic benefits for Canada and promote sustainable urban environments.

Over the next decade, we will invest \$120 billion in public infrastructure. Our investments will focus on making life better for Canadians and developing more lucrative business opportunities for our exporters.

To ensure that we are making strategic investments, we will work with the provinces and territories to address their most urgent needs. That is what Canadians expect of us. They want us to work together to make progress and begin building a better Canada.

A number of initiatives are important to our government's growth strategy for Canada. First, environmental sustainability will be central to the development of our natural resources sector. Together with our North American partners, Canada can and should be one of the most efficient and responsible energy producers in the world.

We will also support growing businesses to help them attract the talent, capital, and innovation they need to capitalize on business opportunities in the global market.

We will work with the provinces to develop a skills and labour strategy that promotes greater participation of under-represented groups.

We will work with the provinces and territories to improve the Canada Pension Plan and help Canadians achieve their retirement income security goals.

● (1520)

These are important objectives that can have a significant impact on our long-term growth.

In closing, there is no quick and easy solution. We are lucky to live in such a diverse and prosperous country. However, the challenges we are facing today are real and to overcome them we must find common ground despite our different points of view. I can assure my colleagues that our government is prepared to meet these challenges.

[English]

Hon. Lisa Raitt (Milton, CPC): Mr. Speaker, most recently in New Brunswick, the minister of finance and government there had to change their income tax rates as a result of changes that were made by the Liberal government to its income tax rates, regarding taxing higher tax brackets. I would like the parliamentary secretary to guarantee for me in the House that, when the Liberals introduce their new child benefit, which will be tax-free, they will not be detrimentally affecting the finances of our provinces.

[Translation]

Mr. François-Philippe Champagne: Mr. Speaker, I thank my hon. colleague for the question. We have already lowered taxes for nine million Canadians. That is exactly what we have done. We will continue to work on our social policies. We will also invest in the Canada child benefit. As we all know, and as we said during the campaign, this measure will help nine out of 10 families. It will be non-taxable and more generous. It will help lift hundreds of thousands of children out of poverty.

On October 19, this government was elected on a clear mandate to invest in the middle class. That is exactly what we will continue to do.

Ms. Ruth Ellen Brosseau (Berthier—Maskinongé, NDP): Mr. Speaker, I congratulate my colleague from Saint-Maurice—Champlain on his election and on his fine speech in the House today. I listened to him closely, but unfortunately, I did not hear the word pyrrhotite. In Mauricie, there are victims of the pyrrhotite problem. Nearly 4,000 families may be affected by this crisis.

During the election campaign, we promised to help these victims with very large investments. The Liberal Party also made promises to that effect. I hope to see money for this in the upcoming budget.

Can the Parliamentary Secretary to the Minister of Finance say whether the upcoming budget will include money for the pyrrhotite victims and whether that money will be separate from the money announced for infrastructure?

Mr. François-Philippe Champagne: Mr. Speaker, I would first like to thank my colleague from Berthier—Maskinongé for her question. Her riding is right next to mine, Saint-Maurice—Champlain.

I can assure my colleague that I have been working hard to move forward on the pyrrhotite file every day since I was elected on October 19. It is a complicated file, but things are progressing. I really thank my colleague, as well as the member for Trois-Rivières. The three members from the Mauricie region have raised this issue co-operatively, because we want to move it forward in order to help the victims.

[English]

Mr. Dan Albas (Central Okanagan—Similkameen—Nicola, CPC): Mr. Speaker, the only question I have is this. If the

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parliamentary secretary does not trust his officials at finance now, how will he trust them in 2019, when the Liberals supposedly want to rebalance the budget? Oh, I guess they do not have to worry about that because they will not even attempt to do that.

Would the member comment on why he does not believe his own officials?

• (1525)

Mr. François-Philippe Champagne: Mr. Speaker, more than anyone else, we do trust the public servants who will help us frame the next budget.

I had the privilege to travel with people from the department to listen to Canadians from coast to coast to coast. I had about 50 meetings with officials. We listened to Canadians. I can say that to serve with these people was one of the proudest moments I have had. They are excellent, and I am very proud of the work they are doing. We are working collaboratively to build the best budget.

On October 19, 2015, the people gave us a strong mandate, a mandate to work for them, to work for the middle class, and to build infrastructure to grow our economy. That is what the minister is doing, that is what I am doing, and that is what the people of the department are doing.

Mr. Sven Spengemann (Mississauga—Lakeshore, Lib.): Mr. Speaker, I rise today to underline the decisive steps that our government has taken to address challenges facing our economy, steps we took immediately after the Canadian people handed us a majority mandate for a new approach that prioritizes long-term economic growth.

Since last fall, we continue to see headlines about the weakness in the global economy. Despite volatility in this economy, what Canadians can always count on is the tireless professionalism of the many public servants working on their behalf. This is why I am so taken by the opposition's efforts to drag civil servants of the Department of Finance into an effort to score passive aggressive partisan points. It is simply unacceptable.

The numbers up to November 2015 are clear. They are in line with a projected small deficit for 2015-2016. Let us take a closer look at the numbers. Revenues for the April to November 2015 period increased by \$14.2 billion, or 8.2%, from the same period last year. These numbers are the result of unique circumstances, circumstances that are no longer congruent with the current fiscal realities, circumstances that do not reflect the previous government's stewardship of the economy. These circumstances were in part due to a \$2.1-billion gain realized on the sale of General Motors common shares in April and higher corporate income tax revenues.

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The opposition cannot bank on one-off situations and then claim sound economic management. The reality is that revenue growth is expected to slow over the remainder of the fiscal year, reflecting economic trends of collapsing commodity prices, prices that have not yet recovered and look to remain low over the medium term. The only people who believe that the previous Conservative government left behind a surplus are the Conservatives themselves. Canadians know better.

Make no mistake, the Government of Canada will post a deficit for the 2015-2016 fiscal year, and that deficit rests squarely on the shoulders of the actions taken and inaction of the previous government. This is a fact.

The previous Liberal government left behind a \$13 billion surplus in 2006. The Conservative government squandered that surplus and accumulated an additional \$150 billion in new debt, while still managing to deliver the worst growth record since the Great Depression. We have been, and will continue to be, proactive managers of the economy.

Since our earliest days in office, we have had a plan to grow the economy, create jobs, and invest in communities. It began with the government, as its first order of business on December 7, tabling a notice of ways and means motion to provide a much-needed tax cut for Canada's middle class. This is the first of three major economic planks on which we are moving forward. They reflect on what we feel is the lifeblood of Canadian society, the middle class.

I want to remind the opposition that it is our government that has brought tax relief to the middle class during these troubled times, a tax cut that puts money into the pockets of about nine million Canadians each year. This was the right thing to do and the smart thing to do for our economy. The proposed middle-class tax cut and accompanying proposals will help make the tax system fairer, so that all Canadians have the opportunity to succeed and prosper.

Canada is in a strong position to face the future. Our debt-to-GDP ratio is well below the G7 average, and keeping our debt-to-GDP ratio on a downward trajectory throughout our mandate remains a central plank of our economic agenda. We have a well-educated population. We have abundant natural resources. We are fortunate to have the world's largest economy as a neighbour. Also, diplomatically, Canada is back on the world stage in a big way. We are actively pursuing a long-term vision.

Many leading economists agree that strategic planning and investment in bridges, roads, and other building projects are essential ingredients for creating long-term economic growth. This type of investment requires forethought, planning, and most importantly, working with others. Our government is committed to working with provinces, municipalities, and indigenous communities to ensure that our funding decisions make sense for the present and future needs of those communities.

• (1530)

Going forward, the government will introduce proposals in the budget to create a new Canada child benefit. Payments under the new Canada child benefit would begin in July 2016. In addition to replacing the universal child care benefit, which is not tied to income, the proposed Canada child benefit would simplify and

consolidate existing child benefits, while ensuring that help is better targeted to those who need it most.

All of these initiatives demonstrate that our sights are clearly set on the future. These actions would help strengthen the middle class and those who are working hard to join it by putting more money in the pockets of Canadians to save, invest, and grow the economy. More broadly, they would help grow our economy in the context of a difficult global economic climate, so that all Canadians can benefit.

We have also brought an open and collaborative approach to how we are going to solve the problems that are facing us. To ensure that our plan is aligned with Canadians' needs, the government is continuing its pre-budget consultations online, as well as through submissions. We are open to hearing what Canadians have to say, and we have been encouraged by the record number of people engaged in sharing their ideas.

So far, Canadians have identified economic growth as their top priority. Canadians know that economic growth means bettering their own circumstances, but also bettering their communities. Canadians identify economic growth with opportunities not only for themselves but for the people in their communities and, indeed, across our great country.

The government will continue to develop measures and pursue a fiscal plan that is responsible, transparent, and suited to these challenging economic times. These plans will be most effective when all of us seize the opportunities to grow our economy together and for the benefit of all. Now is the time to overcome the challenges we face in our economy, in the House, and in Canadian homes. Given the headwinds that the Canadian economy is facing, it makes sense to follow through on our commitment to a strong and growing middle class, because it is central to a healthy economy and helps to ensure that all Canadians have a fair and real chance to succeed.

The economic and fiscal update presented in November gave Canadians a transparent picture of our economic and fiscal situation. It makes clear that the previous government put the country on track for a \$3 billion deficit. It takes into account such factors as low and volatile crude oil prices and a weak global economic environment, risk factors that have become more pronounced in recent months.

After 10 years of weak growth, this government has a plan to grow the economy, to create jobs by focusing on the middle class, by investing in infrastructure, and by helping those who need it most. My colleagues have spoken about the support that our plan has already received and, indeed, that our plan has received in my riding of Mississauga—Lakeshore. We will continue our focus, and we will aim to grow the economy in a responsible way, with a long-term vision.

Mr. Bev Shipley (Lambton—Kent—Middlesex, CPC): Mr. Speaker, I find it interesting. Canadians have a big problem on their hands with the current government. What they have is a government that does not seem to be able to understand and manage money. There is no accountability. When the Liberals ran, as the member mentioned, they were going to run a modest deficit of \$10 billion. I would ask that the member clarify whether that, in fact, is the number that the deficit will be.

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When the Liberals talked about this great tax relief, they said it would be revenue neutral. Even the private business that the finance minister was formerly involved with says it is actually not neutral. It is about a \$2 billion deficit. What has happened over the years is that, when Liberals get into trouble, they go back to the people, as they did in the 1990s when they cut the transfers to the provinces, and health care for municipalities, gutted the military, and then took a little swipe out of EI for some \$50 billion, which makes it really easy to start to balance budgets.

I am wondering if the member could help us understand if that is the route the Liberals are going to go now to help with the deficit and balance the budget at some point.

• (1535)

Mr. Sven Spengemann: Mr. Speaker, the member raised questions with respect to the government's understanding in the area of the management of the economy.

First and foremost, I would put to the member that it is the Liberal government that understands that an economy needs to be nurtured. If an economy were left to its own devices in this global setting, it would produce the economic record the Conservative government put forward over the last 10 years, which was the worst economic record since the Great Depression. Therefore, in terms of managing the economy and managing money, I do not think the Conservatives should carry too loud a voice.

Second, we went back to the people in October. They gave us a resounding mandate to invest in and grow the economy, to use those levers that are in the hands of government to make Canada better, to reach out to and strengthen the middle class, and to have a strategy for the future.

[*Translation*]

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

First I want to thank him for having pointed out that, in their motion, the Conservatives tried to exploit officials at the Department of Finance for political purposes, which is unfortunate.

I would like him to clarify the following point once again for our Conservative colleagues. The Conservatives just picked a number that suited them. If no changes had been made in the estimates, in other words, in the Conservative government's spending, there would have been a deficit at the end of this fiscal year.

Can he clarify this matter? I just want it to be clear for our Conservative colleagues. Can he confirm that that is what would have happened without any changes to the government's plans?

Mr. Sven Spengemann: Mr. Speaker, I thank my colleague for this excellent question.

It is not just about numbers. We could discuss and debate numbers all week, if we wanted to.

[*English*]

It is principally a question of looking forward and growing our economy.

One cannot take a snapshot and say that there is a surplus. No one in business does that. They look at long-term projections. Over the

period that the previous government was in power, we clearly saw not only a deficit but also the worst economic record since the Great Depression.

Once again, in October Canadians resoundingly told us that the globally integrated Canadian economy needs investment, needs nurturing, and needs active attention on the part of its government.

Hon. John McKay (Parliamentary Secretary to the Minister of National Defence, Lib.): Mr. Speaker, in reading the motion, it mentions expressing thanks for the hard work of the department and its evidence-based analysis. I wonder whether the motion should be amended to recognize that its hard work and evidence-based analysis were ignored by the previous government.

The motion goes on to thank the deputy minister and his team. Maybe we should further amend that and express our sympathies for having had to work with the ministers.

Does the member think those would be appropriate amendments that the Conservative Party opposite would appreciate?

Mr. Sven Spengemann: Mr. Speaker, of course, it is about science, it is about evidence, and it is about the public service. I am proud to say that I have been a member of the public service of Canada, and nothing makes me prouder than the women and men in our public service who are working day in and day out crunching statistics and making sure that we have the best available information in front of us. This underpins not only our finances and our budgetary system but our entire approach to government. It is evidence-based, it is forward-looking, and it is aimed at creating a better future for all Canadians.

• (1540)

Hon. Erin O'Toole (Durham, CPC): Mr. Speaker, I am proud to join the debate here today, and after the question from my friend from Scarborough, to hopefully elevate the debate to reality for a few moments.

This is a quintessential, classic, political tactic. When a new government comes into office, it usually spends its first number of months blaming the last group of people for all of its woes. We have seen this repeatedly. All parties have engaged in it to a certain degree.

What is unique about the debate before us today is that the Liberal Party, the new government, actually does not have support from the very departments that oversee the finances of the nation.

Normally, if a new government tries to blame the old guys for the problem, it has some form of evidence provided by the departments. It is usually last-minute spending for an election or that sort of thing. However, this is a case where it is a bridge too far. They are trying the old Liberal tactic, but they do not have the data to support it.

What is important to note about this motion is that if anyone in this House is disparaging the work of our professional public service, it is actually the government, because its own officials in Finance Canada and in the Office of the Parliamentary Budget Officer have confirmed that the previous government left Canada in a small surplus position.

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Everyone knows that for the last number of years, the global economy has been tight. There was not a tremendous surplus, but it was a surplus. In fact, the revenue stream was positive enough that despite early spending commitments and a willingness for the government to spend, each month is clicking away, and it is still gaining between \$500 million and \$1 billion in surplus. We saw that when the finance department confirmed a surplus of hundreds of millions of dollars in November.

This is one of the cases when the old and tried political trick does not work when its professional departments release information that shows that the trick is a phantom.

I would like to say that I am going to split my time with my colleague from Barrie—Innisfil. I should have mentioned it off the top.

It is important for Canadians, because this is a government that has a lot of new, eager, and capable members of Parliament. I know that they are here to do the best for the country. Many of them were not here when their leader was leader of the third party.

I said this last week in debate about the energy east pipeline. For several years, the Prime Minister, who at the time led the third party in this place, did not support running a deficit at all. In fact, knowing that the Conservative government had set a plan in place during the global recession to get Canada back to a balanced budget position by 2014-15, and seeing that Canadians were behind that position, the Liberal Party, at that time, took a position that they would not run deficits. As I said last week, it took an election campaign for that fundamental principle of the fiscal plan of a party to change. The Prime Minister, during the election, said that he would run, for a couple of years, a modest deficit of up to \$10 billion. That was certainly very different from the approach of the Conservative government, which had worked in a steadfast manner to get to balance.

After the election, after telling Canadians that it would be one or two years of modest deficits in the \$10-billion range, in the first few days of this new Parliament the government's number changed to \$20 billion per year. Canadians did not vote for that. Then, if anyone has been following in recent weeks, speculation is coming out that those numbers will be more like \$25 billion to \$30 billion for two to three years.

