

**Statement on The Budget and Economic Recovery, specifically Bill C-47,
Sustaining Canada's Economic Recovery Act
October 7, 2010**

Mr. Michael Savage (Dartmouth—Cole Harbour, Lib.):

Madam Speaker, I am pleased to have the opportunity to speak to Bill C-47, which is part of the budget process of the government.

It is no secret that at this time in the history of Canada we are facing a particularly difficult time. Things are changing very rapidly. We are not out of the recession and people are looking for help. The middle class and the very disadvantaged are looking for help.

Ultimately budgets, including this one, are about choices. Governments make choices, they put them in budgets and eventually they get judged on those choices. It is useful when discussing anything to do with the economy of the country to know what Canadians are thinking about the economy, their own position and the lives of their family.

I want to share a few facts with the House.

From RBC Economics: Today the typical Canadian family must devote 49% of its income to own a standard two-storey home while mortgage rates are at their lowest point. That means people on average are spending half of their income to own their home, and they know if interest rates go up that will only go higher.

From the BMO Financial Group: 64% of parents worry they will not be able to afford the rising cost of post-secondary education. I am sure CASA and CFS would echo that.

From the Canadian Medical Association: 80% of Canadians fear that the quality of their health care will decline over the next three years.

From the Canadian Cancer Society: Canadian families are concerned about the cost of caring for a terminally-ill loved one, which is currently \$1,000 a month, excluding the loss of income from taking time off work to provide care. I will come back to this later.

From the Canadian Institute of Actuaries: 72% of pre-retired Canadians worry about maintaining a reasonable standard of living in retirement and maintaining a reasonable quality of life.

From RBC Economics: 58% of Canadians are concerned with their current level of debt, averaging \$41,470 per person, which is the worst among 20 advanced countries in the OECD.

From the Canadian Payments Association: 59% of Canadians believe they would be in financial difficulty if their paycheque were delayed by a week. Think about that. More than half of all Canadians worry that they would be in financial difficulty if their paycheque were delayed by one week.

This is a country with a lot of people who are very concerned.

I want to share a statistic that was brought to parliamentarians last week, I think, by the Association of Canadian Community Colleges, ACCC. This is something that really outlines the challenge that faces this nation and why we need a bold and responsible government that can address this challenge.

Today 44% of Canadians do not participate in the labour force. That includes children, seniors and the unemployed. That 44% will rise to 57% by 2026 and 61% by 2031. In 20 years, 61% of the people in Canada will not be in the labour market.

This is a very telling statistic, which outlines the challenge that faces Canada right now and the absolute need for us to take advantage of the human resource potential of all Canadians. We must do whatever we can as a Parliament, and the government must do what it can to ensure all Canadians have an opportunity to reach the level of education and skills attainment that they should have. The problem is that the recession that is still lingering in Canada has disproportionately affected a group of people.

A dear friend of mine, the Hon. D. Scott McNutt who passed away just recently, used to have a saying that "A rising tide lifts all boats", the idea being, in this case, that if an economy gets better everybody benefits. The fact is that not all boats are raised equally, and the poor and the disadvantaged are disproportionately hurt.

We heard this last year from the Citizens for Public Justice, who released a report indicating that during the recession the poverty rate in Canada increased significantly. In fact, the poverty rate in Canada had gone down over the previous couple of decades, particularly among seniors, although there were still many single women who were living in poverty. The poverty rates had gone down due to a decent economy and the fact that we brought in measures like the child tax benefit, guaranteed income supplement and things like that.

However from 2007 to 2009, poverty rates increased from 9.2% to 11.7% in Canada, according to the Citizens for Public Justice and their partner, World Vision. Child poverty went from 9.5% to 12%.

Those are pretty sobering statistics. They are not saying that the most in need in Canada suffered proportionately; they are saying they suffered disproportionately, that they got less than anybody else.

HungerCount, the report of Canada's food banks, last November indicated that the usage of food banks in Canada went up by 18%. That is pretty staggering.

A couple of weeks ago I had a chance to speak to Feed Nova Scotia in my own province, and they are talking about similar statistics. Their annual report says:

Forty thousand Nova Scotians are hungry each month—mothers, fathers, grandparents and, perhaps saddest of all, children and youth. Hunger knows no barriers. It's in every community across our province and its impact is truly profound.

Hunger is going up in this country, and it is going up at a very concerning rate.

Social assistance caseloads for those 900,000 more Canadians who are living in poverty went up.

Food prices went up 5%, and in fact in basic dietary staples over the last couple of years, those things that everybody needs, prices have gone up 10%.

Average household debt is up 5.7%.

Bankruptcies are up 36%.