• (1545)

The real underpinning of the motion before the House today is not just to show that we cannot use the age-old game of blaming the last team. It is that the Liberals are changing their fundamental financial plan for Canada's future by the week. That is deeply concerning.

I suggested some time ago in a column I wrote that excessive spending is not sunny ways. When we are dishing out the dough, there may be some sunshine, but if we are putting Canada's financial position in a precarious situation, those are storm clouds on the horizon.

What we hear from the government already, in preparation for the budget, is the potential for a \$60 billion to \$90 billion deficit over the course of its four years. That is certainly different from a year ago, when the Prime Minister said no deficits. Then, during the election campaign, he said up to \$20 billion over the first two years, and then

they would balance. Now we are in the \$60-billion range at a time when the Liberals are also putting so many hurdles in the path of resource projects, or stopping them, that capital is fleeing Canada. Depressed resource prices and our dollar are compounding this, yet they are not changing this reckless plan.

The motion today is to set a stark line between the last government in this place and the present government. The Conservative Party believes that a balanced budget should be achieved whenever possible, that stimulus should be limited, and that a plan to end the deficit caused by stimulus in a recession should be clear and attainable.

Sometimes I say to my wife that I feel too young to be a “former”. I am a former air force person, a former lawyer, and a former minister. I am a young “former”. Many of the former ministers in this place have talked about the decisions of governing, and this is where I am very concerned that the Prime Minister is not ready to govern, because it takes decisions.

A minister in his government is famous for saying that it is not easy to make priorities. That is what Canadians elected them to do. Those priorities need to be getting a proper world price, or better than current price, for our resources. That includes budgets that do not put our future at risk. That includes not eliminating a popular measure for saving, the TFSA, or reducing it dramatically. That includes not driving out talent and our creative class by taxing stock options as income and by raising taxes on those very people.

When I was veterans affairs minister, we steadily increased and modernized the department. It is important to note, despite a lot of the rhetoric we hear on this, that the Chrétien government and the Martin government ended with a \$2.9 billion budget for Veterans Affairs Canada, and we ended with an approximately \$3.4 billion budget. Any way we slice it, despite a global recession and despite our pledge to balance the budget, which we did, we increased that budget by 15%. We spent in different areas, because post-Korean War and during 30 years of the Cold War, PTSD was not even discussed in a responsible way. The previous government went from the two operational stress injury clinics it opened to 27 by the time we left office, addressing a new need. That new spending went to areas of need.

We created a family caregiver relief benefit. We created the retirement income security benefit. We created the critical injury benefit, all new benefits passed in the last Parliament to address some of the gaps in the new Veterans Charter, which the previous government created. In fact, it was the now Minister of Immigration. All parliamentarians voted for it, and our government implemented it and fixed it along the way.

Business of Supply

That took decisions, because when we want to balance the books, when we do not want to raise taxes on Canadians, when we want to lower them, it means making priorities.

The motion before the House today draws a line in the sand. The previous government planned; spent in priority areas; tried to get jobs created through innovative new sectors and by supporting our resource sector; spent prudently; created retirement tax planning, with the tax-free savings account; and allowed all families a benefit with the universal child care benefit.

• (1550)

We made those decisions and balanced the budget. The Department of Finance officials confirm that. It is about time that the new government recognizes that, and starts a new course to make sure the sunny ways do not turn into storm clouds on the horizon.

Mr. Kyle Peterson (Newmarket—Aurora, Lib.): Mr. Speaker, I want to thank my friend opposite, the member for Durham, for his fantastic insight into this debate today. We go way back. We both studied at Dalhousie Law School together, so I am happy to be joining him in the House. My in-laws have the great pleasure of living in the great riding of Durham. I do not believe they took a sign of my friend during the election, but in any event I know he is a bright guy. We obviously have a similar education so he cannot help but be bright.

How does he reconcile his position about anti-deficit spending when his government for the last 10 years racked up \$150 billion in debt? We must conclude that the Conservative Party when in government has no problem with deficit spending, had no problem during 2007-08 going into deficit because it was necessary at the time because of the economic crisis. How does he reconcile that as his party today speaks constantly about the economic crisis and the job losses in Alberta and throughout Canada? Why is today not appropriate for deficit spending but it was in 2007-08?

Hon. Erin O'Toole: Mr. Speaker, I appreciate that question from my learned friend from Newmarket—Aurora. He was a year behind me at Dalhousie Law School and I am quite sure he graduated. I know he did and he had a very successful law practice before coming to this place.

As a lawyer, he knows that before we conclude, as he mentioned in his remarks, we have evidence and the evidence is clear. We did run a deficit, but the previous prime minister was crystal clear with Canadians that our deficit spending was time limited, was stimulative, and was part of a longer-term plan to get to balance by 2014-15, which we did. At the time, as I said previously, we lowered taxes on Canadians, particularly families and seniors, and grew the economy modestly.

Our success record was stronger than most countries in the G7 through that global recession. The difference and the line in the sand we are drawing is the plan the new Liberal government seems to have deficits going up with no end in sight, not going down. The deficits were estimated to be \$10 billion or \$20 billion in their election plan, going to \$60 billion plus. I would urge that bright young member of the House to speak up on Wednesdays and pull the reins back on spending in his caucus.

[*Translation*]

Ms. Monique Pauzé (Repentigny, BQ): Mr. Speaker, the Conservative government used a number of questionable strategies to balance the budget. It slashed postal services. It cut the CBC's funding, which has gutted regional news services, for example. It reduced its reserve from \$3 billion to \$1 billion. It pocketed \$1 billion by selling its General Motors shares. It took billions of dollars from the employment insurance fund while just 38% of unemployed workers were entitled to benefits.

Is the official opposition willing to pressure the government into keeping the employment insurance fund separate from the consolidated revenue fund and to have it serve those for whom it was created?

• (1555)

[*English*]

Hon. Erin O'Toole: Mr. Speaker, the member mentioned a few things in her question. The record would show that during the global recession the government eased EI rules to make sure that there was a longer period. Knowing that the economy would be tight, we provided more flexibility for people to qualify. That is something we have been urging the new Prime Minister to extend to Alberta in the challenging situations it has been in. We have made sure that going forward the EI fund will be run prudently and not picked from as the previous Liberal government did regularly.

The member also mentioned the auto sector and I am passionate about that, representing the Durham region part of Oshawa. I would note I was born in Quebec. My father worked at General Motors at Sainte-Thérèse and I am very proud of that plant, which closed under the Chrétien government.

Our trade deals and our deals we signed with the European Union in particular, on top of the loan we provided for the auto sector to help it through the global recession, are causing what is happening now, record sales in autos. Along with Ontario, we took back the money we loaned as was the normal plan. We have an auto sector today, with the Edge vehicle built in Oakville, for around the world new investments, and the auto innovation fund. We secured an industry that was on the precipice. We are not going to let happen to Oshawa what the last Liberal government let happen to Sainte-Thérèse.

Mr. John Brassard (Barrie—Innisfil, CPC): Mr. Speaker, I am pleased to rise in the House today in favour of this motion.

I rise with complete objectivity, not being a part of the previous government. I am, however, very proud in the way the country's finances were run by the Conservatives. That is why I am a Conservative and why I believe the Liberals need to acknowledge the truth in the Department of Finance's report. I also believe that the Liberals have to stop blaming the previous government for the mistakes they are now making and the mistakes that many people in my riding know they are making.

Business of Supply

I would first like to thank the independent, non-partisan officials from the Department of Finance for their hard work and evidenced-based analysis for the most recent “Fiscal Monitor”, as well as the deputy minister and his team. I want everyone who works in the Department of Finance to know that this Conservative Party and Canadians respect the work they do. We know they do it well. The Conservative Party trusts the information they provide as the truth. We know the work they do is not political. It is a shame, really, that the Liberals are using their efforts for their own political gain.

The people of Barrie—Innisfil and from ridings across Canada expect the government to act in their best interest when it comes to spending taxpayers' money. The most important part of fulfilling that fiduciary obligation is to balance the books, just as Canadians have to balance their own household budgets on a monthly basis.

Seniors are especially vulnerable and hard hit when the cost of goods and services and taxes rise. In Barrie, 18% of residents have reached the age of 60. In Innisfil, 14.5% of the population are 65 or older. When a senior in this country has to make a decision between heating and eating, we know that something is structurally wrong.

It is important to deal with the facts when it comes to managing the economy. The reality is, the previous Conservative government paid down \$37 billion in debt before the great recession. Once that global financial tsunami hit our shores, a conscious decision was made to run deficits over the medium term. A comprehensive plan was put in place, and the previous government stuck to it.

Members from other parties were screaming for more and more spending, but a balanced approach was taken. The Department of Finance's official findings of the budgetary surplus of \$1 billion for 2015-16 is a clear vindication of the Conservatives' strong leadership on the economy through nearly unprecedented tumultuous economic times. It is also relevant to note that the parliamentary budget office has also substantiated that the surplus was received.

It is interesting as I sit on this side and listen to government officials talk about the parliamentary budget officer. It is amazing what they used to say when they were in opposition about the PBO. The current President of the Treasury Board said, “That office has become indispensable, both to us as parliamentarians and to Canadians, who want to know what their government is doing with their money.”

The current Minister of Foreign Affairs, on April 29, 2013, said, “No one can deny that the Parliamentary Budget Officer produced some excellent analyses. Instead of shooting the messenger, the government should have listened to and respected what he had to say.”

The current member for Scarborough—Guildwood said, “Mr. Speaker, in November 2008 the PBO predicted a deficit, the minister a surplus. The PBO was right, the minister wrong.”

At another time the member said, “the PBO tests the numbers against internationally recognized verifiers.... the PBO spends his money on peer-review panels rather than on spin and re-announcements.”

It is amazing to me how things can change once the government changes.

The studied, measured approach was an important reason why the deficit was reduced from \$55.6 billion at the height of the great recession to a projected surplus of over \$1 billion by 2016, which we now know was achieved.

Our rural areas, small towns, growing cities, and large urban centres all require targeted plans to stimulate the economy and promote economic innovation.

I am proud to be a member of a party that has a record of lowering taxes every year after coming into office. This made Canada competitive and allowed job-creating businesses to thrive. The former government recognized the best way to grow the economy and help create more jobs was to keep taxes low and to achieve a balanced budget.

• (1600)

The Liberals have not been clear on their plans regarding finances and the economy for Canadians. The new government must present a pro-growth agenda that involves tax cuts, free trade, and key investments in manufacturing, innovation, and infrastructure to get more Canadians working and earning more.

Since the election, I have been reminded by business leaders in my riding that their money is portable. One employer with 2,400 employees has told me point-blank that if taxes, debt, and deficits grow in this country and that burden falls on companies like his, he will seriously consider moving his operations. Money is portable.

As Canada's official opposition, the Conservative caucus is proud of its record of lowering taxes during its time in government. In fact, Conservatives reduced taxes over 200 times, saving the average Canadian family over \$6,600 per year. Those pocketbook-saving measures included roughly \$2.7 billion in annual targeted tax relief directly for the benefit of seniors and pensioners.

The Conservative caucus has always made lower taxes a priority. The Conservative Party has always recognized the importance of Canadians keeping more of their hard-earned money in their pockets. During the Conservatives' time in government, we removed over one million low-income Canadians, including 400,000 seniors, from tax rolls completely. We increased the amount that Canadians can earn before paying federal income tax at all, and we reduced the lowest personal income tax rate to 15%. We reduced the GST, we increased basic personal income tax exemptions from \$8,148 in 2005 to \$11,327 by 2015. We removed the \$10,000 limit that applies on the amount that caregivers can claim under the medical expense tax credit on behalf of certain dependants.

Business of Supply

Under the Conservatives, the federal tax burden has been the lowest in half a century. We are the party of lower taxes, lower spending, and strong economic management. The Liberal Party, on the other hand, is the party of big government, big deficits, and certainly big rhetoric. However, the numbers do not lie. If the Liberals run huge deficits, it will be their doing, and theirs alone. They will not be able to point to the previous government, as they so often do. The PBO and finance department are clear that the new Liberal government is beginning its mandate in the black due to hard work of the Conservative Party.

Unfortunately, the lack of tangible, clear economic plan for the party opposite spells doom for Canadians. The Liberals' laundry list of election-time promises point to a government that tried to be all things to all people in order to get elected. Their lack of details in governing signals the inevitability of economic instability, massive job losses, and higher taxation for all Canadians.

In their arrogance, the Liberals are running around this place and in Canada thinking that Canadians endorse their financial plan to place us deeper into debt and place us in a deep structural situation. I have news for them. There may have been other reasons why they got elected, but this is not one of them. Canadians, by nature, would not pile on debt or put their families into deficit or debt situations purposely and I do not believe they expect their government to do that either. I believe in that in all that I am.

In closing, I encourage all members to support this motion. Our economy is not a game. Choices have consequences. The stakes are high. By voting against this motion, the government would be signalling that it does not have any confidence in the employees at the highest levels of Finance Canada.

If the Liberal government does not trust its own officials, how can we expect it to prepare the budget or manage the finances of Canadians moving forward?

• (1605)

[Translation]

Mr. François-Philippe Champagne (Parliamentary Secretary to the Minister of Finance, Lib.): Mr. Speaker, the Conservatives are the only ones who are self-interested. Since my hon. colleague says that we are not following the recommendations made by our officials or departmental staff, I will quote the *Update of Economic and Fiscal Projections 2015*:

The Government will pursue an approach to fiscal management that is realistic, sustainable, prudent and transparent.

This *Update of Economic and Fiscal Projections* reviews the federal government's economic and fiscal outlook, which has deteriorated since the previous Government presented the budget in April 2015.

The Canadian economy contracted in the first half of 2015...

These economic developments have led to a downward adjustment to the fiscal outlook.

These developments have reduced the projected budgetary balance by about \$6.0 billion per year, on average, relative to Budget 2015...

These are the fiscal projections inherited by this Government.

Why does my colleague opposite keep telling Canadians things that are not true?

[English]

Mr. John Brassard: Mr. Speaker, clearly I am not stating things that I think are false. The document speaks for itself. It is time the Liberals start recognizing this and stop the rhetoric, stop blaming the previous government, when the document does show a surplus is there.

The fact is that the Liberals have been piling onto the debt with some of the decisions they have made early on. Many times over the last several months I have heard in the House about the middle-class tax increase. The Liberals went through the election saying that it would be revenue neutral when in fact this year there will be a \$1.4 billion deficit piled on to any other problems that may exist. Over the course of the next nine years, almost \$8.9 billion will be run into deficit because of the decisions the Liberals have made with that middle-class tax cut.

I would suggest that the Liberals are piling on the debt, not the Conservative Party. They need to stop blaming us for their mistakes.

[Translation]

Mr. Pierre-Luc Dusseault (Sherbrooke, NDP): Mr. Speaker, I thank my colleague for his speech. Since he is a very intelligent man, I am sure that he will not give in to intellectual dishonesty and he will confirm to the House that with the same level of spending, if there had been no change in government and no major changes to fiscal planning, there would have been a deficit at the end of the current fiscal year.

Can my colleague confirm that?

[English]

Mr. John Brassard: Mr. Speaker, going by the information that is in front of us, it is clear that what the motion talks about is that our government has left a surplus. It is time the Liberals started recognizing that.

Mr. Alexander Nuttall (Barrie—Springwater—Oro-Medonte, CPC): Mr. Speaker, one of the things my colleague from Barrie—Innisfil outlined is the surplus that was left for the Liberals. A month later the Liberal government outlined a deficit of over \$3 billion.

Has the Liberal government communicated to my colleague where or how it is spending the money? Has it provided any transparency or accountability to the House or to my colleague as a member of Parliament to date?