We do not have the social infrastructure to deal with this, and we particularly did not have the investments from the government at a time of stimulus that we needed. In fact, many economists can validate the fact that the best form of economic stimulus is to give it to people who need it the most, the unemployed, the people who are marginalized, because they actually spend the money. They get it and they spend the money. If there is one thing I would think all Canadians would want to do it is to help those who are most in need.

The good news on the poverty side is that people are getting active on this front. There is a national mobilization. We had the social forum organized by campaign 2000. We had the 20th anniversary, the unfortunate anniversary, of Parliament saying we would eliminate child poverty by 2000.

Parliament adopted a new motion and hopefully we will do better.

There is a private member's bill from the member for Sault Ste. Marie on anti-poverty. Most notably we have six provinces and a territory that have anti-poverty strategies.

The problem is that the government is not addressing these needs. It is not addressing these needs at all. We have seen that in a number of ways. In the stimulus budget of 2009, those measures that were permanent, things like tax cuts, did not really help people with the lowest incomes. It helped people like the members of this House and myself who make \$150,000 and more. There is an economic argument for doing that, and I do not dispute that. However I think we would all agree that those who are making \$30,000 and less should have gotten more out of a budget for stimulus than members of Parliament and senators.

We do have a federal poverty elimination act brought into this House, but we have no action from the government. In fact in June 2009, in response to the United Nations periodic review, which suggested among other things that Canada should have an anti-poverty strategy, the federal government turned around and said "No, that is not our problem; that is not our jurisdiction", yet the six provinces and a territory that actually have anti-poverty plans are telling our committee, myself, my colleague from Laval, the member for Niagara West—Glanbrook and others that we need the federal government to step up and at least acknowledge that poverty is an issue that affects us all and we all have responsibility for that.

Poverty is not getting the attention it needs. People in Canada are suffering.

I want to talk about education. Let us look at that statistic again, that today 44% of Canadians are not in the labour force and that is going to rise to 61% by 2031.

Canada is a fortunate country. Canada has done very well, in many ways more by accident than design. We have a rich land. We have lots of natural resources. People do not come here and fight on our land. Because of climate change, we have more of the kind of natural disasters that other places do, but we do not have them in the same way other countries do. We do not have the massive tsunamis that have affected parts of the world. Those kinds of tragedies happen less in Canada than in other places.

We have been very fortunate and very blessed as a nation. We have also taken advantage of our wealth to educate our citizens, but we are slipping. We made great strides on research and innovation starting at the turn of the century, investing in CFI and Genome Canada, increasing grants to the granting councils, to NSERC, to SSHRC, to CIHR and to all those organizations. We went a long way.

However we are starting to taper off, and other countries have started to say, "We can do that here", not only on research and innovation where they are now investing but even on where their students are choosing to go to school. In fact they are coming to Canada and want our students to go there. That is a good thing.

We want our Canadian students to travel the world. We want other students to come here. We also need to say we have a problem. We need to educate Canadian citizens. We need to take advantage of all the people in Canada we possibly can and make sure they get the education they need not only for their own benefit, which is important, but also for the benefit of the nation.

ABC Life Literacy Canada released a report indicating:

...3.1 million working age Canadians with IALS Level 1 literacy skills, the lowest level of literacy, are employed with an additional 5.8 million working-age Canadians employed with a Level 2 literacy level. These 8.9 million people represent nearly 50% of the entire Canadian labour force...

Many Canadians struggle with literacy. Four out of ten Canadians age 16 to 65 struggle with low literacy. This is a problem. We need to address this issue. We need to make sure that people who are not attaining the level of literacy they want can get that level of literacy.

One of the very sad moments in my career as a parliamentarian was when a gentleman sat down with me and said, "Look Mike, I have never really done very well in my job. I have done my best. I work hard. I was offered a promotion but a literacy test went with it". He was afraid he would lose his first job if the literacy test showed that he could not attain the level of literacy he needed.

These are the people we need. For their benefit and for the benefit of all of us as a nation, we need to allow them to attain the level of literacy they want.

With regard to aboriginal Canadians, as part of our study on poverty in May, the human resources committee visited the Lac Simon First Nation in Quebec and the Kitcisakik Indian settlement. I want to read to the House some statistics we found out while we were there.

I will mention Lac Simon first. With regard to educational attainment, of the 705 residents age 15 or over, 555 had no certificate, diploma or degree; 40 out of 705 had a high school certificate; 45 had an apprenticeship or trade certificate; 20 had a college, CEGEP or other non-university certificate; and only 35 had a university certificate. I would like members to think about that. Of 705 residents of working age, 555 had no certificate, diploma or degree. The labour force included only 220 individuals of which 175 were employed. The employment rate in Lac Simon is 24.8%.

We then went to Kitcisakik. Let me give the House the numbers from there. In 2006, of the 170 residents age 15 and over, 145 had no certificate, diploma or degree; another 15 had a high school certificate; 10 had college or CEGEP; and 10 had a university certificate. Of the 170 residents, 145 had no certificate. The labour force totalled 85. The employment rate was 31.2%.