• (1610)

Mr. John Brassard: Mr. Speaker, obviously the Liberal Party is accountable to the House. We have been receiving information through the House and there are also plenty of media reports out there.

Business of Supply

I go back to the example I gave of the middle-class tax cut, the shell game that the Liberals are playing with the middle class. We will be paying for a \$1.4 billion deficit as a result of that, yet the Liberals went through the election campaign saying that their tax cut for the middle class would be revenue neutral. We are starting to see those numbers mount. As my colleague from Durham stated earlier, a deficit of many billions of dollars is projected to be incurred throughout this term.

It will be up to Canadians to decide in four years when they look at the Conservative plan and the Liberal plan who had the best fiscal plan for managing our economy. People will be awakened in four years.

[*Translation*]

Mr. Guy Caron (Rimouski-Neigette—Témiscouata—Les Basques, NDP): Mr. Speaker, I will begin by saying that I will be sharing my time with my colleague, the member for Windsor—Tecumseh.

We are debating a Conservative opposition motion, which I am pleased to comment on given my role as the NDP's finance critic.

The motion states:

That the House: (a) thank the independent non-partisan officials from the Department of Finance for their hard work and evidence-based analysis;

We totally agree with that.

The motion continues as follows:

[That the House:] (b) acknowledge their most recent Fiscal Monitor which informed Members and Canadians that, for the period from April to November 2015 of the 2015-2016 fiscal year, the previous government posted a budgetary surplus of \$1.0 billion; and

We agree with that. That is what the "Fiscal Monitor" says. We could even add our congratulations to the team at the "Fiscal Monitor" for all the work it has accomplished, and not just for the most recent issue.

Finally, the rest of the motion states:

[That the House:] (c) concur in its conclusions and express its confidence in the Deputy Minister and his team.

We have no problem with that either because that is what the "Fiscal Monitor" says. The report is prepared by the Department of Finance, and we have no trouble believing that in November 2015, there was a surplus of \$1 billion.

I might as well propose an amendment asking the House to recognize that the sun is yellow, the grass is green, and the sky is blue, because those are facts one would be hard-pressed to deny.

I feel like we are kind of wasting the House's time today by talking about something that we all agree on. We have missed a good opportunity to debate issues that really matter to Canadians on their behalf.

However, since I have speaking time, I would like to talk about how the Conservatives got that number. There may have been a \$1-billion surplus in November 2015, but there is no guarantee that there will still be a surplus at the end of the 2015-16 fiscal year. Actually, knowing whether we will have a surplus or a deficit at that point is pretty important.

We should also remember that the government posted a surplus in November 2011 because it sold at a loss the shares in General Motors that it had purchased in order to help save the auto industry. We spoke out against this sale at the time.

The government in power at the time sold 73.4 million shares for \$3.3 billion. A portion of that was obviously recorded in each part of the fiscal year. It was recorded as income from the sale of shares, and only the sale of shares, putting the Conservative government not in the red, but in the black, and it was solely this exercise that made it possible.

We could add that the government continued to dip into the employment insurance fund, which was supposed to be used to help unemployed workers who needed it. It was also included in the final report on the government's consolidated revenue fund. The employment insurance surplus was used to put the government in an overall surplus.

Notwithstanding the issue of employment insurance, the sale of GM shares is the one and only reason why there is, or at least there was in November 2015, a budget surplus on the books.

However, the shares were sold at a loss. The sale was condemned not only by the opposition parties, but also by a number of financial analysts for being made at the wrong time.

I am referring to comments by financial analysts such as John Stephenson, who was the president and CEO of Stephenson & Company Capital Management.

•(1615)

[*English*]

He said:

If you look at GM, it's grossly undervalued relative to other global automakers... I think you could easily squeeze out another \$6 to \$7 per share in the next 12 months or so, so you're leaving a fair bit of money on the table if you believe that.

[*Translation*]

In its rush to claim a balanced budget for 2015-16, the government at the time sold our GM shares at a loss, even though it had apparently been advised to wait, hold on to these shares, and sell them at a book value that was beneficial to the government.

In order to break even on the purchase and sale of the GM shares, the government would have had to sell the shares for \$4 billion in total, in Canadian dollars, of course.

The sale totalled \$3.3 billion. At the end of the day, the government ended up with a net loss. The shares were sold at a loss, and the whole thing was nothing but an attempt to balance the budget in their last year for purely political reasons. The budget was balanced in November 2015, but it may not remain balanced at the end of the fiscal year in March 2016.

Business of Supply

In addition, the Auditor General issued a report in November 2014 regarding the sale of the GM shares and, especially, the GM bailout. He said that the government was lax in requiring accountability for how the amounts were spent and how the money was used to bail out GM and also Chrysler. I will not go over the entire report, but there was one thing in particular that blew me away at the time and still does. I am talking about the \$4 billion that the federal government gave GM to save or strengthen the GM pension plan. GM used \$1 billion to save or strengthen the U.S. pension plan. This means that \$1 billion of Canadian money went straight to the United States. There was no oversight at all by the government, no call for accountability.

As a result, the Conservatives are trying to win political points with a motion like this one. It is ill-advised, but we cannot help but agree with it, since it sets out some fairly obvious facts. The truth is that the motion is an attempt to draw attention away from the government's mismanagement of the GM and Chrysler bailout, its failure to require accountability, and the political decision it made later to quickly sell shares in order to artificially balance the budget, as we can still see on the books today.

Does that mean that the current Liberal government is off the hook? Not really, because the Liberals will have a serious challenge to face with the upcoming budget. During the 2015 election campaign, the Liberals promised to run deficits. Many Canadians think that those deficits will be incurred only for infrastructure, but that is not the case.

The Liberals promised deficits of approximately \$25 billion over the next four years, with a return to a balanced budget in the fourth year. That is completely unrealistic, given the way things are now, the economic and fiscal update, and particularly the parliamentary budget officer's December 2015 report. When we take those things into account, the Liberal government is currently facing an accumulated deficit of \$55 billion at the end of four years, including an \$11-billion deficit in the fourth year, because of the promises it made and the current economic climate. That could happen if the Liberals keep their election promises, and it reflects the fiscal framework they presented during the election campaign.

I want to say that during the election campaign, the Liberals themselves probably promised too much in relation to Canada's fiscal capacity. At that time, we were extremely cautious with our forecasts, because we knew that the Canadian economy might be facing a struggle. That is why we wanted to be careful about what we promised. That is not what the Liberals did during the election campaign. They were elected based on all the changes they promised to Canadians, so now Canadians want to see some results, including the reversal of the Conservative reforms to employment insurance, as promised, or the reopening of certain things that were closed by the Conservatives. One example would be the marine radio communications centres. The Minister of National Revenue, who is also the member for Gaspésie—Les Îles-de-la-Madeleine, promised to reopen the marine communications and traffic services centre in Rivière-au-Renard, which does not appear to be one of her government's priorities.

We are taking notes. Obviously, we are going to be watching closely and we will carefully study the Liberal government's upcoming budget. We will be here to make sure that the government

keeps the promises on which it was elected, because many of those promises were similar to promises and commitments that we had also made. I can assure the House that we will be here to hold the Liberals to account when the promises that got them here are not honoured.

• (1620)

[English]

Mr. Kevin Waugh (Saskatoon—Grasswood, CPC): Mr. Speaker, it is interesting that the hon. member talks about shares. Members will remember that the Conservative government bought shares so that the working people could keep their jobs and the automobile industry could keep going. I know the hon. member realizes that everybody wants jobs. Every party in this House wants jobs. We did that back then.

Good for the member to say that we sold the shares and that is why there is a surplus in the budget. We had a surplus, and it should be recorded that in November 2015 the Conservative government left a surplus. Did we look at a crystal ball to decide if we should sell them seven or 10 months later? Good for the member to say that, because all Canadians should have sold their oil stocks a year ago. We do not have a crystal ball.

Therefore, I would say this to the hon. member. He can talk about surpluses all he wants. However, he should give us some recognition. When we did buy the shares and saved the automobile industry, is that not what we should have done at the time?

[Translation]

Mr. Guy Caron: Mr. Speaker, I thank my colleague for the question.

It gives me the opportunity to clarify that we were not against the purchase of shares to bail out the automotive sector. I think this approach should have been considered for bailing out other sectors, such as the forestry industry, for example, which faced similar challenges, but was ignored by the Conservative government at the time.

We were not against the purchase of shares to help out the automotive industry, but we have some concerns over how those shares were sold and the reporting that General Motors was required to do.

The hon. member just admitted that the sale of the shares was responsible for the surplus reported in the "Fiscal Monitor". It says as much in that report.

I am not the only one to say so, and it is not about having a crystal ball. There are 24 financial analysts on Bay Street who follow General Motors. Only two of those 24 analysts said it was the right time to sell, while the other 22 said it was not. In fact, 14 of the analysts said it was a good time to buy GM shares.

Business of Supply

When we make decisions based on facts, we have to listen to experts in the field. They are not perfect, but at least their information is better than the information the government wanted to use just to achieve a balanced budget on the eve of the 2015 election campaign.

Mr. Dan Vandal (Saint Boniface—Saint Vital, Lib.): Mr. Speaker, I would like to thank the hon. member for his passionate and intelligent speech.

It is obvious that the Conservative Party left a financial mess after the election. One of our strategies is to make strategic investments in public infrastructure.

Can the hon. member tell us what he thinks of our goal of making major investments in public infrastructure?

Mr. Guy Caron: Mr. Speaker, our election platform also included significant infrastructure investments because we recognize that there is a serious infrastructure deficit in this country. This is recognized by all municipalities, in Quebec and elsewhere in the country, and also by the general public.

The difference between the two programs is that ours provided for more investments in the second, third, and fourth years so that the municipalities could plan their projects. It provided \$5 billion for the current new building Canada plan. Doubling this amount in the first year does not mean that there will be enough worthwhile and shovel-ready projects to invest in.

We would have preferred that there be more money for the second, third, and fourth years, but the fact that there will be major investments is important in itself.

However, this should not become an excuse for wasting money by investing for the sake of investing. We must ensure that the investments are productive and that they boost the economy and Canadian productivity.

• (1625)

[English]

Ms. Cheryl Hardcastle (Windsor—Tecumseh, NDP): Mr. Speaker, when I saw that the Conservatives were tabling this particular motion on their opposition day, part of me wanted to laugh and the other part struggled to fight off a deep frustration and a deep despair. Sure, the motion is factually correct and absolutely we support and salute the work of the officials of the Department of Finance, which the motion references. Yet there is a massive elephant in the room, and that is that this motion is designed to ignore the actual economic record. Yes, that elephant is the actual economic record of the former Conservative government. In fact, this motion seems designed to deflect attention away from the brutal fact that our country is only now emerging from one of the most grievous eras of economic mismanagement that we have ever had the misfortune to endure. The Conservatives like to present themselves as competent economic managers, but honestly, this was always more a public relations effort than fact. They seem to believe that if they just repeat this falsehood enough, people will believe it.

Let us talk about this record. According to analysis by economists Jordan Brennan and Jim Stanford, published last September—one that applied standard measures such as job creation, unemployment,

GDP growth, productivity, personal incomes, debt, and more—the previous Conservative prime minister ranked or tied for last among all post-war prime ministers. He ranked or tied for second last in another six cases. Across all 16 of the indicators the study used, the government's average ranking was the worst of any post-war administration—not even close to the second worst, another Conservative, Brian Mulroney.

In a market economy, two of the most strategic components of spending are business spending and exports. The Conservatives' abysmal failure to garner more business investment within Canada and to increase exports has been especially damaging. Conservatives promised that expensive corporate tax cuts costing \$15 billion per year would boost investment, and that signing more free trade deals would do the same for exports, but neither has worked, as we all know. Canadian corporations have not used the money saved by the tax cuts to create jobs or expand their infrastructure; they sat on it. Recent figures from Statistics Canada show corporate Canada's pile of dead money now hovers at \$680 billion.

Exports hardly grew at all under the former prime minister—they were the slowest in post-war history—and business investment was stagnant and is now declining.

Government spending cuts, enforced in earnest after the Conservatives won their majority in 2011, only deepened our macroeconomic pit of despair. As noted by economists Scott Clark and Peter DeVries, when the Conservatives first formed government in 2006-2007, they inherited a surplus of \$13.8 billion and within two years' time this became a deficit of \$5.8 billion. After that point, the Conservatives were in deficit each and every year. If this is competent economic management, I shudder to think how Canadians would live under their conception of incompetence.

Economic growth has declined in every year since 2010 and averaged only 1.7% per year. In the previous nine years, economic growth averaged 3.4% per year. In 2014, only 120,000 new jobs were created, less than in 2013. Now these same people stand before us today, hoping that we will forget about all of this and just focus on a tiny moment in time when there was a tiny surplus that the Conservatives managed to obtain during their final weeks in power. Here we must ask ourselves how this surplus was achieved. It was by closing Veterans Affairs offices and by eliminating staff at Service Canada and indeed across every branch of the federal government responsible for delivering vital services to Canadians. The former government even used a flimsy legal technicality to deny claims of thousands of residential school victims.

Business of Supply

•(1630)

It also turns out that federal departments and agencies helped out by not spending an estimated \$8.7 billion for different programs that had been requested and often publicly announced by the government and approved by Parliament, the so-called lapsed funding.

Lastly, the surplus was achieved through the sale of General Motors in April-May of 2015, and the NDP opposed this sale. It was essentially the sale of these shares, an estimated \$3.5 billion, that enabled the Conservative government to balance its pre-election budget. The main unions criticized this action, calling it short-term political gain for the next federal election—precisely. Therefore, the motion being debated today creates a false debate and is really a missed opportunity to talk about the real issues facing Canadians in these uncertain times. It is a futile effort to misrepresent the record of the former government by its remaining representatives in the House.

Canadians are not buying it. They know what is up and they know that this motion is an opposition day motion, with the emphasis on opposition. Meanwhile, there are families, workers, and low-income Canadians who are struggling to make ends meet. Conservatives are welcoming the numbers in this report, while Canadians continue to suffer the consequences of Conservative mismanagement.

Low-income Canadians, seniors, veterans, persons with disabilities, and those most vulnerable in our society face long wait times for their benefits, long wait times to have problems with their payments addressed or appealed, and across the board, the departments serving them have been cut to the bone by the former government. However, we are not supposed to think about our grandmothers or the elderly waiting for pension payments. We are supposed to focus on the surplus.

Accordingly, this motion is a missed opportunity to discuss real issues facing Canadians. We cannot contradict this motion. It is based on facts, however cherry-picked, and instead of wasting time squabbling over partisan numbers, my question is why the Conservatives and the Liberals are not discussing the issues that are actually affecting Canadians.

The NDP is the only progressive party that is actually working on behalf of workers and low-income Canadians. It proposed a number of concrete measures, including the national child benefit supplement, the guaranteed income supplement, \$15-a-day child care for all Canadian families, and restoring the labour-sponsored tax credit. Instead of using their opposition day motion to try to rewrite economic and political history, I encourage the Conservatives to consider using such opportunities as a means to advance the real needs and interests of all Canadians.

Mr. Alexander Nuttall (Barrie—Springwater—Oro-Medonte, CPC): Mr. Speaker, a couple of speeches in a row by hon. members have mentioned that the timing of the General Motors share sale was not ideal. I find it interesting that the members would provide this information to the House considering that the very month that the shares were sold, the price, according to statistics, was \$36.63. They said that they should be sold about six months down the road, with the advice they had been given from an economist, and six months down the road it had dropped \$6 per share. Today, it has dropped even further.

My question is this. Is that the type of economic management we could expect from the NDP?

•(1635)

Ms. Cheryl Hardcastle: Mr. Speaker, the Conservatives are playing with numbers. They can isolate a moment in time and pretend that they are trying to advance ideology, but we all know that this report shows there are surpluses and deficits. This is just so self-indulgent when we could be moving forward.

We have shown real discipline in how we would be advancing all of our social causes. We laid that out in a fully costed platform, and we were the only party that did that.

Mr. Bob Bratina (Hamilton East—Stoney Creek, Lib.): Mr. Speaker, I enjoyed the historic record that our colleague across the way presented. One was left out, and that had to do with the potential for revenue generation for the government.

Internal documents from the Canada Revenue Agency showed that it cut some of its most highly trained staff and folded international tax evasion units because of the 2014 budget freeze. Senior managers and trained auditors, who were considered among the most highly skilled experts at the CRA, were let go, basically. Therefore, the government, through the CRA, backed down from chasing after offshore tax cheats.

The offshore money is in the billions of dollars. Is the member aware of how the budget freeze actually affected revenue generation by the government through the method I just talked about?

Ms. Cheryl Hardcastle: Mr. Speaker, I can add to that list. I know the history that I went through in my speech was expedited to make the point that this was a false debate.

I can talk about the variety of housing options that are at the brink of crisis because they are expiring. We need an affordable housing commitment from the federal government. What about our commitment to health care? If the Conservatives are such brilliant money managers, they must know that an ounce of prevention is worth a pound of cure and that the Canada accord, a recommitment to health care, and real national leadership in providing health care in Canada is probably the smartest way to maximize our tax resources.

We could go on, but the whole point is that to have this kind of debate and to talk about these meaningful items is better done in the context of really advancing some good policies. It is really unfortunate that we are having this meaningful exchange here over something that is such a flagrant misuse of the opposition day.

[*Translation*]

The Deputy Speaker: Before we resume debate, 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 Sherwood Park—Fort Saskatchewan, Foreign Affairs; the hon. member for Laurier—Sainte-Marie, Foreign Affairs; the hon. member for Rimouski-Neigette—Témiscouata—Les Basques, Employment Insurance.

Business of Supply

Resuming debate. The hon. member for York—Simcoe.

[English]

Hon. Peter Van Loan (York—Simcoe, CPC): Mr. Speaker, I will be dividing my time today with the hon. member for Edmonton—Wetaskiwin.

The constituents of my riding, York—Simcoe, are what I like to call severely normal Canadians. They value honesty from those who represent them. They work hard. They pay their taxes. They follow the rules.

They want the government to give them the freedom to succeed and build a brighter future for their families. That freedom means having more money for their own priorities through lower taxes. That brighter future means managing their finances and their mortgages, and ensuring their children do not inherit burdens that block their desire to achieve their dreams.

The previous Conservative government reflected that mindset and those values. Those constituents knew the Conservative government was on their side. They knew it when they saw life become better as federal taxes fell to their lowest level in half a century, since 1963 when John Diefenbaker led a Conservative government.

My constituents knew that the Conservative government was on their side when measures like the universal child care benefit made their lives better. In fact, UNICEF reported that hundreds of thousands of Canadian children climbed out of poverty at that time. That was despite Canada going through the global economic downturn, the most dramatic in my lifetime.

Despite that downturn, the Conservative government delivered the stimulus through tax reductions and short-term stimulus spending to make Canada the first major economy to return to growth. Indeed, we were the first G7 economy to recover the jobs that had been lost during the economic downturn, and the first to recover the lost GDP from that downturn.

Then we set out with determination to return to a balanced budget, with a surplus of \$1.9 billion being achieved in the fiscal year 2014-15, a full year ahead of schedule. However, at the same time, my constituents have been burdened by an Ontario Liberal government that does not share their values, one that sees big spending, deficits and debt as the way to go, both in good times and in bad.

As a result, my constituents are drowning under the burdens foisted on them by that Ontario Liberal government, burdens of higher taxes, fees, rafts of red tape, and job-killing regulation, and rocketing hydro rates.

Well the hole is so deep now in Ontario, that this same Ontario Liberal crowd, which has left the cupboard bare, has now spotted the surplus in Ottawa. Now those people have come up here to continue to those big spending debt and deficit ways. What is their way of doing things?

In Ontario, the debt has reached a staggering \$300 billion. That is almost \$22,000 for each man, woman, and child in the province. The deficit is \$7.5 billion. It is now clear that the Ontario Liberal way of doing things is coming to Ottawa.

Three facts are clear from the finance department's report so far.

First, in 2014-15, the last full fiscal year under a Conservative government, there was a surplus of \$1.9 billion.

Second, from April to October of 2015, under a Conservative government, a six-month period of time, there was a surplus of \$1 billion. The same pattern, the exact same trajectory as the previous year.

Third, by the end of March 2016, after just five months of a Liberal government, there will be a deficit of \$3 billion. A year later, there will be an even higher deficit.

This should not surprise anyone. The Liberal Party actually campaigned on a commitment to run deficits. During that election when I occasionally ran into people who told me they were voting Liberal, I would ask them what they liked, was it the promised deficits or the higher taxes? They would usually say to me that it was none of those things. I would tell them that this was what they would get. In turn they would say they did not think so.

I would tell them it was in the Liberal platform, that it was spelled out, and that is what the Liberals had committed. Their comment was that the Liberals always broke their promises. To which I would tell them that they might be surprised, that these might be promises they would actually keep.

We are discovering that this is the case. Clearly, whatever new face those Liberals thought they were voting for in the last election, they were not looking for the higher taxes and the deficits that the Liberal government believes is its mandate.

● (1640)

Those constituents are, however, correct in at least one regard. Liberal promises are already being broken. The Liberals promised their tax measures would be revenue neutral, but now they have already admitted that they are not revenue neutral. They will in fact dig an additional deficit hole of \$1.4 billion to \$1.7 billion annually. That is not my number. That comes from the Liberal Minister of Finance. That is his admission of how that Liberal promise is being broken. Unfortunately, that broken promise and others to come will only make deeper the hole into which Canada will be pushed.

When I was House leader of the government, I was astounded by the remarkable discipline that our then prime minister and our team, working with two very hard-working finance ministers and in fact the whole team, applied to the question of fiscal discipline. The work to achieve a balanced budget overall was in the interests of all Canadians. When there is a chance to be in government and see how challenging it is to manage the finances and the economy, people see how narrow that margin of manoeuvre is. It is like driving a car down a winding mountain road. It takes only a small amount of recklessness or inattention before going in the ditch or worse.

Business of Supply

In Ontario, my constituents are waiting for that provincial tow truck to arrive. Their well-grounded fear often expressed to me is that the same crowd who drove Ontario into the ditch now wants to continue that sloppy ride on the federal scene, putting Canada off the solid fiscal road it was on. They know that at the end of the day it is ordinary Canadians like them who will have to pay for it all.

It is often said that history is written by the victors. What is said less often is what we hear from the other side of the House today, and that is history being rewritten by the victors. They did it in the Soviet Union. They do it in North Korea. Now the Liberals are trying to do it in Canada. Fortunately, this is Canada and Canadians will not be fooled by this Liberal overreach. That is because Canadians have access to objective facts, objective facts from the Department of Finance and objective facts from the Parliamentary Budget Officer.

What are those facts? First, there was a \$1.9 billion surplus in 2014-15, the last full fiscal year that the Conservatives were in government. Second, there was a \$1 billion surplus over the last six months of the Conservative government, April to November, 2015.

The question remains. Why, if the Liberals have promised to run deficits and they make a virtue of it, and there can be no doubt that Liberals see deficits as virtuous, are they so anxious to try to rewrite history, to go into those documents in the library at the finance department and cut out, with their scissors, any reference to past Conservative surpluses? I believe we all know the answer. Liberal deficits will be far higher than anyone thinks and they cannot bear to see the contrast with the Conservatives.

The problem with the party that believes that deficits are a good thing, as the Parliamentary Secretary to the Leader of the Government in the House of Commons said today, is that they just cannot get enough of a good thing. If people believe a small deficit is good, it is not long before they start believing that a bigger deficit is better and before we know it, a huge deficit is just awesome. That, however, is how Liberal thinking always works. Before we know it we will find that the budget does not actually balance itself. That is the path we are already on. It did not take long, but the spending and deficits that the Liberals promise and are now delivering will ensure that at the end of next month we will be solidly in the red politically and fiscally. We will have gone year over year from \$2 billion in surplus to \$3 billion in deficit.

Many out there are critical of our Conservative government's focus on achieving a balanced budget. There can be no doubt that the hard work and discipline of running a tight fiscal ship is not a lot of fun and sometimes people want to have some fun, and some money can buy fun. However, there is much truth in the saying that money cannot buy happiness. While some may argue with it, and some may argue that money can buy at least some happiness, nobody can argue that drowning in debt will do anything other than bringing continual misery.

As for my constituents, they would prefer responsible leaders refusing to have fun with their tax dollars to happy politicians spending away, burying Canadians under a mountain of misery, debt, and taxes. Balancing the budget was the right thing to do. A steady hand on the tiller is what Canadians need. Our steady hands, a disciplined prime minister, and our hard-working finance ministers

steadied the Canadian ship through the stormy seas of the biggest global economic downturn of my lifetime. We came out the other side with a balanced budget, solid books, low taxes, and a rising tide that was lifting the fortunes of all Canadians. It is a pity that it has taken so little time for that ship of state to start springing leaks and taking on water.

● (1645)

Mr. David Graham (Laurentides—Labelle, Lib.): Mr. Speaker, the member for York—Simcoe wants to talk about past Conservative surpluses, so let us talk about them.

The former Conservative government of the member for Calgary Heritage was the first Conservative government since that of Sir Robert Borden in 1912, the year the *Titanic* sank, to balance any budget whatsoever. The two governments had something very important in common. Both squandered the surpluses left to them by the previous Liberal governments prior to the onset of significant economic challenges.

For Mr. Borden, 1912 saw a surplus inherited from Sir Wilfred Laurier in 1911. In 1913, Borden posted a deficit. In 1914, the First World War broke out.

For the former Prime Minister from Calgary Heritage, the Liberal surplus was so significant that it took him two full years to squander it before the onset of the 2008 fiscal crisis the following year.

That Conservatives are in any way good fiscal managers is one of the great myths of Canadian political discourse.

Does the member know that the last time the Conservatives actually took us from a deficit to a surplus on their own competence was in the 1870s, and does he know that every Liberal Prime Minister to introduce a budget has balanced at least one?

● (1650)

Hon. Peter Van Loan: Mr. Speaker, the last time was last year. Before that we had balanced budgets that paid down some \$40 billion against the national debt when the previous prime minister was in office, so in fact, the Conservative record is solid, and that is clear and widely seen.

What I find interesting is hearing Liberals and some new Democrats argue earlier today that it was only the General Motors sale that made this happen. Ironically, the Liberals are arguing that earlier the Ontario Liberals sold all their shares.

We were the last ones to sell the shares, and in so doing achieved a far greater share price than the Ontario Liberals did, if the hon. member wants to know who are good managers.

What is more, despite the Liberals selling the shares and applying that to the books and selling off Hydro One and applying that to the books and selling off whatever other furniture they could find around Ontario, they are still running a \$7.5 billion deficit. There will not be much left if they keep selling off things the way Liberals do.

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[Translation]

Mr. Xavier Barsalou-Duval (Pierre-Boucher—Les Patriotes—Verchères, BQ): Mr. Speaker, I am a little confused about why the Conservatives would want to pass self-congratulatory motions for the work they claim to have done.

When we look at what Liberal and Conservative governments have done to try to balance their books, it is clear that they have always begun by cutting provincial transfers. So much so that the parliamentary budget officer said that, in 30 years, Ottawa will have paid off all of its debts while the provinces will be on the verge of bankruptcy.

That being the case, how can my colleague be proud of the Conservatives' record?

[English]

Hon. Peter Van Loan: Mr. Speaker, in fairness, I think the hon. member is a little bit confused. Transfers under our government to the provinces increased maximally. In fact, transfers to my province increased some 80% over the time that the Conservative Party was in government, which was in stark contrast to what Paul Martin and the Liberals did when they decided to attack the deficit, which was slash funding to the provinces by over 40%. Does everyone remember that the health care crisis back there in the nineties, 1997 and 1996, when health care was slashed and every single province was struggling, because that was the Liberal approach, to slash transfers to the provinces.

We did the opposite. We increased health care transfers to the provinces well ahead than the rate of inflation, in fact, higher than the rate of inflation in health care spending. The federal share of health care funding under our government rose. The provincial share of health care spending under our government fell. We were doing more than our fair share.

Our concern is, what happens when another debt and deficit gets built up? We know the Liberals' way: it will hurt people.

Hon. Mike Lake (Edmonton—Wetaskiwin, CPC): Mr. Speaker, as this is the first time I am standing in the House in this new Parliament, I will start by thanking the voters of Edmonton—Wetaskiwin for their strong support in this last election. We got just a little more than 45,000 votes, which was the fifth-highest vote total in the country. There was strong support for our Conservative record over the past decade for a balanced budget and significant leadership in navigating our country's course through the global economic slowdown of 2008.

I want to take the opportunity to thank my kids, Jaden and Jenae, who played an increased role in the campaign and also play an increasing role in my position as a member of Parliament, in coming on the road and helping me do a lot of the work that I do on autism. Many people know that my 20-year-old son has autism, and many people in this room have received a high-five from him at some time or another. I thank them for sharing me with constituents and stakeholders, both in the constituency and across the country.

I will also take this chance to thank my mom, Bonnie, and her husband, Dale, for their tireless support. One of the highlights of my week is driving with my mother to the airport. It is our time together. When we do not get any other time to spend together, we get 20

minutes when she comes to pick me up, sometimes at 5:30 in the morning, and takes me to the airport. It is a great opportunity for us to catch up.

I will also take the opportunity to thank my staff in both my Edmonton and Ottawa offices, who do and have done phenomenal work over 10 years in support of what we get a chance to do.

Finally, and I think it is important in the context of what we are talking about today, I want to thank the officials at Industry Canada. I had the opportunity to be the parliamentary secretary for eight years at Industry, and those public servants were absolutely phenomenal during that time in supporting me. I was always amazed at how they could take a complicated topic and within half an hour give a briefing that would help me look sometimes like an expert, which may be debatable from different sides of the House. However, the work they do is phenomenal and it was a great pleasure to work with them in addition to the ministerial staff and ministers that I got a chance to work with.

On the topic we are talking about today, as we went through the election campaign I heard, and have heard a lot since, about the importance of balanced budgets, and the importance of that Conservative leadership that we have shown on the economy over the last decade. I also heard a lot about the strength of the Canadian middle class. There was a recognition of that as I was on the campaign trail. However, there were a lot of things being said during the campaign that were not entirely true. I think we still hear some of that coming from the government side today in the image it is trying to portray.

I will focus today on three Liberal fictions that I have seen over the last several months as we have been going through this.

First, there is a fiction that Canada's middle class is struggling. Certainly we all want Canadians to be better off. We all want to create an environment where all Canadians can succeed, no matter their level of wealth, their job, or position in life. However, the fact is that Canada's middle class is the strongest in the world.

It is not the former Conservative government that is saying that. It is not our Conservative members of Parliament who are saying that. *The New York Times* reported on the Luxembourg Income Study, which put forward a paper that talked about Canada being number one in the world in terms of income levels at the 30th, 40th, and 50th income percentiles. These are independent organizations that have said that. Notwithstanding that, the Liberals, during the election campaign and even now, continue to talk about the struggling Canadian middle class.

Andrew Coyne put it brilliantly when he wrote back in May that:

Introducing his “fairness for the middle class” tax plan, [the Liberal leader] waxed lyrical about a golden time, still within memory, when opportunity beckoned and the sun shone year ‘round.

● (1655)

Coyne continued:

Of course, there was no such era. It was just something to say—the same myth-making on which the entire plan is based. In Liberal mythology, the middle class is forever to be “struggling”, forgotten, falling behind.