I do not say this to try to educate my colleagues in the House. We know there is an issue, but what are we doing about it?

There is both a social justice argument and an economic argument for this country; we cannot allow that to happen in Canada. That should not be the case in a country as rich as Canada. We need to make sure that by 2031 all these people are not part of the 61% who are not in the workforce. They do not want to be part of the 61% who are not in the workforce. They want to be part of the group that is paying its way and making a difference for Canadians. I know we all believe in that. It takes an effort, a commitment and a belief that we can get there in order to make that happen. We are not doing anywhere near enough.

It is about choices. The Conservative government has chosen to spend money on certain things, and we all use those numbers and statistics in different ways.

Let me mention the G8 and G20 summits with a cost of \$1.3 billion. As a comparison I will give the House the costs of hosting other summits. Let me begin with security costs at the G8. In 2009 in Italy security cost \$124 million. The year before it cost \$280 million in Japan, and it cost \$124 million in Germany.

I can recall, as I am sure the member for South Shore—St. Margaret's would recall, the beautiful days of 1995 when we had the G7 in Halifax. The total cost of that summit was \$30 million. Bill Clinton, John Major, Boris Yeltsin and other leaders came to Halifax. It was a very positive experience. I thank former Prime Minister Chrétien and the regional minister at the time, David Dingwall, for their work in bringing that summit to Halifax.

Summits are where things get done and they do work if they are in an environment where things can happen in a positive way and we do not end up being badgered around by spiralling costs for fake lakes, gazebos and all those sorts of things.

A couple of headlines in today's Quorum read, "Commons to probe G8/G20 spending, security", and "Dance floor, gazebo among stimulus waste...". For the millions of Canadians watching on CPAC who may not know what Quorum is, it is a summation of headlines in the news today.

We need to decide what Canadians want. Governments, whether they be Liberal, Progressive Conservative or any others that might hope to be a government in this country, need be responsible for their decisions.

That brings me to the announcement this week made by my own leader, which fits into a discussion of the budget. It is fully costed, fully accountable and it is a clear choice for Canadians about what they would like to spend money on. Their tax money, after all, is what is used to fund the priorities of whatever government they elect. They now have a clear choice with the Liberal family care plan.

I have spoken before in this House about my own circumstance as a family caregiver. Like just about everybody in this House, I have had the opportunity to provide care to loved ones myself. In my case, I had two parents who passed away almost simultaneously, six weeks apart, from cancer. They both died at home and, while it was sad, the circumstances were a lot better than if we had not had the family resources and financial resources to care for them. Many Canadians do not have those choices. Many Canadians who take care of sick relatives, whether it is an autistic child, a disabled adult, a brother or sister, or aging parents, do not have those choices.

I mentioned before that one the saddest meetings that I have had as a parliamentarian was when a person with low literacy skills came to me and said, "I need the government to step up". That was at a time when the government had cut \$1 million out of literacy programs.

One of my happiest days was a bit unexpected. I, as were many other members, was visited on Tuesday by members from the ALS Society. A woman, who some other members would have met, sat in my office and thanked me. This woman had lost her husband at 45 years old in a very sad passing from ALS. She had 14-year-old twin daughters. She told me that she had visited Parliament last year and that she had been listened to.

The family care plan that our leader introduced is a reflection of what Canadians need. To look at the six month EI benefit and the family care tax benefit, one of the concerns people have had about compassionate care under EI for a long time is that the six weeks are not very useful. It needs to be longer. The other thing it needs to be, not just for ALS but for people dealing with multiple sclerosis, struggling with depression, going for cancer treatments and many other things, is more flexibility so that within that six month period people can choose to take it as they need it.

People are not generally sick for five and a half months and then get better and go on about their life. Quite often they need to the support of their family for a few weeks here and a few weeks there. It also needs to be flexible to allow family members to share that. At six weeks, that is not much of a choice. The family care tax benefit, based on the child tax benefit, is another measure that people struggling with making difficult personal choices have asked for. I have met with people in my riding, as I know all members have, who are dealing with circumstances that we simply wish we could do more for and, in some cases, we cannot. They need that kind of help.

Bill C-47 is part of the budget and budgets are about choices. Are we reflecting the values of Canadians? Are we anticipating the needs of Canadians? Are we going where

Canadians need us to go or are we simply going where we think we want to go, either for political or ideological reasons?

In my view, the budget that the government has brought forward does not do enough to help people who need help the most. Middle-class Canadians and low-income Canadians who, in most cases, through no fault of their own, need the help of a government. They need a government that will be on their side, that will be in their corner and that will provide assistance to them when they need it. We can do better as a country.