Coyne concluded by saying:

But then, every line of the Liberal story is a fraud. The middle class isn't struggling: the \$53,000 the median family earned after tax in 2012 is an all-time high—24% more than in 1997, after inflation. The rich aren't pulling away from the rest of us: the share of all income going to the top 1% has been falling steadily since 2006. At 10.3 per cent, it is back to where it was in 1998.

I will give the final word to none other than a prominent conservative speaker, Hillary Clinton, who said:

Canadian middle-class incomes are now higher than in the United States. They are working fewer hours for more pay, enjoying a stronger safety net, living longer on average, and facing less income inequality.

The fact of the matter is that this notion that Canada's middle class is struggling that the Liberals campaigned on is a complete fiction.

A second fiction, and the one we are debating today, is the fact that they inherited a deficit. I say “fact”. I put quotation marks around that because the fact is that the Department of Finance has confirmed that Canada posted a \$1-billion surplus up to November 2015, when the Liberals took office.

That is very important because there have been a lot of things said today and over the course of the last several months. It is very important to notice that in addition to the \$1-billion surplus, we increased funding for the Canada health transfer by 6% over that year period and a 3% increase in the Canada social transfer over that period. That is a \$1.5-billion increase in these two important transfers.

After the 2008 global financial crisis, the Conservative government laid out a comprehensive stimulus plan and a seven-year plan to get back to budget balance.

It was interesting to hear the Liberal member opposite allude to that earlier in his question. I know he is a new member and that he has maybe not had the benefit of doing a Google search before he asked the question, but if he did, he would find statement after statement by Liberal members of Parliament, from opposition members from all sides, absolutely demanding that the government spend more money, that we spend on a broader range of programs, and that we extend that spending. Of course, during that time, members will remember that our plan was targeted, it was time-limited, and our spending was designed to expire and we laid out a solid plan to get back to budget balance. However, time and again, every single day, Liberal members of Parliament stood and demanded more spending and demanded that spending be made permanent.

It is a bit of a mythological world, I guess, that the Liberals live in over there, but hopefully today will clarify some of that record.

Finally, I will deal with the last fiction, the fiction that they will only run \$10-billion deficits every year.

First, I underline the word “only”, because only \$10 billion in deficit is a ridiculous way of phrasing it in the first place. Clearly, the Parliamentary Budget Officer has looked at the facts and projected that the deficits will be billions of dollars higher over the years. In fact, we are talking tens of billions of dollars higher—so high, in

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fact, that Liberal members cannot even clarify it. They have no way of quantifying what those numbers will be.

Let me just close by saying that this is my first time in opposition. I very much look forward to holding the government to account. I want to avoid going back to the time when the Liberal government of the day, a former Trudeau government back in the 1970s, took steps to increase deficits and run massive deficits, starting the cycle in the first place and another Liberal government then had to slash spending on health care and social service and education transfers by billions of dollars.

We hope that mistake will not be made by the government. We will oppose those types of measures every step of the way.

On this important motion, we hope that we will have the support of all members of the House.

• (1700)

Mr. James Maloney (Etobicoke—Lakeshore, Lib.): Mr. Speaker, I am a rookie in the House. I believe that the biggest political fiction, since that is the topic, is that the Conservatives deliver balanced budgets while the Liberals do not. The Conservatives talk a lot about delivering balanced budgets but they are not good at delivering them. It is a distinction with a difference.

Would my friend agree that, in the last 30 years, Liberal governments have delivered more balanced budgets than Conservative governments have, yes or no?

Hon. Mike Lake: Mr. Speaker, I would have to look at the record in terms of the actual numbers for that. The member can check the record on this. It is really easy to find news articles.

If my colleague was to Google the word “coalition” he might find that in 2008 his leader of the day tried to form a coalition with the Bloc and the NDP to take over the Conservative government of the day, because we could not spend enough to satisfy them at that time, immediately after an election campaign.

We took a world-leading approach to the global financial crisis. Organizations around the world, from the OECD to the World Economic Forum to the IMF, praised Canada's approach in that crisis, partly because we delivered the stimulus quickly. We came out of the crisis faster than other countries. We did that despite the fact that Liberal members of Parliament demanded more spending and longer spending. We would still be running deficits today if the Liberals had had their way.

• (1705)

[*Translation*]

Mr. Pierre-Luc Dusseault (Sherbrooke, NDP): Mr. Speaker, I thank my colleague for his speech. I would like to ask him to explain to the House why the Conservatives are suddenly so afraid of deficits. Today is not the first time we have heard this.

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The Conservatives are getting all worked up because the government is predicting a deficit, when they racked up \$153 billion in debt during their mandate. Furthermore, a Conservative finance minister proposed this strategy to stimulate the economy. They decided to make significant investments as part of what they called Canada's economic action plan.

Now, when this government is talking about doing the same thing, the Conservatives seem to be working themselves into a state because the government has an action plan similar to the one they proposed. Why are they suddenly against deficits now, when they themselves racked up \$153 billion in debt during their mandate?

[English]

Hon. Mike Lake: Mr. Speaker, the hon. member asks why we would not want to see the government run a deficit. First of all, it is not exactly the same thing. There was a global financial crisis, and leaders around the world took measures to coordinate their approaches at a fiscal level to ensure that, as a world, we were able to pull forward. Canada took a leadership role in that, along with other countries. New Democrats, who were in the House during that time, demanded more spending all the time, as they do almost every day in the House of Commons.

Why is it that we do not want to go down that road today? It is because we saw what happened with Liberal governments in the past. We saw the devastating cuts that they had to make to health care and post-secondary education, and they threw them on the backs of the provinces. Provinces like Ontario and Alberta and others had to respond to that because suddenly the transfers were turned off.

As a government, we were able to get our budget back to balance coming out of the global crisis. We were able to do that while dramatically increasing investments at the same time in transfers for health care, social services, and education, as the member for York—Simcoe so aptly mentioned in his comments. That is important.

As we move forward as a country, and if we are going to avoid the types of decisions that a previous Liberal government had to make and governments around the world have to make in terms of cutting really important services for their voters, balanced budgets are critical. We hope that NDP members will support this important motion.

Ms. Leona Alleslev (Parliamentary Secretary to the Minister of Public Services and Procurement, Lib.): Mr. Speaker, as this is my first time rising in this House in this capacity, I want to briefly highlight my riding of Aurora—Oak Ridges—Richmond Hill, a new riding made up three existing ones. It is a vibrant, energetic, and growing region. I would also like to thank my constituents who placed their trust in me to represent them, and I would like to thank my family members for their unfailing support: my husband and best friend, Ted; and my two children, Christopher whose birthday is tomorrow and Hillary whose birthday is next week.

I am honoured to rise in this House to speak to this important topic, and I will be splitting my time with the hon. member for Kanata—Carleton.

I rise today to underline the decisive steps that our government has taken to address the challenges facing our economy; steps we took

immediately after the Canadian people handed us a majority mandate for a new approach that prioritizes long-term economic growth. Since last fall, we have continued to see headlines about the weaknesses in the global economy. Despite volatility in the economy, what Canadians can always count on is the tireless professionalism of many public servants working on their behalf. This is why I am disappointed by the opposition's efforts to drag in the civil servants of the Department of Finance to score a passive-aggressive partisan point.

The numbers up to November 2015 are clear. They are in line with a projected small deficit for 2015-2016. Let us take a closer look at the numbers. Revenues for April to November increased by \$14.2 billion, or 8.2%, from the same period last year. These numbers are a result of unique circumstances that are no longer congruent with current fiscal realities and that do not reflect the previous government's stewardship of the economy. These circumstances were in part due to the \$2.1-billion gain realized on the sale of General Motors common shares and on higher corporate income tax revenues.

The opposition cannot bank on one-off situations and claim sound economic management. The reality is that revenue growth is expected to slow over the remainder of the fiscal year, reflecting economic trends of collapsing commodity prices that have not yet recovered and look likely to remain low over the medium term. The only people who believe that the previous Conservative government left behind a surplus are the Conservatives themselves. Canadians know better.

Make no mistake, the Government of Canada will post a deficit for the 2015-2016 fiscal year, and that deficit rests squarely on the shoulders of the actions and inactions taken by the previous government. That is a fact. The previous Liberal government left behind a \$13 billion surplus in 2006, and the Conservative government squandered that surplus and accumulated an additional \$150 billion in new debt while still delivering the worst growth record since the Great Depression.

We have been, and will continue to be, proactive managers of the economy. Since our earliest days in office, we have had a plan to grow the economy, create jobs, and invest in communities. It began with the government tabling, as its first order of business on December 7, a notice of ways and means motion to provide a much-needed tax cut for the middle class. This is the first of three major economic planks that we are moving forward on, and they reflect what we feel is the lifeblood of Canadian society, the middle class.

I want to remind the opposition that it is our government that has brought tax relief to the middle class during these troubled times, a tax cut that would put money in the pockets of about nine million Canadians a year. This was the right thing to do, and the smart thing to do for our economy. The proposed middle-class tax cut and accompanying proposals would help make the tax system fairer, so that all Canadians have the opportunity to succeed and prosper.

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• (1710)

Canada is in a strong position to face the future. Our debt-to-GDP ratio is well below the G7 average, and keeping our debt-to-GDP ratio on a downward path throughout our mandate remains a central plank of our economic agenda. We have a well-educated population, we have abundant natural resources, we are fortunate to have the world's largest economy as a neighbour, and diplomatically, Canada is back on the world stage in a big way.

We are actively pursuing our long-term vision. Many leading economists agree that strategic planning and investments in bridges, roads, and other building projects are essential ingredients needed for creating long-term growth. This type of investment requires forethought, planning, and most importantly, working with others. The government is working with provinces, municipalities, and indigenous communities to ensure that the funding decisions we make are sensible for the present and future needs of those communities.

Going forward, the government will introduce proposals in the budget to create a new Canada child benefit. Payments under the new Canada child benefit would begin in July 2016. In addition to replacing the universal child care benefit, which is not tied to income, the proposed Canada child benefit would simplify and consolidate existing child benefits while ensuring that help is better targeted to those who need it the most.

All of these initiatives demonstrate that our sights are clearly set on the future. These actions would help strengthen the middle class and those who are working hard to join it, by putting more in the pockets of Canadians, to save, invest, and grow the economy. More broadly, they would help grow our economy in the context of a difficult global economic climate, so that all Canadians can benefit. We have also brought an open and collaborative approach to how we are going to solve the problems facing us.

To ensure that our plans align with Canadians' needs, the government is continuing its pre-budget consultations online and through submissions. We are open to hearing what Canadians have to say and have been encouraged by the record number of people engaged in sharing ideas. So far, Canadians have identified economic growth as their top priority. Canadians know that economic growth means bettering their own circumstances but also bettering those of their communities. Canadians identify economic growth with opportunities not only for themselves but for others in their communities and those across the country.

The government will continue to develop measures and pursue a fiscal plan that is responsible, transparent, and suited to challenging economic times. These plans will be most effective when all of us seize the opportunities to grow our economy together and for the benefit of all.

The economic and fiscal update presented in November gave Canadians a transparent picture of our economic and fiscal situation. It makes clear that the previous government put the country on track for a \$3 billion deficit. It takes into account such factors as low and volatile crude oil prices and weak global environment, risk factors that have become more pronounced in recent months. After 10 years of weak growth, this government has a plan to grow the economy

and create jobs by focusing on the middle class, investing in infrastructure, and helping those who need it most.

My colleagues have spoken about the support our plan has already received. We will continue our focus, and we aim to grow the economy in a responsible way, with a long-term vision.

• (1715)

Mr. Todd Doherty (Cariboo—Prince George, CPC): Mr. Speaker, I am going to ask a question for my hon. colleague across the way. Maybe she has the answer. The Liberal government continues to go on and on about this great engagement of Canadians from coast to coast to coast and meeting with stakeholder groups from communities far and wide.

I would like to know the communities that government members are going into and if they can provide us with the geographic data, whether it is the 3,500 Canadians they have heard from, or the 80,000 that the Minister of Finance mentioned, or the 150,000 Canadians that have responded to their online forums. I would like to know the geographic data, where it is coming from, and who is advising the government.

Ms. Leona Alleslev: Mr. Speaker, we are getting information, feedback, and data from all over the country, from online submissions to emails directly to our constituency office. I was privileged enough to have a public pre-budget consultation in my riding, where a significant number of people attended. We also then met with the region, and others have met with the provincial leaders. We have met with all the stakeholders and are continuing to welcome any feedback.

We look forward to members of the House asking their constituents to participate as well. The pre-budget consultation process is vastly important. We are privileged to have the participation of Canadians from coast to coast to coast.

• (1720)

Ms. Irene Mathysen (London—Fanshawe, NDP): Mr. Speaker, I was struck by the fact that my colleague and a number of her caucus mates had talked about the fact that the government is charged with safeguarding the community, growing the economy, and fairness.

However, one of the things that troubles me is exactly what one does when one is in deep deficit. One of the things we have seen in the Province of Ontario is the Kathleen Wynne Liberal government selling off an important asset, that being Ontario Hydro. A government cannot win when it is selling off the assets that are important to sustaining it.

Therefore, my question is, does the member agree with the provincial Liberals and their sale of Ontario Hydro, and what would the federal Liberals do in regard to creating that balanced budget? Would they follow their provincial cousins and sell off assets?

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Ms. Leona Alleslev: Mr. Speaker, I am sure the hon. member fully appreciates that provincial decisions are not something the federal government is really in a position to comment on. However, I can say that our government is focused on investment in infrastructure. We believe that social infrastructure, transit, roads, rail, and most importantly, green infrastructure are the lifeblood and the transition that is going to take this economy from where it is now to be well positioned and internationally competitive into the future.

By making those investments we are defining the foundation upon which our country was built and what the economy will be built on not only today but into the future. That is why our government is committed to that in the budget.

Hon. Michael Chong (Wellington—Halton Hills, CPC): Mr. Speaker, I have been listening to members opposite on the issue in front of the House right now, talking about how bad Conservative budgets were in the previous government. I would like to ask a quick question. Does she know that the Liberals voted for the Conservatives' first budget in the spring of 2006?

Ms. Leona Alleslev: Mr. Speaker, I can certainly say that a Conservative government that was selling assets at a loss to make a feigned attempt at a surplus, as it did, is not sound financial management. Even that feigned attempt by the previous government did not result in a balanced budget, but rather a deficit for the 2015-16 fiscal year. That is why the motion has no merit.

Mrs. Karen McCrimmon (Parliamentary Secretary to the Minister of Veterans Affairs, Associate Minister of National Defence, Lib.): Mr. Speaker, since this is the first time I am rising in the House in this capacity, I want to thank the people of Kanata—Carleton for having placed their confidence in me. I also want to thank my husband, Rob, and my children, Kyle and Brea, for their confidence and support over all these many years.

There has been much discussion about Canada's current economic situation and its economic performance over the past decade. This discussion should not be treated as just another example of partisan bickering. It demands serious and in-depth analysis. This analysis is critical, because the consequences of getting it wrong will have a serious impact on all Canadians.

Of course, Liberals believe that the previous Conservative approach to the economy was the wrong approach for the country. This is why the economy ended up being a primary issue for most of the recent election campaign.

Einstein is quoted as saying that if he had one hour to save the world, he would spend 55 minutes defining the problem and only five minutes trying to find the solution.

I believe that we need to be honest with ourselves about the state of the Canadian economy. We need to stop playing politics with the data to create a false sense of security. We also need to be honest with ourselves about the challenges ahead. We need to select a course of action that can help turn around this weak economy and actually help the thousands of Canadians who are currently struggling.

Do we want to talk about balanced budgets? We can. Canada may have had one balanced budget since 2007-08, but that was only because of fire sales of Canada's property assets around the world.

However, Canada did have balanced budgets from 1996 to 2007, and during that period, we paid down our national debt by almost \$70 billion.

The previous government delivered deficit after deficit for the budget years 2008 to 2014. During the tenure of the previous government, it added almost \$150 billion of new debt to our national debt. If we take that \$153 billion and spread it over seven years, it translates to deficits of about \$20 billion per year.

We need to stop considering snapshots in time as a true indicator of annual performance. We need to stop playing politics with the numbers and the Canadian economy, and together we need to get to work.

• (1725)

[*Translation*]

The level of economic activity in Canada and the government's revenue vary depending on the season. The government receives more revenue during the summer months when all the seasonal industries, such as the fisheries and the agricultural, forestry, construction, and tourism industries, are active. However, expenses have to be paid all year long. As a result, any consideration of the matter of deficit must reflect the entire fiscal year, not just a select period in the most economically active months.

I would like to remind members that the 2015 update of economic and fiscal projections indicated that, under the previous government, the Canadian economy shrank in the first quarter of 2015. The gross domestic product dropped by 0.8% in the first quarter and 0.5% in the second. We still do not have the figures for the third quarter, but there is nothing to suggest that the economic conditions have improved.

There will also be a deficit of approximately \$3 billion for the 2015-16 fiscal year.

[*English*]

With the previous government running all of these deficits, including in the 2015-16 fiscal year, what does Canada have to show for it?

First, let us talk about job losses. It is estimated that 400,000 good-paying jobs in manufacturing and heavy industry have been lost, and now a further calamitous loss of 70,000 jobs in the once booming oil sector.

My colleague from Windsor, Ontario must well know that Windsor was once a booming city of Canada's manufacturing heartland. It now has an unemployment rate of 9.7%, and has had for almost five or six years.

Other important facts and figures put together by independent non-partisan officials include those related to Canada's trade deficit. Under the previous government, Canada hit record trade deficits. For a country whose economy has such a strong basis in exports, this demonstrates the failures of the previous government to diversify our economy and make it more resilient.

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While I acknowledge that the previous government did make efforts toward diversifying which markets we were selling to, it neglected to consider the diversity of the products that we were bringing to the global market. It also neglected to do enough to spur more investment into research and development to help design, build and sell made-in-Canada products and technologies.

With respect to the record trade deficits, Canada needs to be an export nation. Canada's all-time trade surplus of \$8.5 billion was in 2001 under a Liberal government. The all-time low for Canada was a \$3.7 billion deficit in March of 2015. That is a \$12.2 billion difference from high to low.

It is important to remember that when we sell a raw product, we are only earning 30% of the available equity in that product. For every step we take that product up the value-added chain, we can be earning another 20% to 30% of the equity in that product, while creating jobs at the same time.

● (1730)

[Translation]

In order for Canada's economy to be strong and robust, it needs to be flexible and diversified and cannot be left entirely at the mercy of the commodities markets. Economists have warned that the commodities markets are known for being vulnerable to interference, speculation, and manipulation, and that is the situation we are in today, a boom-bust cycle.

[English]

Workers across Canada are now facing the consequences of the previous government failing to anticipate the current situation and failing to ensure that contingency plans were in place to deal with the possibility of an oil glut. Can we make money with oil at \$30 a barrel when we are only getting a discounted price for our product? That is what has been happening for the last few years.

Canada has been paid approximately 30% below the world market price for the raw products from our oil sands. One reason may be that there are only two or three nations that can purchase our product: the U.S., China, and maybe India. If members think that any of those countries would actually pay us the world market price, we will be sadly disappointed.

The path chosen by the previous government did not produce the desired results: a resilient and flexible economy where we earn a good price for our product because we have a host of customers wanting to purchase our exports and that is the challenge today. We need—

The Assistant Deputy Speaker (Mrs. Carol Hughes): Order. I am sorry, your time is up. I am sure that you will be able to finish during the question period.

Questions and comments, the hon. member for Wellington—Halton Hills.

Hon. Michael Chong (Wellington—Halton Hills, CPC): Madam Speaker, I have been listening to Liberal members criticize Conservative budgets of the previous government over the last 11 years. I find it highly ironic because Liberals supported most of those budgets. As I mentioned earlier in the House during debate, the Liberals supported the budget of 2006. In fact, if we check the news

reports from June 6, 2006, it was reported that the House unanimously supported the budget at third reading. In the 2009 budget, CTV News reported on January 28, 2009, “Liberal leader Michael Ignatieff offered his support for the federal budget Wednesday.”

In 2010, the Liberals also supported the Conservative government's budget. I quote the *Toronto Star* of June 9, 2010. The “Conservative government has passed its fifth consecutive federal budget with the tacit support of the Liberal opposition.” It is typical Liberal Party rhetoric to say one thing and do another. This is a good example of that.

Liberals supported most of the Conservatives' budgets during those minority Parliaments for one reason, because they were good budgets and they were good for Canada.

● (1735)

Mrs. Karen McCrimmon: Madam Speaker, 2006 was a good budget. The Conservatives had just inherited a \$13-billion surplus from the Liberals before them. We did not expect them to spend it all in one go, but that is exactly what happened.

We do acknowledge that 2009 and 2010 were stimulus budgets. We did agree that Canada should invest about \$60 billion in stimulus. That was agreed upon, but the government went on to create another \$90 billion in debt that we did not agree to. Sometimes agreement is not the worst thing in the world.

Ms. Cheryl Hardcastle (Windsor—Tecumseh, NDP): Madam Speaker, I would like to say in this odd way that it is very unfortunate that the hon. member had to use Windsor as her example talking about social consciousness and the fiscal responsibility that we need in moving forward and that it is a tricky mix.

In my area though, it really is not. We have to be very open-minded in our perspectives as we are all developing fiscal policy. Unfortunately, some of us who end up here have been in their bubble for an awfully long time. I sat here previous to the hon. member's speech and listened to a member talk about middle-class fiction because the middle class is struggling. Come to my riding and I can say it is not fiction.

Another hon. member's speech talked about spending and deficits because money can buy fun. I find that so distasteful and very alarming when the Liberal government will be preparing and presenting a budget that I hope we as parliamentarians will be able to be very meaningfully engaged in. The member used my riding as an excuse. Is she committed in moving forward that conscientiousness for areas like Windsor that need a commitment to health care, that need a recommitment to the—

The Assistant Deputy Speaker (Mrs. Carol Hughes): Order. I am sorry. If you want an answer, we have to give time for that.

The hon. Parliamentary Secretary to the Minister of Veterans Affairs.

Business of Supply

Mrs. Karen McCrimmon: Madam Speaker, I used Windsor as an example because I was there over the holidays. I went to visit family and friends and had long discussions. It came from their personal experience of what was happening in that city. I felt very strongly for a lot of the people that I had the good privilege to speak with.

We need a different future. We need to make investments. We need to get Canadians back to work. The best thing we can do for people is to give them the opportunity to build a better future. That starts with a decent job and that is definitely the direction we are going with our growth packages as we move forward.

The Assistant Deputy Speaker (Mrs. Carol Hughes): Before we resume debate, I just want to advise members that we only have five minutes for questions and comments, and it would be good if members could keep their questions short.

This is an important topic and we are all passionate about it, but we have to give other members an opportunity to ask questions. If members can keep their questions short, the previous speaker will be able to respond with a brief answer.

Resuming debate, the hon. member for Carleton.

Hon. Pierre Poilievre (Carleton, CPC): Madam Speaker, it is great to be back here, and I would like to take the occasion to thank family and friends who supported me, volunteers who worked to help with my re-election, the electors who chose me, and even those who did not, for the privilege of serving in this august chamber. Most of all, I would like to thank the people of Carleton, my newly constituted riding, for giving me the chance.

It is newly constituted, but it is very much a historical place. Sir John A. Macdonald was elected in the riding of Carleton, and the century before, its namesake, Sir Guy Carleton, was the Lieutenant-Governor of Quebec; so in a small sense, history is repeating itself with the re-emergence of these boundaries in this riding, but it is also repeating itself with the new government.

We have today, as we did almost a century ago, a Prime Minister who is a Liberal, who is a Quebecker, and who speaks of sunny ways. Of course, sunny ways is not an expression he invented; it is one he inherited from then prime minister Laurier, who of course is one of the greatest prime ministers this country has ever had. Laurier said:

Canada shall be the star towards which all men who love progress and freedom shall come.

More freedom at that time meant less government. From 1900 to 1910, federal, provincial, and municipal spending was a combined 9% of GDP. Today, it is about 40%. Low-cost government meant a low-tax nation. To quote the authors of *The Canadian Century*, Crowley, Clemens, and Veldhuis:

Laurier believed that the cost of government, and especially the tax burden, needed always to be kept below the level in the United States, so as to create a powerful competitive advantage for Canada.

Then, as now, Canada's low-tax plan worked. In the first 20 years of the 20th century, our population grew by an unprecedented two-thirds, and to quote the previous authors, "the wheat yield in the three Prairie provinces rose during Laurier's time" by 500%, new and repair construction increased by almost 400%, and exports more than

doubled. The rate at which the new companies formed and were chartered grew by 12 times during the first decade of that century.

That is a good moment in which to say that I will be splitting my time with the member for Abbotsford.

If today's Prime Minister were to bring sunny ways such as these, I think we would all rejoice. In fact, despite Laurier's partisan affiliation to what we call the Liberal Party, he would probably have recognized himself more in the policies of the previous government than the current one.

Conservatives in the last 10 years brought free trade, free markets, and free people. In fact, we left Canada the freest country in the world, according to the Legatum Prosperity Index. We had the sixth freest economy in the world, according to *The Wall Street Journal*, and according to the finance department last week, we also had a balanced budget.

The Parliamentary Budget Officer has added that the projected surplus for this year, based on all the information available to him on the day that the current Liberal government took office, would have us running a surplus of \$1.2 billion, and so in a sense the Prime Minister of today has inherited sunny ways from his predecessors in the recent past.

Much has been said about the gap between the rich and the poor and the plight of the middle class. I am glad we should speak of these subjects, because over the last decade the facts are clear: families moved out of poverty and into the middle class. The middle class got ahead and better off than any other country in the world. Between 2005 and 2011, during which time the Conservative government was in power, the take-home pay among low-income families was up 14%, after tax and inflation.

Even Andrew Coyne, who had previously endorsed the Liberals, admitted:

In 2011, the last year for which StatsCanada has figures, the proportion of the population living on low income...fell to its lowest level—well, ever. At just 8.8%, it beat the previous record of 9.0%, set in 2010. As recently as 1996, it was at 15.2%.

● (1740)

In other words, poverty fell by almost half in 20 years.

Of course, child poverty would be expected to rise during the great global recession that resulted from the financial crisis of 2008. In fact, according to UNICEF, the opposite happened here in Canada. While children around the world were falling into poverty, here in Canada the child poverty rate decreased from 23% to 21% during the recession, pulling roughly 180,000 children out of poverty.

How did this happen?

First, the reality is that we increased the amount that Canadians could earn before they started paying taxes and removed one million low-income Canadians from the tax rolls altogether. The parliamentary budget officer said, "In total, cumulative changes have reduced federal tax revenue by \$30 billion, or 12 per cent. These changes have been progressive, overall. Low and middle income earners have benefited more, in relative terms, than higher income earners."

Business of Supply

The same report points out that the “highest 10 per cent of income earners benefit least, with after-tax gains of...1.4 per cent”.

Our government enacted policies to free people from poverty, allowing them to enter the middle class. Yesterday's poor are today's middle class.

What is the state of the middle class? The ultra Liberal *New York Times* had something to say on this subject. “Life in Canada, Home of the World's Most Affluent Middle Class”, was the screaming headline.

The same article went on to say, “After-tax middle-class incomes in Canada — substantially behind in 2000 — now appear to be higher than in the United States.” That must have been a very tough admission for *The New York Times*.

Overall, under the previous government, personal income taxes are down 10%, and take-home pay is up 10% on average across all income levels. The median net worth of Canadians went up by 44%. We reduced poverty and freed middle-class strivers to get ahead, letting families keep more of what they earned. They earned bigger and better wages in a big, open, opportunity-filled, free-enterprise economy.

There are other ways than tax relief to free people from despair and poverty and allow them to get ahead. I suggest that all of them are based on three pillars: work, family, and community. It is not government, but work, family, and community. A job is the best anti-poverty program there is; family is the best social safety net we have; and community is what is left to take care of those people who, through no fault of their own, have no work or perhaps cannot rely on family.

I would like to share some stories that I heard along the way as we continue with this debate, but the time is now running out and members are anxious to get on with their questions. Therefore, I will just say that we in this country have an opportunity to continue to allow our middle class and our working families to get ahead if we remove the obstacles that government has put in the way, lift off the heavy burden of red tape, and continue to build an economy that is built on free trade, free enterprise, and free people.

I say this because of something I learned when I was minister of employment. There was a bureaucratic decision to close a recycling plant not far from here that takes care of all of the used sensitive documents of the Government of Canada. There were 50 special needs people who recycled all of that paper on our behalf. They do it very well and at a very low cost.

For some reason there was a bureaucratic decision to end that program. They were, of course, devastated. This was the place where they went, it was the place that gave them purpose, and it was a place, as they say in *Cheers*, where everybody knew their name.

When I announced that I would intervene and save this program, I went to visit these incredible young people. I asked one young man what he liked best about his job. He said, “work”. I asked him how we could make the place better for him. He said, “Send more paper. I don't want it to run out because I want to keep working.”

That is the kind of enterprising spirit that inspires us all to build the economy that we all want.

● (1745)

Mr. David Graham (Laurentides—Labelle, Lib.): Madam Speaker, the Conservatives have, once again, taken the opportunity to put forward real policy on this opposition day and traded it for a chance to talk about themselves and the mirage of their own ostensibly brilliant record.

If we take the old books off the Conservative stove long enough to read them, we might find a few entries that make sense. We will not find very many, though. If we have the callouses needed to turn those still-warm pages, we will find a lot of capital assets that were quietly removed from the books, liquidated; that is, sold, trimmed from part of the inventory of supplies the government owns to provide services to the people, to a one-time supply of cash that can be ever so briefly used to show that the government is making money.

When the Conservatives tell us that they balanced the budget, what they are not telling us is that they sold the house to pay off the mortgage. Unfortunately for them, Canada has found a new place to live.

● (1750)

Hon. Pierre Poilievre: Madam Speaker, I first want to congratulate the member for some pretty impressive metaphors. He put those together rather well. I am going to avoid the metaphors and stick to the published facts, and I am going to use two sources.

One is the “Fiscal Monitor” that his finance minister authorized the publication of just last week. It showed that in the months immediately preceding his government taking office, in fact, Canada had an accumulated surplus of \$1 billion. According to the Parliamentary Budget Officer, in a document that was published in November as well, the PBO had a projected surplus of \$1.2 billion for the present fiscal year.

These are not Conservative sources and these are not books that were on the Conservative stove. We do not put our books on stoves because we do not believe in burning books. These books tell us that Canada is in surplus and that means sunny ways for us all.

[*Translation*]

Mr. Pierre-Luc Dusseault (Sherbrooke, NDP): Madam Speaker, I would like to congratulate my colleague on being re-elected. Since he has been here for some time, I wonder if he agreed with the strategy the late Mr. Flaherty used under the previous government. He implemented an economic action plan to stimulate the economy by investing billions of dollars.

I am curious to know if he agreed with the previous government's strategy and if he would agree with a similar strategy to stimulate our economy in 2016 and beyond, if need be.

Hon. Pierre Poilievre: Madam Speaker, I also congratulate the hon. member on his re-election. I gather he is still the youngest member of Parliament, and I congratulate him on that.

Business of Supply

Of course I supported the hon. Jim Flaherty's policies. When it comes to debt reduction, we paid off \$40 billion of the national debt before the global recession struck. To be fair, that is one of the reasons our debt is among the lowest in the world and the lowest of all the G8 countries. We should try to maintain that advantage by continuing to balance the budget and reduce the burden for the taxpayers who foot the bill.

I am pleased to say that, when we left office, the federal government burden was at its lowest in 50 years, at about 12% of the economy. That is why we have a free and open economy. I hope the Liberals will stay on that path.

[*English*]

Mr. Sven Spengemann (Mississauga—Lakeshore, Lib.): Madam Speaker, there seems to be a disconnect within the Conservative caucus. At worst, it could be seen as audacious doublespeak; at a minimum, it could be a factual misunderstanding among its own members.

Over the past two weeks, we have heard member after member from the Conservative caucus stand and tell us how much their ridings, which they characterize as middle class, are hurting. The member and his colleague from Edmonton—Wetaskiwin seem to be suggesting that the middle class is strong. Which is it?

● (1755)

Hon. Pierre Poilievre: Madam Speaker, the reality is that overall, Canada's middle class has prospered throughout the last decade. Very recent events that have struck the world economy and have affected our resource sector have caused families to suffer, and that is precisely why we need to continue to lower taxes. We need a strong fiscal position, and we need to free up resource development projects and pipelines that would create new jobs and renewed opportunity for people right across this country.

Hon. Ed Fast (Abbotsford, CPC): Madam Speaker, I want to thank my colleague from Carleton for that excellent intervention. I am very much looking forward to engaging in this debate on the kind of fact and fiction that is often introduced in this House.

Before I do, I want to thank the residents of the beautiful city of Abbotsford for re-electing me to a fourth term. I have had a chance to serve them for 10 years, and I am very much looking forward to the next few years being their representative here in Canada's capital city, Ottawa.

What we are discussing here is a motion that affirms once and for all that, in fact, the previous Conservative government left the new Liberal government with a balanced budget. In fact, it was more than a balanced budget; we left the new government with a surplus of over \$1 billion. Sadly, what we hear from the Minister of Finance, from his parliamentary secretary, and from some of the members on the Liberal side is the perpetuation of this canard that somehow the previous government left the Liberals with a deficit. That is patently false. They can actually ask the highest-serving civil servant in Canada in the finance department. He has said that the previous government left a surplus. In fact, the Parliamentary Budget Officer has said the same thing: the previous government left a surplus to the current Liberal government.

Let us talk about how we even got to this point. As members know, back in 2008-09, the world was faced with the worst global economic crisis the world had seen since the Great Depression, and like virtually every other developed country in the world, Canada and our Conservative government did what was right. We invested in infrastructure to make sure that we primed the pump. We were fortunate, because Canada was the last country of the G7 to actually slip into recession, and our policies in responding to that recession actually allowed us to emerge from the recession as the first country to do so.

We invested in our economy, made sure that our economy was strong going forward, and created jobs.

We made a promise back then, because to invest so heavily in infrastructure at one time to prime that pump I referred to, we had to go into temporary deficit. When we did so, we did something that our Liberal and New Democrat friends opposed: we set a clear goal to return to balance in our budgets. In fact, in 2011, during the election when we were elected as a majority government, we pledged to Canadians that by the year 2015, we would actually return to balanced budgets. In fact, we achieved that a year earlier than expected. Even now, in this fiscal year, we have left the new government with a surplus.

How did we achieve that between 2008 and 2015? There are four key things we did. I already mentioned the \$33-billion worth of infrastructure we invested in across our country. Much of it was transportation-related infrastructure. Much of it was knowledge infrastructure. By all accounts, that infrastructure investment was made in a timely, efficient way and delivered results.

The second thing we did was recognize that in a recession, Canadians do not need extra taxes. In fact, we continued to reduce the tax burden on Canadians. We reduced taxes to the point where today, the tax burden on Canadians is the lowest it has been in over 50 years.

The third thing we did is something the Liberals have found tough to do. In fact, a previous leader of the Liberal Party said, "Do you think it's easy to make priorities?" No, we do not believe it is easy to set priorities. Setting priorities is tough, but fortunately, Canadians had a tough-minded government in place that knew how to set priorities and make tough decisions. We were able to control the growth of government. We were able to control government spending.

● (1800)

The fourth thing we did, and something I am personally very proud of, was embark upon the most ambitious trade agenda Canada had ever seen. I am glad to see my colleague, the Parliamentary Secretary to the Minister of International Trade is here. I look forward to working with him to ratify the trans-Pacific partnership, and also our free trade agreement with the European Union.

Business of Supply

Since our government was elected in 2006, we were able to negotiate trade agreements with 46 countries. We were able to negotiate a megadeal with the European Union. We negotiated a trade agreement with South Korea, which is a market of 50 million well-heeled consumers. We concluded negotiations on the trans-Pacific partnership with 11 other partners within the Asia-Pacific region.

We did that because we wanted to open up new opportunities for Canadians in markets around the world, new opportunities for Canadian manufacturers, Canadian investors, Canadian service providers, Canadian innovators. We opened markets for Canadian exporters and importers. Our consumers benefited because tariffs were eliminated.

Of the dollar value of known economic benefits and expected economic benefits of all trade agreements that Canada has signed, 98.5% of that value was negotiated under Conservative governments, not Liberal governments.

It started with the Canada-U.S. free trade agreement which then morphed into the North American Free Trade Agreement, where we brought Mexico into the fold. Then there were 13 years between 1993 to 2006, where virtually nothing got done, while the rest of the world was moving ahead, full steam, opening up new markets. Our Liberals friends negotiated three small agreements with Chile, Costa Rica and Israel.

I am very proud of our record of an additional 46 markets opened up to Canadians, driving economic growth and prosperity in our country. These temporary deficits that we embarked upon provided an impetus to our economy back in 2008-09 and they paid off because we handled it in a responsible way. We returned to surplus budgets one year earlier than expected.

We are very proud of that achievement. We are also very sad to see the new Liberal government embark upon a set of policies that are just upending that apple cart of stability, of common sense.

The Prime Minister within days of being sworn in, without consultations, without warning to Canadians, made an announcement, not in Canada but in Malta, that he was going to be spending \$2.65 billion of taxpayer money on climate change initiatives, vanity projects, not at home, not in our country, but in foreign countries. There is no accountability. The money is going to foreign agencies where we have very little oversight, and there is very little transparency.

We see that with the approach of the Liberals to taxes. We see that in their approach to big spending, and their promises of big deficits. In fact, during the election, the Prime Minister promised Canadians that he would only run deficits of about \$10 billion per year each year, and in the fourth year of his term, he would balance the budget. Guess what? Economists are now in agreement that these deficits will be much higher. In fact, many people are predicting deficits in the range of \$30 billion to \$40 billion a year. So much for making promises.

Will the Prime Minister and his government reach a balanced budget in four years? Any economist we might speak to will say that it is virtually impossible unless there is a huge hike in taxes on Canadians.

That is not the kind of government Canadians elected. As we discuss the finances of this nation, there are not many things more important than being transparent and forthright about the state of those finances.

May I suggest for the Liberal government, the Minister of Finance, the Parliamentary Secretary to the Minister of Finance, and all members of the Liberal government that they be truthful when they talk about deficits. I expect the truth might set them free.

• (1805)

Mr. Joël Lightbound (Louis-Hébert, Lib.): Madam Speaker, my hon. colleague went back a bit in history, so I would like to do that myself.

He mentioned that we emerged faster and stronger than the other G7 countries from the financial crisis. If we look back in history, one of the reasons for that, among others, is that while the former prime minister, when in opposition, was advocating that we deregulate our financial industry, a former Liberal minister of finance said no. This is one of the reasons our banking industry, our financial sector, was so much stronger than perhaps our southern neighbour.

Another reason we emerged from the financial crisis perhaps more rapidly was, as he mentioned, and I give him credit for that, the financial stimulus package to which we agreed.

Who else agreed to this financial stimulus package back in 2009-10? The IMF did. I have heard a lot of his colleagues quote and invoke the IMF as a justification for that.

This is what the IMF had to say recently:

The findings suggest that in countries with infrastructure needs, now is a good time for an infrastructure push. Many advanced economies are stuck in a low growth and high unemployment environment, and borrowing costs are low. Increased public infrastructure investment is one of the few remaining policy levers to support growth.

Does the member agree, this time around, that the IMF is right and that we should invest in infrastructure?

Hon. Ed Fast: Madam Speaker, I believe that the member has been engaging in some revisionist history. In fact, if we look at the 10 years that our Conservative government was in office, we consistently strengthened the regulation of the banks. We understood what it took to maintain a strong economy.

With respect to his specific question, he has suggested that high spending is what is being recommended as a solution to the world's economic problems. We have seen where that led in places like Greece, Spain, Portugal, Italy, and Ireland. Now we hear that there are other countries in Europe that are facing significant headwinds, Norway being one of them.

We were very clear for over 10 years. We believed that it was responsible government accountability to taxpayers that would keep us on the right course. That is why, even today, Canada is one of the few countries in the world to still run a budget surplus.

Adjournment Proceedings

[Translation]

Mr. Pierre-Luc Dusseault (Sherbrooke, NDP): Madam Speaker, throughout the debate, we heard a number of Conservatives talking about how they restored a balanced budget. However, they are forgetting to say how they managed to achieve that. The main reason is that they asked each and every department to cut its budget by between 5% and 10%. The member should know something about this, since he was a minister and he must have had to make cuts in his own department to come up with the money that Treasury Board was asking for.

I wonder if the member would at least acknowledge that the reason why they might have, possibly, balanced the budget in 2015-16—although the numbers suggest otherwise—was that it would have been done at the expense of services to Canadians and public services in general.

[English]

Hon. Ed Fast: Madam Speaker, one thing that we as Conservatives will never do in this House is apologize for keeping government spending under control and keeping the growth of government under control. We wear that as a badge of honour. It is what has allowed us, as a country, to have finances that are the envy of the world. That is why we have a budget surplus, the one the Minister of Finance and his parliamentary secretary want to deny. All the evidence to the contrary, they are still in denial mode.

We have a stellar record when it comes to managing the finances of this country.

• (1810)

The Assistant Deputy Speaker (Mrs. Carol Hughes): Resuming debate.

The hon. Parliamentary Secretary to the Minister of International Trade.

I just want to advise that there will only be about four minutes for that speech. The member will be able to finish his speech when the matter is resumed at another sitting of the House.

Mr. David Lametti (Parliamentary Secretary to the Minister of International Trade, Lib.): Madam Speaker, it is an honour to follow the hon. member for Abbotsford. Let me take a moment to salute his record as the former minister of international trade. We look forward to future collaboration with him.

Why are we here? I would rather not focus my closing remarks as they were on this day in Parliament on actual numbers but rather ask what the cost is. I am willing to grant that the previous government did its best to spend as little as possible, but that is not necessarily a good thing, particularly because it did leave us in debt anyway because it failed to balance a single budget between 2008 and 2014, but more importantly, because of the costs that this had in Canada over that period of time. Let us not forget that.

Over the past 10 years our economy has been characterized by fundamentally weak growth. Perhaps some of the gains that the hon. member for Abbotsford made acting as minister of international trade in negotiating trade agreements, which our government believes were generally good, could have been better. Had we developed our manufacturing sector, had we put money into innovation, had we put money into becoming a stronger and more

diversified economy, then perhaps we would have been able to profit from those agreements much more than we have. We have done the opposite. We effectively cut infrastructure spending over that period of time in real terms and have ended up with an infrastructure deficit that cries out to be rectified. Cuts were also made to veterans affairs and social programs, including programs for social housing.

I spent the past 20 years teaching in one of the world's finest law faculties in one of Canada's finest universities. I could see the cuts to university research that the previous government undertook and the devastating impact that had on research programs in pure science, applied science, and the social sciences. That was one of the reasons I decided to put myself on leave from that tenured position in order to go into direct public service: to rectify what I saw as an incredible problem in policy that the previous government chose to follow.

Not only did the previous government cut university research for the sake of balancing budgets, but it destroyed archives, weakened research and development in this country, and put our innovation agenda way behind other countries, including countries like Scandinavia for example.

Yes, it is fine to talk about budgetary numbers, but let us not forget the costs. When it is time to reinvest in an economy, reinvest in infrastructure, reinvest in Canada's people as it is now, a government needs the courage to do it.

The Assistant Deputy Speaker (Mrs. Carol Hughes): I apologize for having to interrupt the member. It is now 6:15 and we need to move things along. Unfortunately, I said a while ago that the member would be able to speak to the matter at a later date but this is an opposition day motion and so he will not be able to do that. I am sorry.

[Translation]

It being 6:15 p.m., pursuant to order made earlier today, all questions necessary to dispose of the opposition motion are deemed put and a recorded division deemed requested and deferred until Tuesday, February 16, 2016, at the expiry of the time provided for oral questions.

[English]

Mr. Kevin Lamoureux (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.): Madam Speaker, I suspect if you were to canvass the House you would find the will to see the clock at 6:30.

The Assistant Deputy Speaker (Mrs. Carol Hughes): Is it the will of the House to see the clock at 6:30?

Some hon. members: Agreed.

ADJOURNMENT PROCEEDINGS

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

Adjournment Proceedings

• (1815)

[English]

FOREIGN AFFAIRS

Mr. Garnett Genuis (Sherwood Park—Fort Saskatchewan, CPC): Madam Speaker, leaders from Canada's Jewish, Sikh, and Muslim communities got together to write the government a letter calling on it to renew the mandate of the office of religious freedom. The letter reads:

Dear Minister,

As Canadians from various faith and cultural communities, we are writing to express our support for the valuable work undertaken by Global Affairs Canada's Office of Religious Freedom.

Today, hundreds of millions of people around the world are the target of threats, discrimination, state persecution, or violence every day simply on the basis of their religion. While we acknowledge that diverse communities are subject to persecution as a result of multiple factors, the suffering of religious minorities in numerous countries is particularly acute and often qualitatively different from other forms of discrimination. For example, in the context of the current Syrian refugee crisis, it cannot be overlooked that many refugees seeking resettlement in the West are religious minorities targeted by ISIS on the basis of their faith. This is an issue that touches the conscience of all Canadians, regardless of any particular religious affiliation, many of whom arrived in Canada as refugees fleeing religious-based persecution overseas - whether recently or in previous generations.

The Office of Religious Freedom, under the capable stewardship of Ambassador Bennett, has proven an effective advocate in highlighting the issue of religious persecution, partnering with Diaspora communities in Canada, and raising our country's profile as a world leader in human rights promotion on the international stage. Perhaps most importantly, we are grateful that the Office is engaged in a series of on-the-ground programs and initiatives to alleviate religious persecution in various countries (toward which the majority of the Office's modest \$5 million is allocated). While these projects do not always make headlines, we believe they laudably reflect a practical and effective role Canada can play in mitigating the plight of persecuted religious minorities around the world.

Those are the words of Canada's Jewish, Sikh, and Muslim leaders speaking together.

In response on the letter, the minister told the House that they valued religious freedom, they just did not want it to be isolated. Comments like this suggest that unfortunately the minister is not even aware of what the office does. This office is not a silo of activity away from the department. It is an integral part of the department, and it provides training and expertise to the rest of the public service. In addition to funding direct programs, it builds the capacity of the public service to respond effectively to faith-based discrimination.

All Canadians support and benefit from religious freedom. The Office of Religious Freedom's external advisory committee even includes representation from the atheist community.

In general, the government's claim to be committed to religious freedom is highly suspect. There is absolutely no mention of religious freedom in the minister's mandate letter. If this move to do away with this office was really about supporting religious freedom in a different way, then why no mention in the mandate letter?

Will the government finally take the opportunity to answer the original question more seriously? Will the government listen to the pleas of Jewish, Sikh and Muslim communities speaking together with one voice? Will it renew the mandate of the office of religious freedom? If it is intent on killing the office, would it at least give us the reason why?

Ms. Pam Goldsmith-Jones (Parliamentary Secretary to the Minister of Foreign Affairs, Lib.): Madam Speaker, I would like to focus on an aspect of the good work that the Office of Religious Freedom did, because the hon. member is making a very good point that is worth reviewing for the sake of the exact kind of appeal that has been made and to indicate that we are listening and do wish to go further.

On January 31, Boko Haram attacked Dalori, a village on the outskirts of Maiduguri in northeastern Nigeria, and massacred 86 children, women, and men. This group is responsible for many despicable acts in Nigeria, Cameroon, Chad, and Niger. The Minister of Foreign Affairs condemned these attacks in Nigeria in a press release, in which he offered his sincere condolences to the families and friends of those killed and wished a strong recovery to the many injured.

Canada is deeply concerned by these continuing atrocities. Boko Haram is responsible for more than 6,600 deaths in a single year, making it the deadliest insurgent group in the world outside of Iraq and Syria, and this must stop. Nigeria and its neighbours around Lake Chad are determined to eradicate Boko Haram. Canada and the international community are supporting the Lake Chad Basin allies in their fight.

We are actively engaged with our international partners as the co-chair of the Sahel Working Group of the Global Counterterrorism Forum. Since 2010, Canada has committed over \$37 million toward assisting vulnerable countries around the world to fight terrorism through the counterterrorism capacity-building program. In the Lake Chad Basin, the counterterrorism capacity-building program has provided training to Nigerian law enforcement personnel on analysis, investigation, and interview techniques. Nigeria also received training through Canadian support to Interpol, the United Nations Office on Drugs and Crime, and the Institute for Security Studies Africa. Canada participates annually in a military exercise called Flintlock that develops capacity in collaboration among African forces.

Millions of people living in the Lake Chad Basin are affected by Boko Haram's terror. In response to this, Canada provided over \$11 million in humanitarian assistance in 2015 to help those who have been forced to flee their homes.

In its efforts to combat Boko Haram's history of inter-communal violence in the region, Canada, through the Office of Religious Freedom, supported a two-year project to promote interfaith dialogue and conflict mediation in Plateau State, Nigeria. We are well aware of the good work it has done.

The project successfully developed a community-based mechanism to help defuse tensions between different religious and ethnic groups, and has been used by the Nigerian government on various occasions, including in response to attacks and bombings in Jos and in the lead up to Nigeria's elections in March 2015. While this phase of the project concluded in January 2015, our government is pleased that Canada has been able to continue to support this model for inter-communal dialogue in neighbouring conflict-affected regions in Nigeria through Canada's global peace and security fund.

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Human rights are universal, interdependent, and indivisible. The promotion and protection of human rights, including freedom of religion and belief, is an integral part of Canada's history and constructive leadership in the world. The government is currently examining its options on how best to build on the good work that has been done so far and enhance efforts to champion peaceful pluralism, respect for diversity, and human rights.

Terrorism today is a long-term global challenge, requiring a consistent, comprehensive, and coordinated international response, and that is what Canada is actively doing, together with our allies and partners around the world.

● (1820)

Mr. Garnett Genuis: Madam Speaker, my question in this case was not about Boko Haram, but I appreciate the member's recognition of the very good work that was done by our government and what will hopefully continue under the new government through the Office of Religious Freedom.

Let us be clear that rights are connected and indivisible, but it is precisely because of that that we need to have this centre of excellence within the Department of Foreign Affairs to build the department's capacity to understand these situations of religious tension and to directly address them through effective programs such as these. What the Sikh, Jewish, and Muslim community leaders have told the government is that it is not enough to say we are lumping all of these rights together, that an office is needed that understands the specific issues and can ensure that action is taken.

Will the parliamentary secretary strongly advocate for the continuation of this office and the very good work it is doing?

Ms. Pam Goldsmith-Jones: Madam Speaker, we are reviewing the Office of Religious Freedom as we support efforts to promote interfaith dialogue and conflict mediation. Such efforts could help build tolerance, security, and stability.

The promotion and protection of human rights is an integral part of Canada's constructive leadership in the world. The government is currently examining its options about how to enhance efforts to champion peaceful pluralism, respect for diversity, and human rights, above all.

Terrorism today is a long-term global challenge and requires a consistent, comprehensive, and coordinated response, and that is what Canada, together with its allies and partners around the world, is actively and proudly doing.

[*Translation*]

Ms. Hélène Laverdière (Laurier—Sainte-Marie, NDP): Madam Speaker, the NDP has long been calling for Canada to sign the Arms Trade Treaty. I must admit that I have a vested interest in this, because I had the honour of participating in the treaty talks nearly 15 years ago. It was extraordinary, because Canada was a leader on the matter. If Canada is truly back on the world stage, we must once again be a leader.

This treaty can tangibly change the lives of millions of people. This treaty would essentially ensure that the arms we sell abroad do not end up in the wrong hands and do not get used to violate international laws or to commit human rights crimes.

Unfortunately, Canada is dragging its feet, and although the new government has said that it would sign the Arms Trade Treaty, I am still concerned in light of how it is dealing with other matters, for example, the sale of arms to Saudi Arabia. While the Liberals were in opposition, they demanded that the government release the assessment, which should have been done before the arms sale was authorized, but now that they are in power, they refuse to do so. Transparency should also apply here.

I hope the government members of the Standing Committee on Foreign Affairs and International Development will agree with my suggestion to create a subcommittee to look into the whole issue of Canada's weapons exports.

We are the only NATO country that has not signed the Arms Trade Treaty. I know that a lot of the blame lies with the previous government, which did not want to hear of it, but still, we must act immediately.

My main question for the government is the following: What process is in place for signing the treaty? Has the government started working on this? There are so many areas where nothing is being done. Promises were made that things would be done in the first 90 days, and there is still nothing after more than 100 days. What is the process and when can we expect the government to finally sign the treaty?

● (1825)

[*English*]

As I was saying, the New Democrats have been asking for a long time for Canada to accede to this treaty. The ATT is a very important treaty that could change things for millions of people in the world by avoiding sending arms abroad that will be used to commit human rights violations or international violations. However, it seems to be slow, and we are seeing a lack of transparency, for example, with respect to the Saudi arms deal where we do not have the assessment yet.

My question for the government is this. What is the process? Has the government started working on that seriously? When can we expect to see Canada finally accede to the treaty?

Ms. Pam Goldsmith-Jones (Parliamentary Secretary to the Minister of Foreign Affairs, Lib.): Madam Speaker, as pledged in our electoral campaign platform and as highlighted in the Minister of Foreign Affairs mandate letter, our government intends for Canada to become a state party to the Arms Trade Treaty. This is good news. We are firmly committed to preventing the illicit trade in conventional arms that can contribute to weakening international and regional peace, security, and stability.

The Arms Trade Treaty and its provisions provide the international community with tools to reduce human suffering. The treaty promotes co-operation, transparency, and responsible action by states in the international trade of conventional arms.

We also welcome its focus in addressing the potential impacts of arms exports on international human rights law, international humanitarian law, and gender-based violence.

I wish to reinforce that nothing in the treaty prevents the lawful use of sporting firearms for legitimate purposes such as sports shooting and hunting nor does it hinder the legitimate trade in conventional arms. Rather, it prevents diversion of conventional arms to the illicit market, thereby reducing the likelihood of weapons reaching terrorist or organized crime groups. It also requires that all states parties exercise responsibility and maintain clear export control processes to ensure that the legal trade in conventional arms does not contribute to conflict, violations of international human rights and international humanitarian law, international crime, or terrorism.

The Arms Trade Treaty entered into force on December 24, 2014. As per article 21 of the treaty, Canada can accede to the treaty in order to join it. Accession to a treaty is an important step for any state as it binds itself to legal obligations under the treaty. This means that Canada must fully align its domestic policies and laws with the ATT's obligations before we will be able to join as a state party.

Canada already has some of the strongest export controls in the world. We are confident that Canada already meets most of the obligations of the Arms Trade Treaty. However, there may be areas where changes to domestic laws or policies are necessary to meet all of Canada's commitments.

Our government is therefore currently undertaking a review of our existing laws and policies in order to ensure that we can fully implement the ATT. This work is being pursued on a priority basis, I am pleased to say. It will, however, take some time to complete a full review of the treaty and identify the steps necessary in order to accede to it. The government remains committed to a strategy that will allow Canada to accede to the treaty at the earliest possible opportunity. Once this review is complete, the government will inform Parliament of its plan for ensuring that Canada can become a party in good standing of the Arms Trade Treaty.

In the meantime, Canada will attend the upcoming meeting of the Arms Trade Treaty as an observer. We intend to engage constructively and actively with our international partners to ensure that Canada will play a leadership role on this important issue.

● (1830)

Ms. Hélène Lavergère: Madam Speaker, basically there is no argument about the treaty. We agree on the content and the importance of the treaty. However, I remain concerned. Yes, it was pledged in the campaign, but as I said earlier, it was also said that the assessment of arms deals should be released and we are saying the government is not doing that.

My specific question is this: what has been done up to now? What is the plan? Is there a timeline and can the member give an estimate of when Canada will be able to accede to this very important treaty and show not only in words that Canada is back on such an important issue?

Ms. Pam Goldsmith-Jones: Madam Speaker, I thank the member for her passion and seriousness on this.

Canada is fully committed to joining its international partners and NATO allies by becoming a party to the Arms Trade Treaty. We will do so in a responsible manner that ensures we can implement

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domestically all the obligations that we will take on as a state party to the treaty. The process of acceding to the treaty, as I have said before, is being pursued on a priority basis.

In the meantime, we will continue to advocate for and work with our international partners to promote responsibility, transparency, and accountability in the global arms trade.

[*Translation*]

EMPLOYMENT INSURANCE

Mr. Guy Caron (Rimouski-Neigette—Témiscouata—Les Basques, NDP): Madam Speaker, in a question I asked during question period, I denounced two situations and questioned the Minister of Employment, Workforce Development and Labour about it.

First, the pre-budget consultations that were held by the Minister of Finance and his parliamentary secretary and, by extension, the consultation that was held by the government on its website, were largely used to collect personal data that might be used by the Liberal Party for future fundraising purposes. That is problematic.

For those who did not know, there will be intensive and accelerated pre-budget consultations at the Standing Committee on Finance. However, the fact remains that the government said for weeks that what really mattered was the consultations carried out by the government.

The government is conducting its own budget consultations. This is nothing new, since previous governments have done the same thing. It is not necessarily bad, except that the process that we follow at the Standing Committee on Finance is absolutely essential, since it allows for a broader range of opinions in preparation for the upcoming budget.

That is why we are happy to have an official, formal pre-budget consultation process at the Standing Committee on Finance. However, the fact remains that the behaviour of the Liberal Party members in the consultation process is problematic. That was one of the angles of the question I put to the government.

The second angle is the one I want to ask the government about here today. It has to do with including the changes to the employment insurance system that were proposed and promised. In 2012, the Conservative government completely reformed the employment insurance system, and those reforms were devastating, especially for the regions, which still depend a great deal on seasonal employment. It is not the workers who are seasonal, but rather the jobs. For instance, eastern Quebec still relies heavily on the fishery, agriculture, forestry, and tourism.

In that sense, the objective of the reform was to force workers to find a job within 100 km of their residence. If there are no highways, that is quite far and a long way to travel. This led to reduced access to employment insurance, not only in eastern Quebec and eastern Canada, but also across the country. Today, only 38% of the people who pay employment insurance premiums receive benefits when they have difficulties.

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In addition to reversing this reform that was implemented in 2012 by the Conservative government, the Liberal election campaign promises included more specific measures, such as setting a 360-hour eligibility threshold for employment insurance benefits.

Some provinces, such as Alberta, Saskatchewan and even Newfoundland and Labrador, are going through tough economic times. Increasing access to employment insurance would provide immediate assistance to people who are currently struggling and need it.

I would like a clear answer from the government: will the election promise of a 360-hour eligibility threshold be honoured and included in the next budget?

● (1835)

[*English*]

Mr. Rodger Cuzner (Parliamentary Secretary to the Minister of Employment, Workforce Development and Labour, Lib.): Madam Speaker, I can assure my friend from Neigette—Temiscouata—Les Basques that our government is actively exploring potential changes to the employment insurance program. I know that my colleague is very passionate. We represent similar ridings where seasonal industries really drive local economies. The changes that have been undertaken in the past have had an adverse effect on many of the aspects of the communities where the fish are caught and the crops are harvested.

We want to make sure the EI program is more responsive to the needs of Canadian workers and employers. Consultations will be well under way in the coming months. Our government will work with parliamentarians, provincial and territorial colleagues, as well as members of the public. Something that is a bit novel but worthwhile is that we will hold a number of forums, such as town halls and social media, to get the input of Canadians.

Our government is sensitive to the ongoing situation in Alberta, Saskatchewan, and across the country as a result of lower commodity prices. I see it in my own riding of Cape Breton—Canso, where we have long been a pool of very mobile skilled labour. We are carefully monitoring the situation, and we are working to help people who have lost their jobs return to work as quickly as possible.

The EI program is designed to respond to economic changes. The system is flexible and responsive to deteriorating economic conditions and changes in local labour markets. For example, when a region's unemployment rate rises, the entrance requirement is reduced and the duration of benefits increases. The duration of EI benefits has increased in all four economic regions of Alberta. In northern Alberta specifically, more people are qualifying for EI because the unemployment rate is now higher. The qualifications for benefits have dropped from 630 hours of work down to 455 hours, making EI more accessible.

In addition, the minimum entitlement has gone from 17 weeks to 24 weeks of support, and the maximum entitlement has gone from 40 weeks to 45 weeks, the highest level of support in the country.

The government is looking into possible measures that could be used to help those most affected. Budget 2016 will signal early changes to the EI program and outline subsequent steps for reform.

More broadly, we are committed to take action in a number of areas to ensure the EI program is responsive to the needs of Canadians. This includes eliminating discrimination against workers who are newly entering the workforce or re-entering the workforce, reversing the 2012 changes to the employment insurance system related to suitable job search and employment, and I know my colleague has spoken about this, investing in labour market development agreements with the provinces, developing more flexible parental benefits, reducing wait times and improving service standards, and reducing EI premiums.

We want to hear from Canadians on this. We believe Canadians have a role to play in building effective policies and programs. Our government will seek opportunities to gather ideas and perspectives to deliver on our priorities.

I look forward to working with my colleague to make these improvements a reality for Canadians.

● (1840)

[*Translation*]

Mr. Guy Caron: Madam Speaker, I was very pleased to hear my colleague from Cape Breton—Canso. Our ridings are indeed quite similar.

I am pleased to hear him talk about commitments, especially the commitment to reverse the EI changes, which were so devastating to eastern Quebec and eastern Canada. I just hope that the government will move very quickly, because the situation is critical. The regions have been hit hard.

There is increased accessibility in Alberta, since unemployment has gone up as a result of the economic situation. Many employees who have lost their jobs are now trying to make ends meet with temporary jobs. When workers take on a temporary job and then get laid off or reach the end of their contract, they become frequent claimants. They are then forced to accept a lower-paying job.

I sincerely hope that the government will quickly address this situation.

[*English*]

Mr. Rodger Cuzner: Madam Speaker, I appreciate and respect the comments made by my colleague across the aisle.

Our government is absolutely committed to improving the EI program so that it is better aligned with today's labour market realities and is responsive to the needs of Canadian workers. Seeking public input is essential. What we saw with the last government is that when we do make changes in isolation, usually there are unintended consequences and outcomes. Therefore, we want to seek broad public consultation. I know that Canadians are eager to meet, consult, and share their opinions, as I am sure my colleague is.

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Our government will pursue the most effective options to ensure changes to the EI system are fair and responsive to today's workers and employers.

[*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).

(The House adjourned at 6:43 p.m.)

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